



2023 ANNUAL REPORT



AUSTRALIAN
GRAND PRIX
CORPORATION



ACKNOWLEDGEMENT

The Australian Grand Prix Corporation acknowledges the Bunurong People, the Traditional Custodians of the land and waterways that we work and race on. We pay our respects to Elders, past and present.

As visitors on Bunurong Country, we listen with intent and practice gratitude for their knowledge of sustainability and culture as part of our journey. We celebrate their stories in our stories.



AUSTRALIAN GRAND PRIX CORPORATION

Report of Operations

1. Responsible Body's Declaration	2
2. Report of the Chairman	3
3. General Information	7
a. Introduction	7
b. Mission Statement	7
c. Vision Statement	7
d. Functions and Strategic Priorities	7
e. Administrative Structure	12
4. People, Safety and Wellbeing	19
a. Workforce Data	19
b. Wellbeing and Safety	20
c. Occupational Health and Safety Performance Indicators	21
d. Industrial Relations	21
e. Equal Opportunity	21
f. Multicultural Policy	21
g. Executive Remuneration	22
5. Financial Review	23
6. Legislative and Other Information	25
a. Freedom of Information	25
b. Consultancy Services	26
c. Members' Meetings	26
d. Building Act 1993 (Vic)	27
e. Local Jobs First	27
f. Available Information	28
g. Details of advertising expenditure	28
h. Information and Communication Technology Expenditure	28
i. Disclosures under the <i>Public Interest Disclosures Act 2012</i> (Vic)	28
j. Compliance with the <i>Disability Discrimination Act 1992</i> (Cth)	29
k. Environmental Reporting	30
l. Attestation for financial management compliance with Standing Direction 5.1.4	31
m. Disclosure Index	32
7. Financial Statements	33

1. Responsible Body's Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Australian Grand Prix Corporation's Annual Report for the year ending 30 June 2023.



The Hon. Martin Pakula
Chairman
Australian Grand Prix Corporation

25 October 2023

2. Report of the Chairman

It is my pleasure to present my first annual report since my appointment as Chairman of the Australian Grand Prix Corporation (AGPC). It is an honour and a privilege to have been appointed to lead this wonderful organisation and I look forward to working with my fellow Board Members, Travis Auld as CEO, staff, the Victorian Government and our stakeholders to continue to deliver world class events.

I would like to pay tribute to Paul Little whose tenure as Chair of AGPC concluded in September 2023. All Board members and staff recognise and appreciate the significant contributions and leadership Paul provided, particularly during the COVID impacted years and the subsequent recovery with record crowds at our events. Everyone at AGPC wishes Paul all the very best for the future.

The previous 12 months have seen AGPC achieve monumental success across both the Formula 1® Australian Grand Prix and the Australian Motorcycle Grand Prix. The delivery of both events was a wonderful milestone for stakeholders, staff, partners and fans.

AGPC plays a vital role in Victoria's visitor economy, with these two international events boosting tourism visitation, visitor spending and hotel occupancy. The build and delivery of both events also provide thousands of employment opportunities and the engagement of countless Victorian suppliers.

Three years after MotoGP™ last raced at Phillip Island, the Australian Motorcycle Grand Prix returned to a crowd of welcoming fans. The estimated attendance of more than 91,000 was the highest since Casey Stoner's final appearance at the circuit in 2012.

The Formula 1® Rolex Australian Grand Prix 2023 saw attendance records broken for the second consecutive year, as the sport's popularity and the public's appetite for major events remain at a high. With the addition of Formula 2® and Formula 3® for the first time in Australia, the motorsport on show was truly world-class.

In December 2022, the Victorian Government and Formula 1® signed a 12-year extension agreement, ensuring Melbourne will have hosting rights of the Formula 1® Australian Grand Prix until at least 2037. As the only city in the world to host both a Formula 1® Grand Prix and a Grand Slam tennis tournament along with many other exceptional sporting codes and venues, this contract further cements Melbourne's status as the home of major international events.

Animoca Brands Australian Motorcycle Grand Prix 2022

MotoGP™ fans are some of the most passionate sports fans in the world, and for three years Australian followers of the sport waited for the largest sporting event in regional Australia to make its return.

On 14th – 16th October 2022, a crowd of 91,158 made the pilgrimage to the Phillip Island Grand Prix Circuit to welcome back MotoGP™, Moto2™ and Moto3™, along with national categories Superbikes and Oceania Junior Cup.

Extended wet weather in the months leading up to the event led to challenging ground conditions, and changes to carparking and campgrounds were required in the late stages of planning. The AGPC team were proactive in responding to these challenges, delivering a range of solutions with minimal disruption to fans.

The campgrounds were, as ever, a hive of energy, with campers in high spirits despite a wet Thursday. As the skies cleared for the weekend of racing, it was wonderful to see fans enjoying all that was on offer around the circuit.

Australian MotoGP™ rider Jack Miller returned for his sixth Australian Motorcycle Grand Prix, and his success in the sport was honoured with Turn 4 of the iconic circuit renamed the Miller Corner. Fittingly, that is the corner where Miller's family have cheered him on since his debut. An unfortunate crash with Álex Márquez caused an early retirement from Sunday's race for Miller.

Local fans had plenty of Australian talent to cheer for alongside Miller throughout the weekend, with Remy Gardner in MotoGP™, who finished in 15th, and Joel Kelso in his first Australian race in the Moto3™ category, with an 8th place finish.

Team Suzuki Ecstar's Álex Rins took top spot on the MotoGP™ podium, alongside Marc Márquez in second place and Francesco Bagnaia in third.

2022 saw the introduction of the Island Walk, modelled after the successful Melbourne Walk of the Formula 1® Australian Grand Prix. Situated along the route to the MotoGP™ Paddock, Island Walk gave fans the opportunity to interact with their favourite riders as they arrived to the circuit each morning. Roving performers and DJs added to the atmosphere, and the initiative was widely enjoyed by riders, fans, and Dorna, who have implemented the concept as the MotoGP™ Hero Walk at other Grands Prix in 2023.

For the first time in 2022, fans had the opportunity to ride a lap of the Phillip Island Grand Prix Circuit alongside MotoGP™ riders Miller and Gardner. Starting from San Remo on Wednesday 12th October, approximately 200 riders made the journey across the iconic bridge to the circuit, finishing on the main straight.

Another first was the introduction of the Fan Forum Stage, which hosted a series of interviews with current riders, Australian legend Wayne Gardner, and various industry leaders.

These new additions to the event are sure to result in lasting memories for fans who have been given the opportunity to interact with their favourite riders unlike anywhere else in the world. It speaks to the dedication of the AGPC team in planning with fan experience top of mind, and the innovative mindset that they approach each event with.

The Australian Motorcycle Grand Prix is a brilliant showcase of the beautiful scenery and hospitality of our state. We appreciate the efforts of Dorna, Visit Victoria, and all of our partners in supporting AGPC to put Phillip Island and Victoria on a global stage through this event.

Formula 1® Rolex Australian Grand Prix 2023

In 1953, the very first Grand Prix was held at Albert Park. The circuit, which was the first Grand Prix track to be built in a metro Australian city, saw the public roads surrounding Albert Park Lake lined with haybales to mark the course. Doug Whiteford won that first race, while Stan Jones, father of future Formula 1® champion Alan Jones, recorded the fastest lap.

70 years later, the Formula 1® Rolex Australian Grand Prix 2023 was a wonderful celebration of the history and significant progress of motorsport in Australia.

An estimated attendance of 444,631 surpassed crowd numbers at all of the 2022 Formula 1® calendar's Grands Prix. Both Friday and Saturday were the highest ever recorded in Melbourne, a testament to the impressive schedule of on- and off-track entertainment each day, and the appetite from fans to see more than just race day.

Welcoming the new international support categories, Albert Park became the only circuit in the world to give fans direct access to the Formula 2® and Formula 3® paddocks. Australian talent across these feeder series displayed the strength of motorsport in Australia, with Jack Doohan in F2® and Hugh

Barter, Tommy Smith and Christian Mansell in F3®, along with Oscar Piastri's highly anticipated Australian debut in the McLaren Formula 1® team.

Max Verstappen, at the beginning of what is shaping up to be an impressively dominant 2023 season, took the Formula 1® win, ahead of Lewis Hamilton and Fernando Alonso, to the delight of fans of the two veteran champions. Piastri finished an impressive 8th in his third start in the top category.

It has been wonderful to observe the development of AGPC's Driving Change strategy, and the partnerships with a number of charities and social enterprises who share a vision of community, inclusivity and sustainability. These partnerships included donation of tickets, behind the scenes experiences for charity participants, activation sites and fundraising activities.

The continued implementation of AGPC's Disability and Inclusion Action Plan, and partnership with Get Skilled Access (GSA), saw great gains in this space in 2023. A standout program of this partnership is the Inclusive Pit Lane Walk, designed specifically for people with neurodiverse needs by working to reduce noise, lighting, patron numbers and overstimulation, thereby creating a more inclusive offering for a broader range of event attendees. AGPC also utilised Auslan interpreters in high profile areas, such as the Fan Forum and the Main Stage, and featured Auslan translations in the digital program. Together, GSA and AGPC are aiming to set the benchmark for accessibility and inclusion at motorsport events in Australia and around the world.

Technology and innovation are at the heart of Formula 1®. Developments made by those in the F1® field filter down to the cars we ourselves drive every day, and the careers available in this sector are vast. The Driving Learning Program offers students the opportunity to attend the event and take part in educational activities, challenges and seminars covering Science, Technology, Engineering and Mathematics (STEM) topics. More than 17,000 students and teachers from 305 schools participated in the program in 2023, with speakers including Esports, Alfa Romeo F1® Team, Ferrari, and F1® legend Pat Symonds.

The Formula 1® Rolex Australian Grand Prix 2023 demonstrated AGPC's commitment to improvements in sustainability outcomes. As part of a three-year Sustainability Action Plan, a number of initiatives were implemented in efforts to reduce environmental impact and continually improve sustainability practices. Focus areas include harnessing emerging low-emissions technology and empowering fans to take climate actions.

In a first for any major event in Australia, Green Hydrogen fuel cell generators were used operationally, saving approximately 2 tonnes of CO₂ from being released into the atmosphere when compared to traditional diesel generators. All grid supplied electricity on-site was powered by 100% green power, which comes from new renewable sources such as hydro, wind, solar and waste.

An extensive campaign, in collaboration with Yarra Trams, helped with a high uptake of public transport usage to travel to and from the event, with 81% of fans using public or active transport.

Additionally, there were multiple initiatives in place to promote reuse over single use, extensive waste management planning to increase landfill diversion rates and an extensive food donation program. Delivered in partnership with Oz Harvest and Second Bite, the food donation program resulted in 6,195kg of food, or nearly 11,000 meals, being distributed to communities in need throughout Melbourne.

The Formula® Australian Grand Prix continues to grow and evolve, with an array of unique and innovative experiences that set a benchmark worldwide for other race promoters and event organisers. I have every confidence that AGPC will continue to raise the bar in years to come.

Acknowledgements

The success of an event is built on the skills, dedication and leadership of those who work behind the scenes. Each element of the Formula 1® Australian Grand Prix and the Australian Motorcycle Grand Prix is developed and implemented by a team of talented professionals who strive to deliver excellence each year.

The AGPC Board, made up of Tal Karp, Paul Lappin, Kimberley Brown, Nicki Kenyon, Mick Doohan AM, Kate Lundy, Mark Webber AO and John O'Rourke is a remarkable group. I would like to thank them for the expertise and dedication they each bring to the Board. I would especially like to recognise Tal Karp and Kate Lundy whose terms on the Board have now concluded. They have each made significant contributions during their respective tenures and all Board Members and staff wish them the very best for the future.

I would like to thank the AGPC staff for their efforts. Whether they have been with the organisation for many years or joined for a short-term contract, each person has contributed to the incredible outcomes we have seen across both events in the past 12 months.

In June 2023, Andrew Westacott departed AGPC after 17 years of service, including 11 years as CEO. Andrew's leadership and tenacity guided the organisation through periods of immense change and challenges. On behalf of the Board, I would like to thank Andrew for his commitment and wish him the best for his upcoming endeavours.

Travis Auld took the reins as CEO of AGPC in August 2023, bringing a wealth of experience from over two decades in various leadership positions within the AFL, including most recently as Executive General Manager of Finance, Clubs and Broadcast. I wish Travis every success in the role.

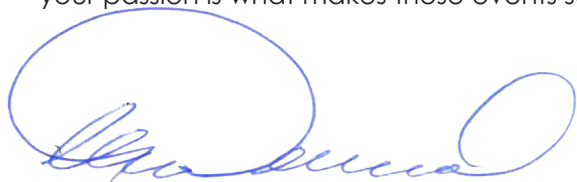
Volunteers are at the very heart of motorsport in Australia, offering their time and experience to keep events like ours running smoothly and safely. The volunteer marshals at the Formula 1® Australian Grand Prix and the Australian Motorcycle Grand Prix do a phenomenal job each year, and they are some of the most knowledgeable and passionate people in the sport.

Our stakeholders, partners and suppliers are all an integral part of what we do, in particular their role in delivering a world-class fan experience. We are very grateful for your collaboration and support.

Thank you to Parks Victoria and the Phillip Island Grand Prix Circuit for all that you do to present these iconic circuits to the world each year.

The Victorian Government is instrumental in the ongoing success of the Formula 1® Australian Grand Prix and the Australian Motorcycle Grand Prix, and I would like to thank the former Premier of Victoria, the Hon. Daniel Andrews, the new Premier of Victoria, the Hon. Jacinta Allan and the Minister for Tourism, Sport and Major Events, Steve Dimopoulos, for their support and collaboration.

The atmosphere at the Albert Park and Phillip Island Grand Prix Circuits is difficult to quantify and wonderful to behold. The roar of engines against iconic backdrops, the unwavering enthusiasm of campers at the Island, the pure joy on faces as fans spot their favourite drivers on Melbourne Walk. These elements ensure the Australian races of the Formula 1® and MotoGP™ calendars remain a favourite among drivers, riders and teams. Thank you to the fans who join us trackside each year – your passion is what makes these events so special.



The Hon. Martin Pakula
Chairman
Australian Grand Prix Corporation

3. General Information

a. Introduction

The Australian Grand Prix Corporation (the Corporation) is a statutory authority established pursuant to the *Australian Grands Prix Act 1994* (Vic) (as amended) ("AGP Act").

The Corporation is subject to the direction and control of the Minister administering the AGP Act, the Minister for Tourism, Sport and Major Events, The Honourable Steve Dimopoulos, MP.

b. Mission Statement

Create value for the State of Victoria.

c. Vision Statement

To stage the best international events.

d. Functions and Strategic Priorities

Functions

The functions of the Corporation are:

- To negotiate, enter into and vary agreements under which Formula 1® events are held;
- To undertake and facilitate the organisation, conduct, management and promotion of Formula 1® events and Motorcycle Grand Prix events;
- To establish at Albert Park a temporary motor racing circuit and supporting facilities for Formula 1® events;
- To do all other things necessary for or in connection with the conduct and financial and commercial management of each Formula 1® event promoted by the Corporation;
- With the consent of the Minister, to negotiate and enter into an agreement for the holding of, and to undertake the organisation, conduct, management and promotion of, a motorsport event approved by the Minister; and
- Such other functions as are conferred on the Corporation under the AGP Act or any other Act.

Strategic Priorities

The strategic priorities and associated supporting strategic objectives of the Australian Grand Prix Corporation are as follows:

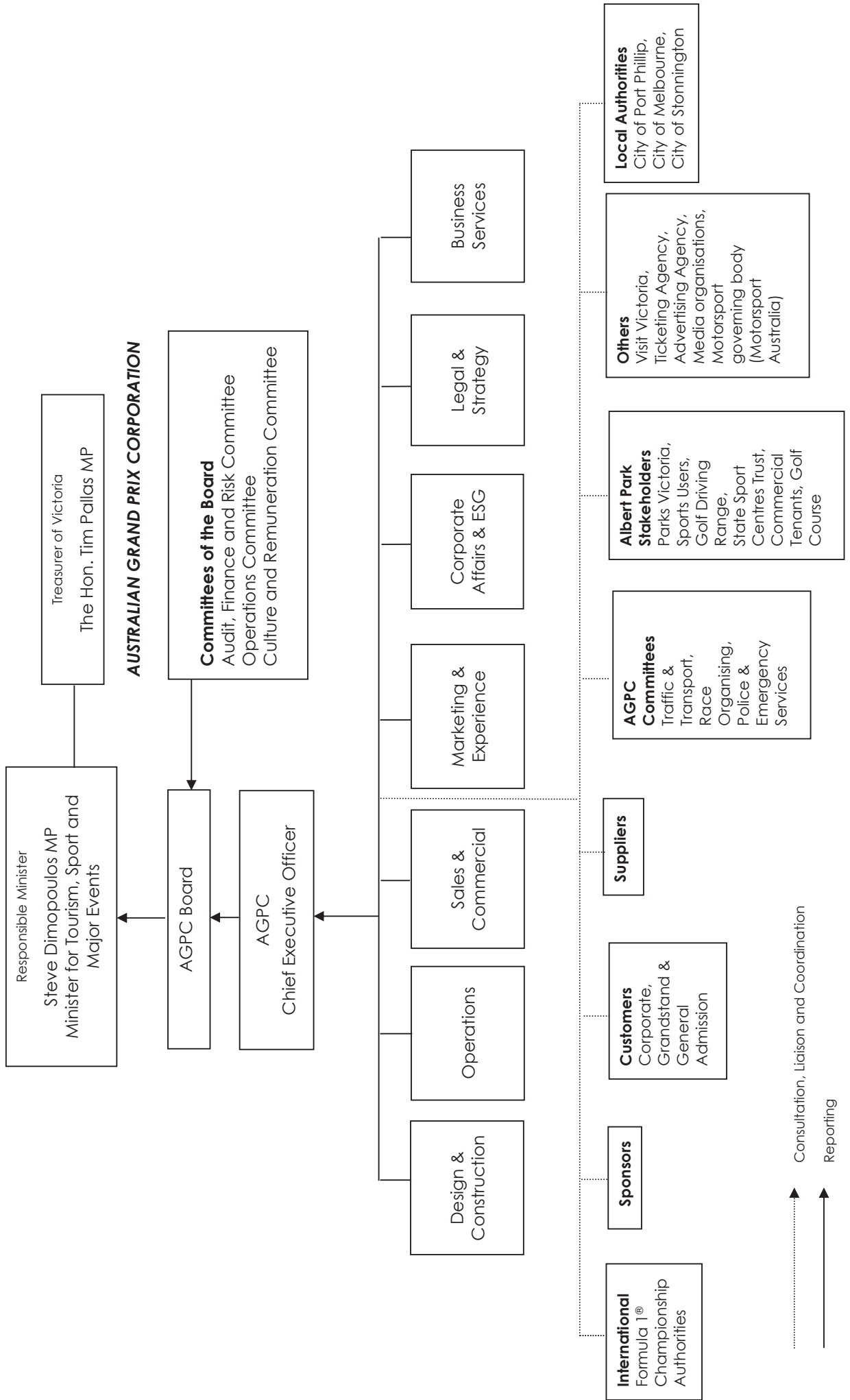
- **Promote Melbourne and Victoria through the events**
 - To ensure local and global branding of Melbourne and Victoria.
 - To drive national and international awareness of the events, Melbourne and Victoria.
 - To integrate the events into tourism strategies developed by the Victorian Government and its agencies.
 - To cement Melbourne's reputation as the centre of major events by delivering a world-class event experience to all intrastate, interstate and international visitors.
 - To contribute to the growth of the local economy by providing opportunities to showcase Victorian businesses.
 - To contribute to the growth of the Victorian major events industry by providing employment and business development opportunities among related organisations.
- **Maximise financial performance**
 - To continually improve our competitive position among other major events to increase return on investment.
 - To offer patrons compelling and value for money, product and event content.
 - To implement robust financial review and control processes and keep costs under constant scrutiny.
 - To foster a culture of shared responsibility for financial performance throughout the organisation.
- **Deliver events safely and to the highest standards**
 - To establish and deploy clearly articulated safety management systems and event management plans.
 - To maintain and continually evaluate an active risk register.
 - To foster a culture of shared responsibility for event safety and quality among our people, contractors, agencies, partners and suppliers.
 - To ensure our people, contractors, agencies, partners and suppliers clearly understand and deliver against our expectations of 'highest standards'.
- **Increase attendances at the events**
 - To expand national and international awareness of the event.
 - To drive ticket sales through clearly defined and implemented sales and marketing communications strategies.
 - To fully understand our customers and what they want and expect from the event.
 - To keep the events fresh and compelling by continually challenging, refreshing and improving content and products.
- **Provide an exceptional event experience**
 - To exceed patron expectations in product mix and event content.
 - To surprise and delight patrons by continually reviewing, refreshing and improving product and event content.
 - To provide patrons with exceptional basic needs, safety, social interaction, communication and entertainment.
- **Build positive event brand perceptions**
 - To increase positive public support for the events.
 - To build a brand identity which is consistent, recognisable and sustainable in the long term.
 - To engage with the community at large to promote the positive attributes and benefits of the events.
 - To establish a "Brand Identity" that is sustainable, long term.
 - To increase and leverage the following of the sports (Formula 1® and MotoGPTM) among core customer segments.

- To be considered a good community citizen, minimising our impact on the people and regions in which we operate.
- **Empower and support our staff**
 - To provide leadership and vision through clearly articulated strategies, objectives and behaviours.
 - To enhance the skills, professionalism and capabilities of our people.
 - To encourage our people to succeed, providing them with guidance, support and resources.
 - To minimise staff turnover and retain organisational IP and knowledge.

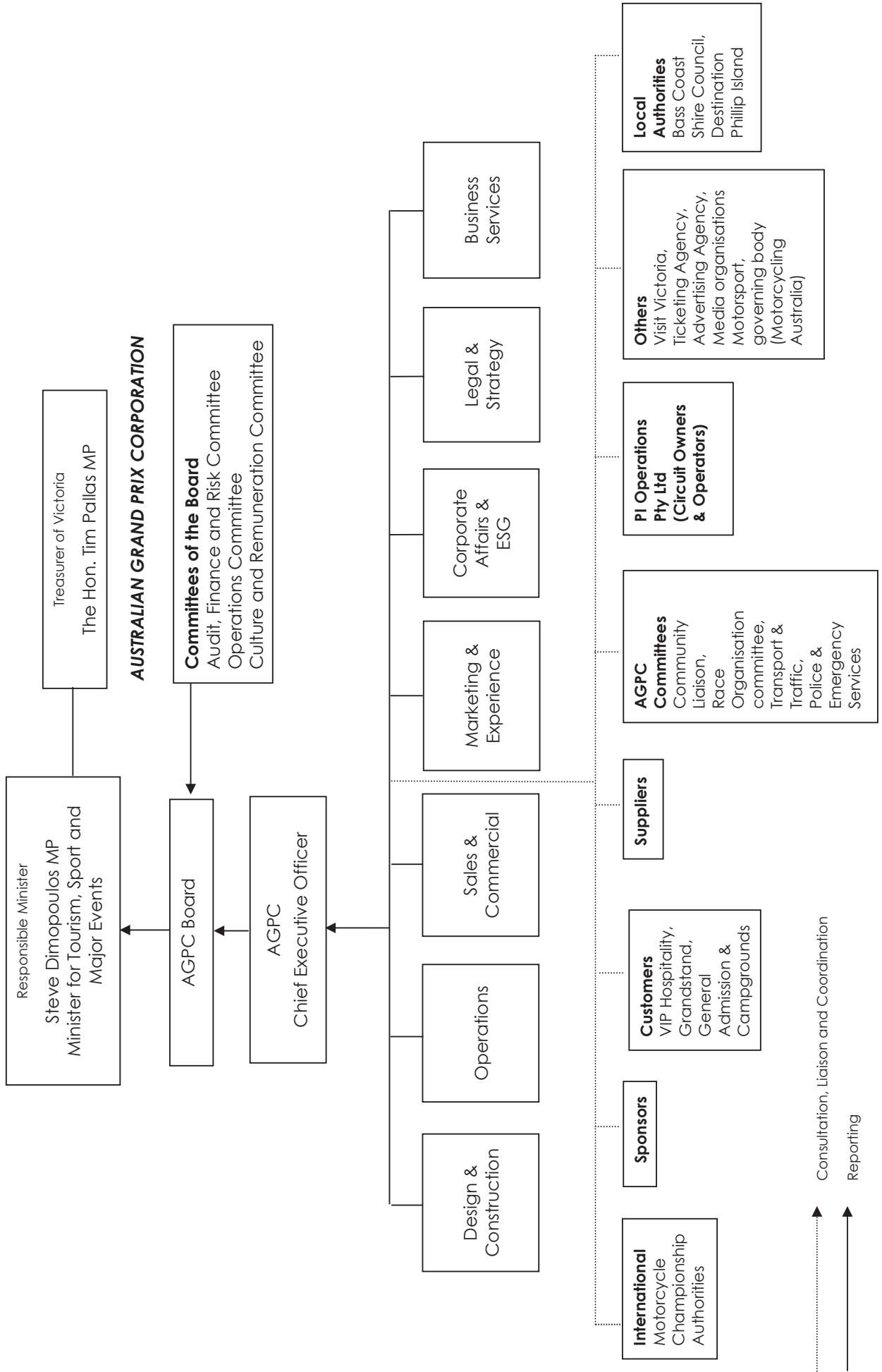
These strategic priorities define the way the Corporation will deliver both the Formula 1® Australian Grand Prix and the Australian Motorcycle Grand Prix. Each is supported by a set of initiatives and specific tactical elements that are reviewed for each event on an annual basis.

The reporting and consultative structures of the Formula 1® Australian Grand Prix and the Australian Motorcycle Grand Prix are set out on the following pages.

Reporting & Consultative Structure – Formula 1® Australian Grand Prix (as at 30th June 2023)



Reporting & Consultative Structure – Australian Motorcycle Grand Prix (as at 30th June 2023)



e. Administrative Structure

Members of the Corporation

The Members of the Corporation act in an honorary capacity. The Members of the Corporation as at 30 June 2023 are:



Paul Little AO - Chairman

Mr Paul Little is Chairman and Founder of the Little Group. Formed in 2006, the Little Group focused initially on opportunities in the property sector through Little Projects and Little Real Estate. The Group has since expanded investments across a range of enterprises including aviation and passenger ferries. In November 2015 Mr Little and his wife Jane Hansen launched the Hansen Little Foundation, a large-scale, active philanthropic undertaking with the singular objective of leaving a legacy of significant and positive change. From 1986 to 2011, Mr Little was the Managing Director of Toll Holdings and oversaw the Toll Group's rise to become Asia's pre-eminent provider of logistics services. Mr Little has received a Doctor of Business honoris causa from RMIT University. In 2010 he was awarded an Officer of the Order of Australia for service to the development of the transport and logistics industries and for service to the community through philanthropic support of sporting and medical research organisations. Mr Little is Chairman of Skalata Ventures, the Federal Government's Simplified Trade System Industry Advisory Council and a former Director of Property Exchange Australia (PEXA). He is a past Chairman of Visit Victoria and the Essendon Football Club and is a Fellow of the University of Melbourne, the Australian Institute of Company Directors and the Chartered Institute of Logistics and Transport. From March 2020 until April 2021 Mr Little was a Commissioner of the National COVID-19 Commission Advisory Board, appointed by the Prime Minister.

Note: Mr Little concluded his term as Chairman on 16 September 2023.



Kimberley Brown

Ms Brown lives in the Bass Coast Shire, home of the Australian Motorcycle Grand Prix, and has had extensive local Government experience (Bass Coast Shire Councilor from 2012–2016, Mayor in 2015, representative to Municipal Association of Victoria) and engagement with the local community (Phillip Island Community Advisory Committee, Phillip Island Nature Parks Liaison Group). She was a member of the Visitor Economy Strategy Bass Coast 2020 reference group and the Australia Day Council and has served on countless committees and advisory groups across the tourism and major event sector, such as Chairing the Phillip Island Community Event Advisory Committee. Ms Brown is currently President of the Phillip Island Business Network. Ms Brown is a former Trustee of the States Sports Centre Trust (which runs the Sports and Aquatic Centre and Lakeside Stadium in Albert Park and the State Netball and Hockey Centre at Royal Park), where she was also a member of its Audit Committee and Chair of the State Netball and Hockey Community Advisory Committee. Ms Brown also formerly served as Director of Table Tennis Victoria. Ms Brown is currently involved in the tourism and hospitality industry, as a Board member of Destination Phillip Island and as a General Manager of venues for Saltwater Hotels and Properties.



Michael (Mick) Doohan AM

Mr Doohan is a Grand Prix motorcycle road racing World Champion, who won five consecutive MotoGP™ (500 cc) World Championships – 1994, 95, 96, 97 and 98. Duly acclaimed as one of the greatest motorcycle riders of all time, Mr Doohan received worldwide acknowledgement and recognition of his distinguished career during and after his retirement in 1999. He was awarded the Member of the Order of Australia in 1996 and an Australian Sports Medal in 2000. He was inducted into the Sport Australia Hall of Fame in 2009 and was elected a member of the prestigious

Laureus World Sports Academy in 2010, a position he still occupies today. In 2018, Mr Doohan received legend status in the Australian Motor Sport Hall of Fame. Mr Doohan has given back to the sport he loves and to his passion for motorsport more generally. His current commitment to the board of the Corporation and, until recently, as Chairman and Director of Competition for Karting Australia (Australian Karting Association Ltd) for many years, are testimony. Mr Doohan transitioned to business life with the same determination, intuition and vision which saw him dominate his chosen sport. Channelling his passion for aviation, Mr Doohan now owns and operates Jetcraft Australia and New Zealand, Global Jet International, and the Platinum Business Aviation Centres on the Gold Coast and in Melbourne. Jetcraft Australia and New Zealand is one of the world's largest private aircraft brokerage businesses. Mr Doohan has numerous other business interests and investments. These interests span private equity, real estate, and domestic and international investment holdings. Mr Doohan brings to the board's decision making an invaluable combination of elite athlete and successful business owner and entrepreneur.



Tal Karp

Ms Karp is the CEO of Y Australia (formerly the YMCA), an Olympian, lawyer and organisational strategist, with extensive experience working in sport, legal, not for profit and public sectors. Ms Karp's diverse career spans strategy, legal, policy and advocacy roles across sport, government, corporate and not-for-profit sectors. Most recently, she ran her own strategy and stakeholder engagement firm, Sixfold Consulting Group and was Head of Sports Practice and Innovation Practice at Right Lane Consulting. In earlier years, Ms Karp balanced her legal career with elite sport,

representing Australia as a member of the Matildas and captaining Melbourne Victory Women. After completing her law degree at the Australian National University with first class honours and the University's Blackburn Medal, Ms Karp was an Associate to Justice Hayne of the High Court of Australia. A graduate of the Australian Institute of Company Directors, Ms Karp is also a Director of Victoria Legal Aid. She was formerly a Director of YMCA Australia and Football Victoria.

Note: Ms Karp concluded her term as a Board Member on 14 October 2023.



Nicki Kenyon

Ms Kenyon is a globally experienced director, strategic marketing leader and growth strategist with a successful career of building businesses and brands across Asia Pacific in emerging and established markets. Ms Kenyon has held executive leadership and change management roles for global corporations and start-ups within travel, financial and technology sectors. Her experience has been gained working with organisations facing intense growth, undergoing transformation, disrupting industry or entering new global markets. Her diverse background, working for

companies including Visit Victoria, Visa, Facebook and Ogilvy, has equipped her with expertise in transformational change, operational leadership, business development and digital innovation and integrated marketing. Ms Kenyon is a multi-dimensional, inclusive leader who inspires individuals to work collectively to innovate and exceed goals. She thrives on making a tangible impact for companies and communities, with a keen focus on driving impact, growth and business success. Ms Kenyon has held Executive Board positions and is a graduate of the Australian Institute of Company Directors (AICD). She sits on the Board of Fenwick Software as a Non-Executive Director and is employed by Nine Entertainment Company as Director of Powered, Nine's creative solutions division.



Paul J. Lappin ACA

Mr Lappin is an experienced executive and non-Executive Director who has a reputation for providing independent and thoughtful advice to Government, business and community organisations, particularly in relation to building a strong strategic vision and the strong corporate governance framework to ensure it can be achieved. A Chartered Accountant and auditor, Mr Lappin has worked in senior positions in Australia and the USA with global professional services firm PwC as well as running a successful strategic financial consultancy that provided support for business

and Government clients. Mr Lappin's work as a Director with PGA of Australia and former chairman roles in a national catering firm and a digital disruption firm, as well as being a former director of the Melbourne Fashion Festival, has given him experience in the need to find and engage the next generation of customer or supporter. Mr Lappin is also the Chair of Nico-Lab limited, an International Meditech Company. Mr Lappin is highly regarded and connected within the Victorian business, political and sporting communities where he has a strong network and is renowned for being able to bring people of diverse views and backgrounds together around a common and aligned goal.



The Hon Kate Lundy

Ms Lundy was first elected to the Australian Senate in 1996. She has served as the Federal Minister for Sport and Multicultural Affairs and Minister Assisting for Industry, Innovation and the Digital Economy in the Gillard/Rudd Government, retiring from politics in 2015. Ms Lundy serves as Chair of the Cyber Security Cooperative Research Centre, Non-Executive Director of the National Roads and Motorists Association (NRMA), Electro Optic Systems, National Youth Science Forum and is Chair of the Canberra Institute of Technology. Ms Lundy is on the Advisory Boards of Cablex and the Heavy Ion

Accelerator Facilities (ANU/UoM). Ms Lundy is also the managing director of her own company, Technology Innovation Partners Pty Ltd, which provides strategic advisory services to Australian companies and organisations operating in a range of advanced technology sectors.

Note: Ms Lundy concluded her term as a Board Member on 22 August 2023.



John O'Rourke

Mr O'Rourke is the founder and Chairman of Plenary, an international property and infrastructure investment company, specialising in public-private partnerships (PPPs). Prior to establishing Plenary in 2004, Mr O'Rourke spent 10 years leading the Melbourne-based Infrastructure Capital business of ABN AMRO (formerly BZW), recognised at that time as the market leader in the PPP sector. He is a director of Flagship Property Holdings and president of the Richmond Football Club. Mr O'Rourke was also a board director of the Victoria Racing Club for eight years and during his term served

as Honorary Treasurer and Vice Chairman.



Mark Webber AO

Mr Webber competed in 215 races across 12 seasons from 2002 until 2013 in the FIA Formula One World Championship™ with 4 World Constructors Championships, 9 race wins, 42 podiums and 13 pole positions. He was the 2015 FIA World Endurance Champion and is a three time winner of the BRDC Bruce McLaren award. Mr Webber was made an Officer of the Order of Australia in 2017 for distinguished service to motor sport as a competitor and ambassador, and to the community through fundraising and patronage of a range of medical and youth support organisations.

Mr Webber is currently a global Porsche Special Representative, Rolex testimonee, Red Bull athlete and television commentator and analyst for Channel 4's coverage of Formula 1® in the United Kingdom. He was inducted into the Australian Motor Sport Hall of Fame in 2018.

Audit, Finance and Risk Committee membership and roles

The Audit, Finance and Risk Committee consists of the following members:

- Paul Lappin (Chair);
- Kimberley Brown; and
- Kate Lundy

The main responsibilities of the Audit, Finance and Risk Committee are to review and provide advice on:

1. Financial performance and the financial reporting process, including the annual financial statements;
2. The appointment, scope of work, performance and independence of the internal and external auditor;
3. Matters of accountability and internal control affecting the operations of the Corporation;
4. The acceptability of correct accounting treatment for and disclosure of significant transactions which are not part of the Corporation's normal course of business;
5. The sign-off of accounting policies;
6. The Corporation's process for monitoring compliance with laws and regulations and its own Code of Conduct and Code of Financial Practice;
7. The sign-off of risk management systems and procedures;
8. The sign-off of information technology security, governance and compliance processes;
9. The design and effectiveness of governance procedures; and
10. Management actions and implementations of external and internal audit recommendation.

Management of the Corporation as at 30 June 2023



Chief Executive Officer – Andrew Westacott

Responsibility is to oversee and manage all operational and strategic aspects of the Australian Grand Prix Corporation, including specifically the successful staging of the Formula 1® Australian Grand Prix and the Australian Motorcycle Grand Prix in order to create value for the State of Victoria.

Note: Mr Westacott concluded his role as CEO on 30 June 2023.



General Manager, Marketing and Experience – Claire Back

Responsibilities include brand strategy for both Formula 1® and MotoGP™ events in Australia and leading the team to execute the tactics to achieve marketing and business objectives. The areas of responsibility include brand, digital, product development, customer experience, fan engagement, entertainment, consumer sales, ticketing and event experiences.



General Manager, Business Services (Chief Finance Officer) – Anthony Connelly

Responsibilities include leadership and delivery of the entire budgeting, business planning and funding processes, statutory financial reporting, financial modelling and analysis, financial operations, all financial compliance and governance obligations of the Corporation, information technology, cyber and data security, business systems and tools, technology infrastructure requirements for each event, along with oversight of the people, culture and capability function.



Head of People, Culture and Capability – Lex Cran

Responsibilities include management of the people, performance and culture deliverables including organisational culture, employer branding, recruitment and onboarding, payroll administration, learning and development, employee relations, performance management, succession planning, remuneration and benefits, diversity and inclusion, wellbeing and HR data.



General Manager Corporate Affairs and Communication – Haydn Lane

Responsibilities include Environmental, Social and Governance (ESG), reputation management, issues and crisis management, corporate communications, Formula 1® and MotoGP events publicity, stakeholder engagement, strategic partnerships, education programs, community relations and media centres accreditation and management.



General Manager, Sales and Commercial – Darian Misko

Responsibilities include driving and retaining commercial revenue, through hospitality ticket sales and sponsorship sales for both the Formula 1® and MotoGP™ events. Tasked with shaping patron offerings and experiences during AGPC events, with the objective of ensuring a strategic, contemporary, and customer-focused approach. This includes the development of new and innovative facilities, hospitality product offerings and brand partnerships that lead to revenue growth and increased customer satisfaction.



General Manager, Operations – Tom Mottram

Responsibilities include event and venue operations, the on-track motorsport program, catering and hospitality services, customer experience and operations, venue design and operations, enterprise risk management, public safety, crisis and emergency management, traffic and transport operations, emergency services planning and liaison, security and access control, local council liaison, community relations and accessibility services.



General Manager Legal (General Counsel) – Dale Nardella

Responsibilities include management of the legal affairs of the Corporation, Government and commercial rights liaison, organisational strategy, statutory obligations and the structuring and formation of the Corporation's commercial arrangements.



General Manager, Design and Construction – Matthew Walton

Responsibilities include project and infrastructure management, venue construction and dismantle, circuit homologation, design and event overlay, event presentation, safety and compliance management, storage yard management, Parks Victoria liaison, sporting club and tenant relations, and capital works program.

* Michelle Greco was General Manager, Sales and Commercial from 1st July 2022 to 19th August 2022. Amy Hill was General Manager, Operations from 1st July 2022 to 24th November 2022. Arthur Gillion was General Manager, Marketing and Experience from 1st July 2022 to 17th February 2023.

4. People, Safety and Wellbeing

a. Workforce Data

The number of personnel employed by the Corporation as at 30 June 2023 was 92 (2022: 77).

JUNE 2022 – JUNE 2023

Demographic Data

	June 2023				June 2022								
	All employees Head count	FTE	Full- time*	Ongoing Part- time*	FTE	Head count	Fixed term and casual FTE	All employees Head count	Full- time*	Ongoing Part- time*	FTE	Head count	Fixed term and casual FTE
Gender													
Women	47	45.9	37	3	39.3	7	6.6	40	38.6	31	2	7	31.6
Men	45	44	41	0	40	4	4	37	36.8	36	1	0	36.8
Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0
Age													
15-24	6	6	5	0	5	1	1	5	5	3	0	2	3
25-34	41	39.8	34	0	33	7	6.8	33	33	29	0	4	29
35-44	25	24.4	23	2	24.4	0	0	28	26.4	24	3	1	25.4
45-54	12	11.9	10	1	10.9	1	1	7	7	7	0	0	7
55-64	6	6	5	0	5	1	1	4	4	4	0	0	4
65+	2	1.8	1	0	1	1	0.8	0	0	0	0	0	0

* Head count

b. Wellbeing and Safety

In meeting the moral and legal obligations regarding occupational and public health and safety, the Corporation has continued to develop and implement its risk and safety management system.

Initiatives undertaken during the year ending 30 June 2023 to ensure effective risk management, injury prevention and promotion of a safe environment included:

Risk and Safety Management Systems:

- Ongoing development of the risk and safety management system;
- Ongoing development of the audit and assurance of the risk and safety management systems;
- Review of safety management resourcing and structure to enhance the effectiveness of the framework to deliver safety outcomes for design and construction, event safety, and staff welfare;
- Enhancement to AGPC's risk and crisis management arrangements and
- Implementation of drug and alcohol testing in high-risk work environments.

Design and Construction Safety:

- Appointing the role of Safety Manager – Construction and Logistics, focussing specifically on the unique construction and logistics risk profile;
- Continued development of the Hammertech (project/safety management system) for use at both the Formula 1 Grand Prix and Australian Motorcycle Grand Prix;
- Ongoing collaboration with the provider of engineering project management services (iEDM) to enhance contractor and third-party management process; and
- Continued safety improvements at Tottenham Storage Yard (TSY) in line with outcomes of the previous external audit / review (Right Strategy).

Event and Public Safety:

- Appointing the role of Safety Manager – Event and Public Safety, focussing specifically on the event risk and safety profile for all persons including members of the public;
- Extensive event readiness program comprising approximately 76 readiness activities for the Formula 1 Grand Prix;
- Continued facilitation of the Emergency Management Planning Committee comprising representatives from key emergency service agencies and other event stakeholders;
- Ongoing consideration of safety by design principles by the Venue Design and Operations Committee for infrastructure and placement of event features; and
- Extensive prevention and response plans in place to mitigate the diverse safety and security risks for our events.

Health and Wellbeing:

- Expansion of People, Culture and Capability team to include two dedicated Culture, Wellbeing & Inclusion roles;
- Introduction of Wellbeing Officers and a staff wellbeing room at the F1 2023 event;
- Further development of work related to the Organisational Culture Inventory (OCI) measurement;
- Development of a working hours policy and system for analysis of working hours data to assess impact on employee wellbeing;
- Three day Leadership through Self Management course provided to 25 employees;
- An additional 22 staff obtained Mental Health First Aid accreditation or were re-certified;
- Roll out of Unconscious Bias, Respectful Workplace, and Accessibility and Inclusion training; and
- Flu vaccinations made available to all staff.

c. Occupational Health and Safety Performance Indicators

The statistical performance relating to AGPC staff and contractors is based on incident reports received and can be summarised as:

<i>Injuries</i>	2023	2022	2021
Lost Time Injuries	-	2	1
Medical Treated Injuries	-	3	-
First Aid Injuries	1	-	-
Total	1	5	1
Claims			
No. of standard claims ^(a)	-	4	-
Rate per 100 FTE ^(b)	-	6	-
Average cost per standard claim ^(a)	\$0	\$3,214	\$0

Notes:

(a) Data sourced from Victorian WorkCover Authority (VWA).

(b) Reported per 100 FTE as required under FRD 22H.

AGPC's risk and safety systems are subject to ongoing audit and review against industry standards.

d. Industrial Relations

In accordance with the *Fair Work Act 2009* (Cth) the Corporation continues to develop and implement revised employment conditions and policies to align with various changes to workplace legislation. All grievances are addressed by the Chief Executive Officer and can be escalated to the Chair of the Culture and Remuneration Committee of the Board if required.

In the event of any strike, standard stand-down provisions are incorporated into all employee contracts. There was no time lost due to industrial disputes during the period.

e. Equal Opportunity

The Corporation is an equal opportunity employer committed to promoting and maintaining a diverse workforce and an inclusive workplace by encouraging a culture of respect, dignity and openness to other's differences and perspectives. It embraces all individuals regardless of gender identity or sexual orientation, race, age, disability status, or family and caring responsibilities and made further improvements to policies and procedures to support its current practices.

The Corporation's Gender Equality Action Plan (GEAP) was formally approved by the Commission for Gender Equality in the Public Sector in July 2022. Since then, substantial progress has been made on implementation of the GEAP.

f. Multicultural Policy

The Corporation has implemented initiatives and structures to recruit and retain a diverse range of candidates and promote an inclusive workplace culture. It endeavours to promote policies applicable to a culturally and linguistically diverse society. The Corporation promotes events throughout ethnic communities.

g. Executive Remuneration

The following table discloses the annualised total salary for the Senior Executive Service officers of the Corporation. The salary amount is reported as the full-time annualised salary.

	Executives
\$500,000 - \$519,999	-
\$480,000 - \$499,999	-
\$460,000 - \$479,999	-
\$440,000 - \$459,999	1
\$420,000 - \$439,999	-
\$400,000 - \$419,999	-
\$380,000 - \$399,999	-
\$360,000 - \$379,999	-
\$340,000 - \$359,999	-
\$320,000 - \$339,999	1
\$300,000 - \$319,999	-
\$280,000 - \$299,999	1
\$260,000 - \$279,999	1
\$240,000 - \$259,999	3
\$220,000 - \$239,999	2
\$200,000 - \$219,999	1
\$180,000 - \$199,999	1
\$160,000 - \$179,999	-
\$140,000 - \$159,999	-
\$120,000 - \$139,999	-
\$100,000 - \$119,999	-
Less than \$100,000	-
Number of Executives*	11
Total annualised employee equivalent (AEE) **	7.24

Notes:

The salaries reported above are for the full financial year, at a 1-FTE rate, and excludes superannuation.

* Includes Senior Executive Service officers. There are seven Senior Executive Service officers with an annualised total salary disclosed that held their position for an annualised employee equivalent of 0.14 (terminated), 0.40 and 0.64 (resigned) 0.21, 0.60, 0.65 (appointed to replace resigned/terminated officers) and 0.60 (new role as part of organisational restructure) respectively.

** Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

5. Financial Review

Summary of Financial Results

Formula 1® Australian Grand Prix

The 2023 Formula 1® Australian Grand Prix was held on 31 March – 2 April 2023. Melbourne and Victoria were on global display as the third round of the 2023 FIA Formula One World Championship™.

As shown in the table below, the government investment for the Formula 1® 2023 Rolex Australian Grand Prix was \$100.649 million.

	(\$ thousand)				
Formula 1® Grand Prix - Result by Event	2023 Event	2022 Event	2021 Event**	2020 Event	2019 Event
Sales Revenue	76,036	56,037	-	60	38,697
Total Revenue	96,922	75,057	646	9,680	55,001
Total Expenditure*	(197,571)	(153,179)	(13,123)	(49,402)	(115,154)
Operating Result before Government Investment & Depreciation	(100,649)	(78,122)	(12,477)	(39,722)	(60,153)
Government Investment	100,649	78,122	12,477	39,722	60,153

Notes:

* The expenditure above relating to the Formula 1® Grand Prix is exclusive of depreciation and amortisation expenses, gain/loss on disposal, the transfer of assets free of charge to Parks Victoria and unrealised foreign exchange gains/losses.

** No event took place during the 2020/21 financial year. The costs incurred relate to general running of the business and costs incurred in preparing and planning for the event prior to its cancellation.

Capital Works Activities

The total capital spend for the 2022-23 financial year was \$3.27 million (2021-22: \$11.34 million). The 2022-23 capital works expenditure (encompassing works conducted under licence from Parks Victoria) included:

- Track and race infrastructure;
- Infrastructure and Essential Services;
- Technology;
- Corporate Hospitality and Facilities;
- Customer Experience and Fan Engagement;
- Event Presentation; and
- Project Management and Business Improvements.

Australian Motorcycle Grand Prix

The 2022 Australian Motorcycle Grand Prix was held on 20 – 22 October 2023.

<i>Motorcycle Grand Prix - Result by Event</i>	<i>Future Events</i>	<i>2022 Event</i>	<i>2021 Event**</i>	<i>2020 Event**</i>	<i>2019 Event</i>
Sales Revenue	-	9,818	25	-	7,495
Total Revenue	-	14,143	25	-	11,241
Total Expenditure*	-	(41,476)	(4,502)	(3,887)	(25,202)
Operating Result before Government Investment & Depreciation	-	(27,333)	(4,477)	(3,887)	(13,961)
Government Investment	10,000	27,333	4,477	3,887	13,961

* The expenditure above relating to the Motorcycle Grand Prix is exclusive of depreciation and amortisation expenses. In 2022/23, significant homologation works were undertaken at the Phillip Island circuit, resulting in the increase in expenditure.

** No events took place during the 2020/21 and 2021/22 financial years. The costs incurred relate to fixed contractual costs and other costs incurred in preparing and planning for the event prior to its cancellation.

	(\$ thousand)				
<i>Motorcycle Grand Prix - Result by Financial Year</i>	<i>2022/23 Financial Year</i>	<i>2021/22 Financial Year**</i>	<i>2020/21 Financial Year**</i>	<i>2019/20 Financial Year</i>	<i>2018/19 Financial Year</i>
Sales Revenue	9,818	25	-	7,495	7,700
Total Revenue	14,143	25	-	11,241	11,991
Total Expenditure*	(41,476)	(4,502)	(3,887)	(25,202)	(24,627)
Operating Result before Government Investment & Depreciation	(27,333)	(4,477)	(3,887)	(13,961)	(12,636)
Government Investment	29,520	8,500	7,758	13,369	12,717

* The expenditure above relating to the Motorcycle Grand Prix is exclusive of depreciation and amortisation expenses. In 2022/23, significant homologation works were undertaken at the Phillip Island circuit, resulting in the increase in expenditure.

** No events took place during the 2020/21 and 2021/22 financial years. The costs incurred relate to fixed contractual costs and other costs incurred in preparing and planning for the event prior to its cancellation.

6. Legislative and Other Information

a. Freedom of Information

The *Freedom of Information Act 1982 (Vic)* allows the public a right of access to documents held by the Australian Grand Prix Corporation (AGPC).

Making a request

Requests must satisfy the formal requirements set out in the *Freedom of Information Act 1982 (Vic)*. In particular, applicants should ensure that the request provides sufficient information concerning the document as is reasonably necessary to enable the responsible officer of the Corporation to identify the document. Where a request does not comply with the necessary requirements, the applicant will be so advised and given the opportunity to reformulate the request.

Upon receipt of the request the Corporation will endeavour to provide a response as soon as practicable and, in any case, not later than 30 days after the day on which the Corporation receives the request unless a request for extension process has been approved.

The types of documents to which access will not be granted are detailed in Part 4 of the *Freedom of Information Act 1982 (Vic)* and Section 49 of the *Australian Grands Prix Act 1994 (Vic)*. Where access is denied, applicants will be given reasons. If an applicant is not satisfied by a decision made by the Corporation, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Requests for access to documents under the *Freedom of Information Act 1982 (Vic)* should be addressed to:

Freedom of Information Officer
Australian Grand Prix Corporation
Level 5, 616 St Kilda Road
Melbourne VIC 3004

Further information regarding Freedom of Information can be found on the Office of the Victorian Information Commissioner website (www.ovic.vic.gov.au).

Charges

Requests for access must be accompanied by a \$31.80 application fee as at 1 July 2023. Further charges for the supply of documents in relation to Freedom of Information requests are made in accordance with the *Freedom of Information Act 1982 (Vic)* and the *Freedom of Information (Access Charges) Regulations 2004 (Vic)*.

Categories of Documents

The Corporation maintains records and files incorporating documents relating to general administrative matters, the Formula 1® event at Albert Park and the Motorcycle Grand Prix held at Phillip Island. All records and files are maintained at the Corporation's premises in Melbourne or at an external offsite storage provider's premises.

The Corporation also maintains two websites at www.grandprix.com.au and www.motogp.com.au and produces promotional newsletters for sending to subscribers.

FOI statistics/timeliness

During 2022-23, the Corporation received three applications. All requests received were from the general public.

The Corporation made three FOI decisions during the 12 months ended 30 June 2023 – two decisions on applications from this financial year and one decision on an application made prior to 1 July 2022 following a decision made by OVIC. Presently, there is one decision outstanding from an application received on 20 June 2023.

All three applications received in 2022-23 required clarifications and extensions from the applicant. After seeking clarifications in order to get a valid request from the applicant, one decision was made within 30 days and another decision was made 16 days after an extension granted by the applicant. Presently, the Corporation has sought an extension to reply to the 20 June 2023 request.

The average time taken to finalise requests received in 2022-23 was estimated to be 43.5 days from receipt of a valid request, but this excludes any time where clarifications were sought from the applicant or any approved extensions of time. It also excludes the matter originally received prior to 1 July 2022 and the outstanding matter received on 20 June 2023.

During 2022-23, one request was subject to a complaint/internal review by OVIC. Presently, OVIC's decision is outstanding. The request prior to 1 July 2022 was also subject to a complaint/internal review by OVIC, which resulted in further information being provided by the Corporation to resolve that application.

b. Consultancy Services

Details of consultancies over \$10,000

(\$ thousands)				
<i>Consultant</i>	<i>Purpose of consultancy</i>	<i>Total approved project fee</i>	<i>Expenditure 2022-23</i>	<i>Future expenditure</i>
KPMG	Derivatives advice	18	18	-
Ashley Davies Consulting	Feasibility study	171	71	100
Cox Architecture Pty Ltd	Feasibility study	847	45	802

Details of consultancies under \$10,000

In 2022-23, there were no consultancies engaged during the year where the total fee payable was less than \$10,000.

c. Members' Meetings

The number of Members' meetings and the number of meetings attended by each of the Members of the Corporation during the financial year were:

	<i>No. of Meetings attended</i>	<i>No. of Meetings held</i>
Mr Paul Little AO (Chair)	9	9
Ms Kimberley Brown	8	9
Mr Michael Doohan AM	8	9
Ms Tal Karp	8	9
Ms Nicki Kenyon	9	9
Mr Paul Lappin	7	9
Ms Kate Lundy	9	9
Mr John O'Rourke	9	9
Mr Mark Webber AO	7	9

d. Building Act 1993 (Vic)

In accordance with Section 48(1) of the *Australian Grands Prix Act 1994 (Vic)*, nothing in the *Building Act 1993 (Vic)* applies to the carrying out of works authorised by and in accordance with the *Australian Grands Prix Act 1994 (Vic)* or at the request of the Corporation in the declared area.

The Corporation has however undertaken to comply with the specifications of the *Building Act 1993 (Vic)* wherever practicable.

e. Local Jobs First

The *Local Jobs First Act 2003 (Vic)* requires all Victorian Government Departments and agencies to report on the implementation of the Local Jobs First. Departments and agencies are required to apply the Local Jobs First in standard projects valued at \$3 million or more in metropolitan Melbourne and for state-wide projects, or \$1 million or more for procurement activities in regional Victoria.

Projects Commenced – Local Jobs First Standard

During 2022-23, the Australian Grand Prix Corporation (AGPC) commenced three Local Jobs First applicable procurements in metropolitan Melbourne with a combined valued of approximately \$27 million.

During 2022-23, no Local Jobs First applicable procurements were commenced by AGPC in regional Victoria.

The outcomes expected from the implementation of the Local Jobs First Policy across the three projects identified in metropolitan Melbourne, on the information provided to AGPC, in respect of the year that ended 30 June 2023 is as follows¹:

- Between 78 per cent and 100 per cent local content commitment was made by the respective suppliers;
- Commitment of 1,350 total jobs across the three projects²;
- Creation of 330 new jobs and the retention of 280 existing jobs; and
- Total of 13 positions for apprentices, trainees and cadets were created, including the retention of 4 existing apprenticeships.

Disclosure of Major Contracts

AGPC entered into one major contract greater than \$10.0 million in total value during the year that ended 30 June 2023.

¹ These projects are multi-year and information presented is in connection with the 2022 – 2023 year only.

² Estimates based on unaudited data provided by the relevant suppliers to AGPC.

f. Available Information

Information contained in this report has been prepared in accordance with the *Financial Management Act 1994* (Vic) and is available to the Minister for Tourism, Sport and Major Events, Steve Dimopoulos MP, the public on request and from the Corporation's web sites www.grandprix.com.au and www.motogp.com.au.

g. Details of advertising expenditure (campaigns with a media spend of \$100,000 or greater)

(\$ thousands)

Name of Campaign	Campaign summary	Start/End date	Advertising (Media)	Creative and campaign development	Research and Evaluation	Print and collateral	Other Campaign
Formula 1® Rolex® Australian Grand Prix 2023	Television capital cities and regional, print, magazines, radio and outdoor, public relations, communications, and digital web	October 2022 – April 2023	1,439	166	65	39	92
Australian Motorcycle Grand Prix 2022	Campaign and brand strategy, creative development and tactical planning	July 2022 - October 2022	455	45	52	8	55

h. Information and Communication Technology Expenditure

For the 2022-23 reporting period, the Corporation had a total ICT expenditure of \$1,846,166, with the details shown below:

(\$ thousands)

Business As Usual (BAU) ICT Expenditure	Non- Business As Usual (non-BAU) ICT expenditure	Operational Expenditure	Capital Expenditure
1,183	663	0	663

ICT expenditure refers to the Corporation'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 the Corporation's 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.

i. Disclosures under the Public Interest Disclosures Act 2012 (Vic)

	2022-23	2021-22
The number of assessable disclosures made to the Corporation and notified to IBAC:		
Assessable disclosures	-	-

Employees and/or officers of the Australian Grand Prix Corporation have been made aware of the *Public Interest Disclosures Act 2012* (Vic) through internal communication processes as well as the guidelines on how to report disclosures to the Independent Broad-based Anti-Corruption Commission.

Disclosures of improper conduct or detrimental action by the Australian Grand Prix Corporation or any of its employees and/or officers may be made directly to the Independent Broad-based Anti-Corruption Commission:

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

Further information

The Protected Disclosure Policy and Procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by the Australian Grand Prix Corporation or any of its employees and/or officers, are available on the Department of Jobs, Skills, Industry and Regions website.

j. Compliance with the *Disability Discrimination Act 1992 (Cth)*

Around one in five Australians live with a disability. Disabilities cover a wide spectrum including physical, intellectual, mental, sensory, neurological, or immunological.

The Australian Grand Prix Corporation (AGPC) is legally required by the *Disability Discrimination Act (1992)* to ensure people with disabilities be given equal opportunity to participate in and contribute to the full range of economic, social, cultural, and political activities. The AGPC is committed to not only meeting these requirements but exceeding them.

As a government organisation, AGPC is further required by the Victorian State Government to have a Disability Action Plan under 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 government sectors and within the community.

The AGPC has complied with its obligations under the *Disability Act* to prepare a Disability and Inclusion Action Plan (Plan). The Plan focuses on continually enhancing facilities and services for all patrons, inclusive of those with disabilities. The Plan also promotes an ongoing consideration and awareness within the AGPC of the requirements of patrons with disabilities and assists the Corporation in being not only responsive but also anticipating the changing expectations and needs of people with disabilities.

AGPC continues to deliver a range of accessible and inclusive offerings aimed at improving the experience of event attendees. At the Formula 1[®] Australian Grand Prix 2023, AGPC delivered:

- Complimentary accessible transport services around the venue;
- General admission accessible viewing platforms;
- Accessible grandstands;
- Accessible corporate hospitality facilities;
- Changing places facilities;
- Complimentary onsite accessible parking;
- Bindi Maps, a self-voicing application, announcing points of interest to the user developed for the blind and vision impaired; and
- Enhanced wayfinding signage to assist people with disability.

Following the success of these initiatives which were first delivered in 2022, the below offerings were once again on offer in 2023:

- A sensory reduced pit lane walk focusing on a neurodiverse audience while also catering for fans with varying accessibility needs. Guests were invited to walk the pit lane in an experience where the surrounding environment was adjusted to meet the needs of attendees.
- A sensory room: a space which specifically catered for patrons with neurodiverse needs, the room provided a quiet space to escape the sights, sounds and crowds of the event.

- Auslan Interpreters: on all stages around the venue, Auslan (Australian Sign Language) interpreters provided communication to our hearing-impaired audience allowing them to get involved in the entertainment offerings.

Furthermore, in November of 2022, the AGPC was a founding partner of The Field – a jobs platform created by people with disability for people with disability. It connects inclusive organisations with job seekers who have a disability. The AGPC employed team members directly and through its patron services workforce provider to work at the event. The partnership was then brought to life with TheField.jobs reserved accessible platform at the event which was serviced by people with disability.

Through close consultation and engagement with its disability advisors at Get Skilled Access, the AGPC will remain committed to delivering and continuously improving on the services and facilities it offers.

k. Environmental Reporting

Environmental Management System

AGPC is developing both a Sustainability Policy and a Sustainability Action Plan. These are expected to be implemented soon.

Reporting boundary for environmental data

All the operations and activities of AGPC are included within the organisational boundary for this reporting period.

Greenhouse gas emissions

The AGPC reports its greenhouse gas emissions broken down into emissions 'scopes' consistent with national and international reporting standards. Scope 1 emissions are from sources that the AGPC owns or controls, such as burning fossil fuels in its vehicles or machinery. Scope 2 emissions are indirect emissions from the AGPC's use of electricity from the grid, which still uses coal and gas-fired power generation. Scope 3 emissions are indirect emissions from sources the AGPC does not control but does influence. Please note that AGPC carbon footprint is done in line with GHG Protocol. Please note that event emissions have not been included here.

Indicator (in Tonnes CO ₂ -e)	2023	2022
Scope 1: Fugitive Emissions	2.1	2.1
Scope 1: Mobile Combustion	19.1	10.4
Total Scope 1 greenhouse gas emissions (Tonnes CO₂-e)	21.2	12.5
Scope 2: Purchased Electricity	86.9	137.7
Total Scope 2 greenhouse gas emissions (Tonnes CO₂-e)	86.9	137.7
Scope 3: Waste generated in operations	33.5	18.4
Scope 3: Business Travel-Flights	82.2	56.2
Total Scope 3 greenhouse gas emissions from commercial air travel and waste disposal (Tonnes CO₂-e)	115.7	74.6
Total Organisation GHG Emissions	223.8	224.8

Electricity production and consumption

Indicator (in MWh)	2023	2022
616 St Kilda Road		
Total Electricity Consumption (Black Power)	666	111.525
Total Electricity Consumption (Green Power) ^(a)	37.305	N/A
TSY Storage Yard		
Total On-site Generation: Solar PV ^(b)	29.058	N/A
Total Electricity Consumption (Black Power)	15.847	39.881
Total Electricity Consumption (Green Power) ^(a)	7.882	N/A

Notes:

(a) Please note that there will be a transition to 100% Green Power purchasing from February 2023.

(b) This represents electricity generated from Solar PV at TSY storage yard.

Waste and recycling

Waste management and recycling are key priorities for AGPC. Focus areas include efforts to eliminate single-use plastics, as well as maximise recycling and minimise waste sent to landfill.

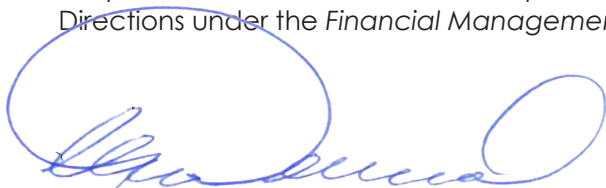
Indicator (in kgs)	2023	2022
616 St Kilda Road		
General Waste	3,360	1,500
Commingle Recycling	468	326
Cardboard	312	279
E-Waste	139	N/A
General Waste Bulk Collection	2050	N/A
TSY Storage Yard		
General Waste	2060	2,100
General Waste	4600	4,650

Notes:

(i) Please note that the 2022 figures are impacted by Covid-19 office closures.

I. Attestation for financial management compliance with Standing Direction 5.1.4

I, the Hon. Martin Pakula, on behalf of the Responsible Body, certify that the Australian Grand Prix Corporation has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



The Hon. Martin Pakula
Chairman
Australian Grand Prix Corporation
25 October 2023

m. Disclosure Index

The Annual Report of the entity is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

Legislation	Requirement	Page
Ministerial Directions		
Report of Operations		
<u>Charter and Purpose</u>		
FRD 22	Manner of establishment and the relevant Ministers	7
FRD 22	Purpose, functions, powers and duties	7
FRD 22	Nature and range of services provided	7
<u>Management & Structure</u>		
FRD 22	Organisational structure	10
<u>Financial & other information</u>		
FRD 10	Disclosure index	32
FRD 12	Disclosure of major contracts	27
FRD 22	Employment and conduct principles	21
FRD 22	Occupational health and safety policy	21
FRD 22	Summary of the financial results for the year	23
FRD 22	Significant changes in financial position during the year	23
FRD 22	Major changes or factors affecting performance	23
FRD 22	Subsequent events	76
FRD 22	Application and operation of <i>Freedom of Information Act 1982 (Vic)</i>	25
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993 (Vic)</i>	27
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	28
FRD 22	Details of consultancies over \$10,000	26
FRD 22	Disclosure of government advertising expenditure	28
FRD 22	Disclosure of ICT expenditure	28
FRD 22	Statement of availability of other information	28
FRD 25	Local Jobs First	27
FRD 29	Workforce data disclosures	19
<u>Compliance attestation and declaration</u>		
SD 5.4.1	Attestation for compliance with Ministerial Standing Direction	31
SD 5.2.3	Declaration in report of operations	2
Financial Statements		
<u>Declaration</u>		
SD 5.2.2	Declaration in financial statements	36
<u>Other requirements under Standing Directions 5.2</u>		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	36
SD 5.2.1(a)	Compliance with Standing Directions	36
<u>Other disclosures as required by FRDs in notes to the financial statements</u>		
FRD 11	Disclosure of Ex gratia Expenses	73
FRD 21	Disclosures of Responsible Persons, Executive Officers and other Personnel	73
FRD 103	Non-Financial Physical Assets	50
FRD 110	Cash Flow statements	41
FRD 112	Defined Benefit Superannuation Obligations	48
FRD 114	Financial Instruments	61
Legislation		
<i>Freedom of Information Act 1982 (Vic)</i>		25
<i>Building Act 1993 (Vic)</i>		27
<i>Public Interest Disclosures Act 2012 (Vic)</i>		28
<i>Disability Act 2006 (Vic)</i>		29
<i>Local Jobs Act 2003 (Vic)</i>		27
<i>Financial Management Act 1994 (Vic)</i>		31
<i>Gender Equality Act 2020 (Vic)</i>		21

Dated at Melbourne on 25 October 2023
Signed in accordance with a resolution of Members



The Hon. Martin Pakula
Chairman

AUSTRALIAN GRAND PRIX CORPORATION

ABN 86 947 927 465

Financial Statements For the Year Ended 30 June 2023

7. Financial Statements

How this report is structured

The Australian Grand Prix Corporation (the Corporation) has presented its audited general purpose financial statements for the financial year ended 30 June 2023 in the following structure to provide users with the information about the Corporation's stewardship of resources entrusted to it.

	Statement by Members of the Board and Officers	36
	Independent Auditor's Report	37
Financial statements	Comprehensive operating statement	39
	Balance sheet	40
	Cash flow statement	41
	Statement of changes in equity	42
Notes to the financial statements	7.1. About this report	43
	The basis on which the financial statements have been prepared and compliance with reporting regulations	
	7.2. Funding delivery of our events	45
	Revenue recognised from events, grants and other sources	
	7.2.1 Income that funds the delivery of our events	45
	7.3. The cost of delivering our events	47
	Operating expenses of the Corporation	
	7.3.1 Expenses incurred in delivery of events	47
	7.3.2 Employee benefits	48
	7.3.3 Other operating expenses	49
	7.4. Key assets available to support event delivery	50
	Infrastructure and other key assets to deliver our events	
	7.4.1 Total buildings, infrastructure and equipment	50
	7.5. Other assets and liabilities	55
	Working capital balances and other key assets and liabilities	
	7.5.1 Receivables	55
7.5.2 Payables	56	
7.5.3 Deferred income	56	
7.6. Financing our operations	57	
Borrowings, cash flow information, leases and assets pledged as security		
7.6.1 Borrowings	57	
7.6.2 Leases	58	
7.6.3 Cash flow information and balances	58	
7.6.4 Commitments for expenditure	59	

	7.7. Our capital structure	60
	Equity and reserve disclosures	
	7.7.1 Cash flow hedge reserve	60
	7.7.2 Asset revaluation reserve	60
Notes to the financial statements (continued)	7.8. Risks, contingencies, and valuation judgements	61
	Commitments, leases, financial risk management, contingent asset and liabilities as well as fair value determination disclosures	
	7.8.1 Financial instruments specific disclosures	61
	7.8.2 Fair value judgements	69
	7.8.3 Contingent assets and contingent liabilities	72
	7.9. Other disclosures	73
	7.9.1 Ex gratia expenses	73
	7.9.2 Responsible persons	73
	7.9.3 Remuneration of executives	74
	7.9.4 Related parties	75
	7.9.5 Remuneration of auditors	76
	7.9.6 Subsequent events	76
	7.9.7 Australian Accounting Standards issued that are not yet effective	77
7.9.8 Other accounting policies and disclosures	79	
7.9.9 Glossary of technical terms	80	

Statement by Members of the Board and Officers

In the opinion of the Members of the Board, the Chief Executive Officer and the Chief Finance Officer of the Australian Grand Prix Corporation:

- (a) the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes present fairly the financial transactions during the year ended 30 June 2023 and the financial position as at 30 June 2023;
- (b) the financial statements are drawn up 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 requires; and
- (c) there are no circumstances at the date of signing which would render any particulars in the financial statements to be misleading or inaccurate.

Dated at Melbourne on 25 October 2023.

Signed in accordance with a resolution of the Members of the Board.



The Hon. Martin Pakula
Chairman



Travis Auld
Chief Executive Officer



Anthony Connelly
Chief Finance Officer

Independent Auditor's Report

To the Members of the Board of the Australian Grand Prix Corporation

Opinion	<p>I have audited the financial report of the Australian Grand Prix Corporation (the corporation) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • statement by members of the board and officers. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the corporation as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 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 corporation 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>
Members of the Board's responsibilities for the financial report	<p>The Members of the Board of the corporation 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 Members of the Board 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 Members of the Board are responsible for assessing the corporation'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

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the corporation's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members of the Board
- conclude on the appropriateness of the Members of the Board's 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 corporation'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 corporation to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Members of the Board 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.

MELBOURNE
25 October 2023



Simone Bohan
as delegate for the Auditor-General of Victoria

Comprehensive operating statement

For the financial year ended 30 June 2023

(\$ thousand)

	Notes	2023	2022
Income from transactions			
Formula 1® Grand Prix		192,592	177,944
Motorcycle Grand Prix		27,163	25
Future Grands Prix		10,000	8,500
Total income from transactions	7.2.1	229,755	186,469
Expenses from transactions			
Formula 1® Grand Prix		(223,532)	(152,593)
Motorcycle Grand Prix		(41,619)	(4,421)
Total expenses from transactions	7.3.1	(265,151)	(157,014)
Net result from transactions (net operating balance)		(35,396)	29,455
Other economic flows included in net result			
Net gain/(loss) on financial instruments		301	(3,660)
Net gain/(loss) on sale/disposal of non-financial assets		(5)	-
Total other economic flows included in net result		296	(3,660)
Net result		(35,100)	25,795
Other economic flows – other comprehensive income			
Items that will not be reclassified to net result			
Change in fair value of derivatives recognised through cash flow hedge reserve	7.7.1	4,279	26,250
Change in physical asset revaluation surplus	7.7.2	(16)	8,539
Total other economic flows – other comprehensive income		4,263	34,789
Comprehensive result		(30,837)	60,583

The accompanying notes form part of these financial statements.

Balance sheet

As at 30 June 2023

(\$ thousand)

	Notes	2023	2022
Assets			
Financial assets			
Cash and deposits	7.6.3	49,419	54,661
Receivables	7.5.1	6,384	10,913
Derivatives	7.8.1.1	13,364	11,528
Total financial assets		69,167	77,102
Non-financial assets			
Prepayments		2,447	2,289
Buildings, infrastructure and equipment	7.4.1	24,014	46,388
Intangible assets		154	213
Total non-financial assets		26,615	48,890
Total assets		95,782	125,992
Liabilities			
Payables	7.5.2	10,558	8,425
Borrowings	7.6.1	2,467	2,720
Employee related provisions	7.3.2.2	1,217	1,364
Deferred income	7.5.3	5,845	4,525
Derivatives	7.8.1.1	-	2,442
Total liabilities		20,087	19,476
Net assets		75,695	106,515
Equity			
Contributed capital		10,739	10,739
Cash flow hedge reserve	7.7.1	13,361	9,082
Asset revaluation reserve	7.7.2	17,646	17,662
Accumulated surplus		33,949	69,032
Net worth		75,695	106,515

The accompanying notes form part of these financial statements.

Cash flow statement

For the financial year ended 30 June 2023

(\$ thousand)

	Notes	2023	2022
Cash flows from operating activities			
Receipts			
Receipts from customers, sponsors and commercial entities		125,672	81,487
Interest received		2,191	218
Government contributions – Formula 1® Grand Prix		101,365	38,429
Government contributions – Motorcycle Grand Prix		12,122	-
Government contributions – future Grands Prix		11,000	9,350
Government contributions – non-current		6,072	6,551
Total receipts		258,422	136,035
Payments			
Payments to suppliers and employees ^(a)		(268,951)	(170,800)
Goods and services tax paid to the ATO ^(b)		9,354	5,756
Total payments		(259,597)	(165,044)
Net cash flows from/(used in) operating activities	7.6.3.1	(1,175)	(29,009)
Cash flows from investing activities			
Payments for other financial assets		(78,040)	-
Redemption of other financial assets		78,108	60,031
Payments for Grand Prix infrastructure, equipment and intangibles		(3,778)	(11,867)
Proceeds from the sale of equipment		1	-
Net cash flows from/(used in) investing activities		(3,709)	48,164
Cash flows from financing activities			
Repayment of principal portion of lease liabilities		(659)	(639)
Realised foreign exchange gain		301	(3,664)
Net cash flows from/(used in) financing activities		(358)	(4,303)
Net increase/(decrease) in cash and cash equivalents		(5,242)	14,852
Cash and cash equivalents at beginning of financial year		54,661	39,809
Cash and cash equivalents at end of financial year	7.6.3	49,419	54,661

The accompanying notes form part of these financial statements.

Notes:

(a) Interest of leases is presented in operating activities.

(b) Goods and services tax (GST) paid to the Australian Taxation Office is presented on a net basis.

Statement of changes in equity

For the financial year ended 30 June 2023

(\$ thousand)

	Notes	Cash flow hedge reserve	Asset revaluation reserve	Contributed capital	Accumulated surplus	Total
Balance at 1 July 2021		(23,361)	9,123	10,739	43,216	39,717
Net result for the year		-	-	-	25,794	25,794
Change in fair value of derivatives recognised through cash flow hedge reserve	7.7.1	26,250	-	-	-	26,250
Accumulated losses on foreign exchange hedging	7.7.1	6,193	-	-	-	6,193
Change in asset revaluation reserve	7.7.2	-	8,539	-	-	8,539
Retrospective adjustment on prior year		-	-	-	22	22
Balance at 30 June 2022		9,082	17,662	10,739	69,032	106,515
Balance at 1 July 2022		9,082	17,662	10,739	69,032	106,515
Net result for the year		-	-	-	(35,100)	(35,100)
Change in fair value of derivatives recognised through cash flow hedge reserve	7.7.1	4,279	-	-	-	4,279
Change in asset revaluation reserve	7.7.2	-	(16)	-	-	(16)
Retrospective adjustment on prior year		-	-	-	16	16
Balance at 30 June 2023		13,361	17,646	10,739	33,949	75,695

The accompanying notes form part of these financial statements.

7.1 About this report

Australian Grand Prix Corporation (the Corporation) is a statutory authority established pursuant to the *Australian Grands Prix Act 1994* (as amended) ("AGP Act").

Its principal address is:
Australian Grand Prix Corporation
Level 5, 616 St Kilda Road
Melbourne VIC 3004

The Corporation is subject to the direction and control of the Minister administering the AGP Act. At the time of this report this was the Minister for Tourism, Sport and Major Events, Steve Dimopoulos MP.

Basis of preparation

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

The accrual basis of accounting has been applied in 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.

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods. Judgements made by management in the application of Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, are disclosed throughout the notes to the financial statements under the heading "Significant judgements or estimates".

All amounts in the financial statements (including the notes) have been rounded to the nearest thousand dollars, unless otherwise stated.

A number of transactions, including portions of revenue received from customers and expenses paid to suppliers, have been treated as deferred revenue, prepaid expenses or otherwise treated in accordance with the requirements of relevant accounting standards as they relate specifically to obligations to be undertaken or performed at a future event.

The Corporation, having made appropriate enquiries, have a reasonable expectation that AGPC has the ability to continue as a going concern. Therefore, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Compliance information

The Corporation's financial statements are a general-purpose financial report which has been prepared in accordance with the *Financial Management Act 1994* and applicable AASs which include interpretations issued by the Australian Accounting Standards Board (AASB).

In complying with AASs, the Corporation has, where relevant, applied those paragraphs applicable to not-for-profit entities. 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.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 7.9.9.

The annual financial statements were authorised for issue by the Chairman of the Board on 25 October 2023.

7.2 Funding delivery of our events

Introduction

The Corporation's overall objective is to stage two international motorsport events, the Formula 1[®] Australian Grand Prix in Melbourne and the Australian Motorcycle Grand Prix in Phillip Island.

To enable the Corporation to fulfil its objective, it receives income predominantly from ticket sales and the sponsorship of events as well as from Government contributions.

Structure

7.2.1 Income that funds the delivery of our events.....45

7.2.1 Income that funds the delivery of our events

	2022-23 Financial year			2021-22 Financial year			Future Grand Prix	2021-22 Financial year total
	2023 Formula 1 [®] Grand Prix	2022 Motorcycle Grand Prix	Future Grand Prix	2022 Formula 1 [®] Grand Prix	2021 Motorcycle Grand Prix	Future Grand Prix		
Income from transactions^(a)								
Sales revenue	76,036	9,818	-	56,037	-	-	-	56,037
Sponsorship/commercial revenue	12,512	1,763	-	9,516	25	-	-	9,541
Interest revenue	2,191	-	-	218	-	-	-	218
Government contributions – recurrent ^(b)	92,150	11,020	10,000	96,932	-	8,500	-	105,432
Government contributions – non-current	3,520	2,000	-	5,955	-	-	-	5,955
Other operating revenue	6,183	2,562	-	9,286	-	-	-	9,286
Total income from transactions	192,592	27,163	10,000	177,944	25	8,500	-	186,469

Notes:

(a) The income above relating to the Formula 1[®] Grand Prix does not include resources provided free of charge from the Department of Transport and Planning (DTP) relating to the provision of free public transport. Refer Note 7.9.4 for further details.

(b) Includes \$10,000,000 of recurrent funding for the 2023 Motorcycle Grand Prix received in the 2022-23 financial year (2022: \$8,500,000 for the 2022 Motorcycle event).

The Corporation has completed an assessment of all revenue streams in accordance with AASB 15 Revenue from Contracts with Customers and has classified its revenue as follows:

- **Sales revenue** includes ticket sales for products including corporate hospitality, grandstands and general admission;
- **Sponsorship/commercial revenue** includes sponsorship, royalty and exhibition revenue;
- **Interest revenue** includes interest received or receivable on bank deposits and other investments; and
- **Other operating revenue** includes non-ticket sales, recoveries and consulting revenue.

Performance obligations and revenue recognition

Revenue is measured based on the consideration specified in the contract with the customer. The Corporation recognises revenue when it transfers control of a good or service to the customer, i.e. when, or as, the performance obligations for the sale of goods and services to the customer are satisfied.

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and accepted by the customer.
- Revenue from the sale of goods is recognised when the goods are delivered and have been accepted by the customer.
- Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

Sales, sponsorship/commercial and other operating revenues are recognised after the completion of the event. Until the event has occurred, the amounts received are recognised as deferred income (refer to Note 7.5.3 for further details).

Interest revenue is recognised using the effective interest method which allocates the interest over the relevant period.

The Corporation has determined that **all recurrent government contributions** are recognised as income of not-for-profit entities in accordance with AASB 1058 *Income of Not-for-Profit Entities*, except for government contributions that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers*.

Income from recurrent government contributions without any sufficiently specific performance obligations, or that are not enforceable, are recognised when the Corporation has an unconditional right to receive cash which usually coincides with the receipt of cash. On initial recognition of the asset, the Corporation recognises 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:

- contributions by owners, in accordance with AASB 1004 *Contributions*;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 *Revenue from Contracts with Customers*;
- a lease liability in accordance with AASB 16 *Leases*;
- a financial instrument, in accordance with AASB 9 *Financial Instruments*; or
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Income received for specific purpose grants for on-passing is recognised simultaneously as the funds are immediately on passed to the relevant recipient entities on behalf of the Commonwealth Government.

Income from government contributions that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15 *Revenue with Contracts with Customers*. These contributions relate to funding provided to acquire license rights to host the Formula 1® event and the works performed within Albert Park under licence from Parks Victoria in its capacity as Committee of Management for Albert Park. Government contributions in relation to such works are recognised as revenue in the financial year in which the obligation has been satisfied.

7.3 The cost of delivering our events

Introduction

This section provides an account of the expenses incurred by the Corporation in delivering its events.

In Section 7.2, the sources of the funds that enable the staging of events were disclosed, and in this section the costs associated with the staging of events are presented.

7.3.1 Expenses incurred in delivery of events

Structure

7.3.1 Expenses incurred in delivery of events.....	47
7.3.2 Employee benefits.....	48
7.3.3 Other operating expense.....	49

	2022-23 Financial year			2021-22 Financial year			Future Grand Prix	2021-22 Financial year total
	2023 Formula 1® Grand Prix	2022 Motorcycle Grand Prix	Future Grand Prix	2022 Formula 1® Grand Prix	2021 Motorcycle Grand Prix	Future Grand Prix		
Expenses from transactions^(a)								
Event management and staging ^(b)	119,285	17,762	-	79,821	2,244	-	-	82,065
Recurrent engineering	68,354	17,376	-	43,006	337	-	-	43,343
Marketing and promotion	3,188	1,582	-	3,627	80	-	-	3,707
Catering	10,921	2,318	-	11,015	-	-	-	11,015
Administration ^(b)	21,784	2,581	-	15,124	1,760	-	-	16,884
Total expenses from transactions	223,532	41,619	-	152,593	4,421	-	-	157,014

Notes:

(a) The expenses above relating to the Formula 1® Grand Prix do not include resources consumed free of charge from the Department of Transport and Planning (DTP) relating to the provision of free public transport. Refer to Note 7.9.4.

(b) Includes depreciation and amortisation. Refer to Note 7.4.1 for further details.

Event management and staging include costs relating to venue and event operations.

Recurrent engineering expenses include costs relating to the assembly, dismantling and servicing of event infrastructure. It includes any non-capital expenditure on areas in and around the Albert Park and Phillip Island circuits.

Marketing and promotion expenses are costs incurred in ensuring that the event is promoted to the general public and corporate clients thereby increasing sales revenue.

Catering costs are predominantly incurred in the provision of high-class facilities to hospitality clients.

Employee salaries and benefits have been allocated against the appropriate category in the above table.

7.3.2 Employee benefits

7.3.2.1 Employee benefits in the comprehensive operating statement

(\$ thousand)

	Notes	2023	2022
Salaries and wages, annual leave and long service leave		12,399	9,777
Superannuation contributions		1,137	871
Termination benefits		122	-
Total employee benefits expense		13,658	10,648

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

Superannuation contributions are made by the Corporation to an employee superannuation fund and are charged as expenses when incurred.

7.3.2.2 Employee benefits in the balance sheet

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

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

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

(\$ thousand)

	2023	2022
Current provisions:		
Annual leave^(a)		
Unconditional and expected to settle within 12 months	698	750
Unconditional and expected to settle after 12 months	-	-
Long service leave^(a)		
Unconditional and expected to settle within 12 months	59	76
Unconditional and expected to settle after 12 months ^(b)	176	227
Provisions for on-costs		
Unconditional and expected to settle within 12 months	157	165
Unconditional and expected to settle after 12 months	31	38
Total current provisions for employee benefits	1,121	1,256
Non-current provisions:		
Employee benefits – long service leave ^(b)	82	92
On-costs	14	16
Total non-current provisions for employee benefits	96	108
Total provisions for employee benefits	1,217	1,364

Notes:

(a) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.

(b) Employee benefit amounts disclosed are discounted to present values.

Wages and salaries and annual leave: Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in the provision for employee benefits as current liabilities, because the Corporation does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, and annual leave are measured at:

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

Long Service Leave (LSL): Liability for LSL is recognised in the provision for employee benefits.

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

The components of this current LSL liability are measured at:

- nominal value – component that the Corporation expects to wholly settle within 12 months
- present value – component that the Corporation does not expect to wholly settle within 12 months

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

Any gain or loss following revaluation of the present value of the non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates, for which it is then recognised as an 'other economic flow' (refer Note 7.9.9).

Employee benefits on-costs such as payroll tax, worker's compensation and superannuation are recognised separately from the provision for employee benefits.

7.3.3 Other operating expenses

		(\$ thousand)	
	Notes	2023	2022
Rental expenses		2,828	2,774
Fair value assets and services provided free of charge to Parks Victoria		22,818	151
Ex gratia expense	7.9.1	122	150
Bad and doubtful debts		382	195
Total other operating expenses		26,150	3,270

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity (refer Note 7.9.1).

Fair value of assets and services provided free of charge to Parks Victoria are works undertaken by the Corporation within the Albert Park reserve of a capital/asset nature. As the Albert Park reserve is under the control of Parks Victoria, the assets are transferred to Parks Victoria free of charge once they are completed or installed.

7.4 Key assets available to support event delivery

Introduction

The Corporation controls infrastructure and equipment as well as cash that are utilised in fulfilling its objectives. They represent the resources that are entrusted to the Corporation to be utilised for the delivery of the events.

Structure

7.4.1 Total buildings, infrastructure and equipment.....50

Significant judgment: Asset valuation impact

The market that the assets were valued in as of 30 June 2022 was impacted by the uncertainty that the COVID-19 outbreak had caused. The valuer advised that the market environment, impacted by COVID-19, created significant valuation uncertainty. The value assessed at the valuation date may therefore change over a relatively short time period. At this time, AGPC has assessed that no significant change in value has occurred during the 2022/23 financial year. The next re-valuation will occur in the 2025/26 financial year.

7.4.1 Total buildings, infrastructure and equipment

Refer to Note 7.8.2 for additional information on fair value determination of infrastructure and equipment.

Gross carrying amount and accumulated depreciation (\$ thousand)

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023	2022	2023	2022	2023	2022
Buildings – right-of-use assets at fair value ^(a)	4,445	4,038	(2,403)	(1,781)	2,042	2,257
Property, plant and equipment – right-of-use assets at fair value	236	236	(105)	(53)	131	183
Equipment at fair value	4,299	3,846	(3,574)	(3,360)	725	487
Grand Prix infrastructure at fair value	21,313	19,875	(2,492)	(205)	18,822	19,670
Work in progress at cost	2,294	23,791	-	-	2,294	23,791
Net carrying amount	32,587	51,786	(8,574)	(5,399)	24,014	46,388

Notes:

(a) Buildings at fair value comprise of the Corporation's office and storage leases.

Total right-of-use assets: buildings and property, plant and equipment (\$ thousand)

	Gross carrying amount	Accumulated depreciation	Net carrying amount
	2023	2023	2023
Buildings at fair value	4,445	(2,403)	2,042
Property, plant and equipment at fair value	236	(105)	131
Net carrying amount	4,681	(2,508)	2,173

	Buildings	Property, plant and equipment
Opening balance - 1 July 2022	2,257	183
Additions	407	-
Depreciation	(622)	(52)
Closing balance - 30 June 2023	2,042	131

Initial recognition: Items of non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is received for no or nominal cost, the cost is the asset's fair value at the date of acquisition. The cost of non-financial physical assets constructed includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads. All fixed capital works constructed within Albert Park have been transferred to a third party, Parks Victoria, free of charge, in accordance with the licence agreements.

Right-of-use asset acquired by lessees – Initial measurement: The Corporation recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Subsequent measurement: The fair value of infrastructure and equipment is normally determined by reference to the asset's current replacement cost. For equipment, existing depreciated historical cost is generally a reasonable proxy for the current replacement cost because of the short lives of the assets concerned.

Right-of-use asset – Subsequent measurement: The Corporation depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Separation of lease and non-lease components: At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Estimated impairment of non-financial assets: The Corporation assesses impairment of all assets at each reporting date by evaluating conditions specific to the Corporation and to the particular asset that may lead to impairment. These may include asset performance, economic and political environments and future expectations. Given the specific nature of the Corporation's assets, management has tested assets for impairment in this financial period. No impairment of assets was identified.

Refer to Note 7.8.2 for additional information on fair value determination of infrastructure and equipment.

Depreciation charge for the period
(\$ thousand)

	2022-2023			2021-2022		
	2023 Formula 1® Grand Prix	2022 Motorcycle Grand Prix	Financial year Total	2022 Formula 1® Grand Prix	2021 Motorcycle Grand Prix	Financial year Total
Buildings – right-of-use assets at fair value ^(a)	622	-	622	658	-	658
Property, plant and equipment – right-of-use assets at fair value	52	-	52	-	-	-
Equipment at fair value	161	53	214	196	65	261
Grand Prix infrastructure at fair value	2,220	67	2,287	1,765	54	1,819
Total depreciation	3,055	120	3,175	2,619	119	2,738

All items of infrastructure equipment that have finite useful lives are depreciated. Depreciation is calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjustments made when necessary.

The Corporation's management, with the assistance of the Valuer-General Victoria (independent valuation agency), determines the estimated useful lives and related depreciation charges for its infrastructure and equipment. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives or will write-off or write-down obsolete assets or those that are no longer considered useful.

The following are typical useful lives for the different asset classes for current and prior years.

Asset	(year)	
	2023	2022
Buildings: Right-of-use assets	5 to 9	5 to 9
Equipment: Right-of-use assets	5 to 9	5 to 9
Equipment	3 to 5	3 to 5
Grand Prix infrastructure	3 to 50	3 to 50

Reconciliation of movements in carrying amounts of infrastructure and equipment ^(a) (\$ thousand)

	Buildings – right-of-use assets at fair value		Property, plant and equipment – right-of-use assets		Grand Prix infrastructure at fair value		Equipment at fair value		Work in progress		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance	2,257	2,863	183	235	19,670	11,356	487	364	23,792	14,682	46,389	29,500
Additions	407	-	-	-	-	-	-	-	3,270	11,344	3,677	11,344
Revaluation	-	-	-	-	-	19,831	-	375	-	-	-	20,206
Disposals	-	-	-	-	(3)	-	(3)	-	-	-	(6)	-
Transfer to Parks Victoria	-	-	-	-	-	-	-	-	(22,818)	(151)	(22,818)	(151)
Transfer in/(out) of WIP	-	-	-	-	1,442	1,618	451	337	(1,950)	(2,083)	(57)	(128)
Depreciation	(622)	(606)	(52)	(52)	(2,287)	(1,819)	(214)	(261)	-	-	(3,175)	(2,738)
Adjustments to accumulated depreciation	-	-	-	-	-	(11,316)	4	(327)	-	-	4	(11,643)
Closing balance	2,042	2,257	131	183	18,822	19,670	725	487	2,294	23,792	24,014	46,389

Notes:

(a) The last scheduled full revaluation for this purpose group was conducted in 2022.

Revaluation of non-financial physical assets

Non-financial physical assets are revalued at fair value every five years in accordance with the Government purpose classifications defined in Financial Reporting Direction 103 Non-Financial Physical Assets (FRD 103).

The Valuer-General Victoria (VGV) is the Government's independent valuation agency and is used by the Corporation to conduct these scheduled revaluations.

Revaluations may occur more frequently if fair value assessments indicate material changes in values. In such instances, interim managerial revaluations are undertaken in accordance with the requirements of FRD 103.

The Corporation in conjunction with VGV, monitors changes in the fair value of each asset class through relevant data sources, in order to determine whether a revaluation is required.

The Corporation's assets were independently valued by the VGV as at 30 June 2022. The market that the assets were valued in was being impacted by the uncertainty that the coronavirus (COVID-19) outbreak had caused. The valuer advised that the current market environment, impacted by coronavirus (COVID-19), created significant valuation uncertainty. The value assessed at the valuation date may therefore change over a relatively short time period. At this time, AGPC has assessed that no significant change in value has occurred during the 2022/23 financial year.

Treatment of accumulated depreciation on revaluation: Treatment of accumulated depreciation on revaluation is such that when non-financial physical assets were revalued, the Corporation accounted for the accumulated depreciation at the date of the revaluation by eliminating the accumulated depreciation balance against the gross carrying amount of the asset and increasing the net carrying amount to the revalued amount of the asset (net approach).

7.5 Other assets and liabilities

Introduction

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

Structure

7.5.1	Receivables.....	55
7.5.2	Payables.....	56
7.5.3	Deferred income.....	56

7.5.1 Receivables

	(\$ thousand)	
	2023	2022
Contractual		
Trade receivables	5,086	7,268
Allowance for impairment losses of contractual receivables	(562)	(216)
Net trade receivables	4,524	7,052
Other receivables	1,054	983
Statutory		
GST input tax credit recoverable	806	2,878
Total receivables	6,384	10,913
<i>Represented by</i>		
Current receivables	6,384	10,913

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

Contractual receivables are classified as financial instruments and categorised as "financial assets at amortised costs". They are initially recognised at fair value plus any directly attributable transaction costs. The Corporation holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The Corporation applies AASB 9 for initial measurement of statutory receivables, which are initially recognised at fair value plus any directly attributable transaction costs.

Details about the Corporation's impairment policies, the Corporation's exposure to credit risk, and the calculation of the loss allowance are set out in Note 7.8.1.

7.5.2 Payables

	(\$ thousand)	
	2023	2022
Contractual		
Supplies and other services	10,409	8,422
Statutory		
Fringe Benefits Tax payable	150	18
Other taxes payable	(1)	(15)
Total payables	10,558	8,425
<i>Represented by:</i>		
Current payables	10,558	8,425

Payables consist of:

- **contractual payables**, such as accounts payable, are classified as financial instruments and measured at amortised cost (refer to Note 7.8.1 for further details). Accounts payable represents liabilities for goods or services provided to the Corporation prior to the end of the financial year that are unpaid, and arise when the Corporation becomes obliged to make future payments in respect of the purchases of goods and services; and
- **statutory payables**, such as goods and services tax and fringe benefits tax payables, are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Payables for supplies and services have a credit period of 30 days from date of invoice unless otherwise contractually agreed.

The following table discloses the contractual maturity analysis for the Corporation's contractual financial liabilities.

Maturity analysis of contractual payables ^{(a)(b)}

	(\$ thousand)				
	Maturity dates				
	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months–1 year
2023 Payables	10,409	10,409	10,266	-	143
2022 Payables	8,422	8,422	8,286	-	136

Notes:

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

(b) Nature and extent of risks arising from contractual payables. Refer to Note 7.8.1.3 for the nature and extent of risks arising from contractual payables.

7.5.3 Deferred income

	(\$ thousand)	
	2023	2022
Current		
Advance commercial income	5,845	4,525
Total deferred income	5,845	4,525

Income is deferred where the Corporation has a contractual obligation to deliver specified goods or services that are enforceable and sufficiently specific in relation to performance obligations. The extent to which performance obligations have been met dictates the amount of income to recognise or defer to a future period.

7.6 Financing our operations

Introduction

This section provides information on the sources of finance utilised by the Corporation during its operations, and other information relating to financing activities of the Corporation.

Structure

7.6.1	Borrowings.....	57
7.6.2	Leases.....	58
7.6.3	Cash flow information and balances.....	58
7.6.4	Commitments for expenditure.....	59

7.6.1 Borrowings

	(\$ thousand)	
	2023	2022
Current borrowings		
Lease liabilities	893	659
Total current borrowings	893	659
Non-current borrowings		
Lease liabilities	1,574	2,061
Total non-current borrowing	1,574	2,061
Total borrowings	2,467	2,720

Borrowings recognised on the balance sheet is entirely made up of lease liabilities.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Corporation's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed payments (including in-substance fixed payments) less any lease incentive receivable.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments. The aggregate costs of incentives are recognised as a reduction of rental expenses over the term on a straight-line basis, unless another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

7.6.2 Leases

Right-of-use assets are presented in Note 7.4.1 as buildings at fair value and equipment at fair value.

Lease amounts recognised in the comprehensive operating statement

(\$ thousand)

	2023	2022
Interest expense on lease liabilities	80	79
Expenses relating to short term leases	3,322	2,773
Expenses relating to leases of low-value assets	1	1
Total amount recognised in the comprehensive operating statement	3,403	2,853

Lease amounts recognised in the cash flow statement

(\$ thousand)

	2023	2022
Interest expense on lease liabilities	80	79
Expenses relating to short term leases	3,322	2,773
Expenses relating to leases of low-value assets	1	1
Total amount recognised in the cash flow statement	3,403	2,853

Short-term leases and leases of low-value assets

The Corporation has elected not to recognise right-of-use assets and lease liabilities for short term leases of land and building used in circuit hire arrangements that have a lease term of 12 months or less and leases of low-value assets, including Albert Park, Phillip Island and the surrounding land. The Corporation has determined that the non-cancellable term of these leases (representing the period of use) is 12 months or less, and thus elects to apply the recognition exemption for these short-term leases. The Corporation recognises the lease payments associated with these leases as an expense on a straight-line bases over the lease term.

Leases at significantly below-market terms and conditions

The Corporation has elected to recognise leases at significantly below-market terms and conditions (peppercorn leases) at their nominal value as an expense on a straight-line basis over the lease term. The principal activities of the Corporation depend on peppercorn leases, in particular the arrangements for the Formula 1® show car and Albert Park circuit hire. The underlying assets in these leases are the show car hire, the land and relevant sport halls are used to facilitate the provision of the annual Formula 1® Grand Prix. The nominal lease payment on the Formula 1® show car hire is \$2 with no defined end date and the sports hall component of the Albert Park lease is \$1,000 with a remaining lease term of 2 years.

7.6.3 Cash flow information and balances

(\$ thousand)

	2023	2022
Cash at call	49,419	54,661
Balance as per cash flow statement	49,419	54,661

Cash and deposits recognised on the balance sheet is comprised of cash at bank.

For the purpose of the cash flow statement, cash and cash equivalents include cash at bank and deposits with an original maturity of three months or less, which are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

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

(\$ thousand)

	2023	2022
Net result for the period	(35,100)	25,794
Non-cash movements		
Capital works transferred to Parks Victoria	22,818	151
(Gain)/loss on disposal of non-current assets	(5)	-
Depreciation and amortisation of non-current and intangible assets	3,288	2,842
Impairment of receivables	(562)	216
Net (gain)/loss on financial instruments	(301)	3,660
Movements in assets and liabilities		
Decrease/(Increase) in receivables and prepayments	4,371	(10,121)
(Decrease)/Increase in payables	2,797	7,379
(Decrease)/Increase in provisions	199	162
(Decrease)/Increase in deferred income	1,320	(59,092)
Net cash flows used in operating activities	(1,175)	(29,009)

7.6.4 Commitments for expenditure

The Corporation has commitments associated with foreign exchange forward contracts (refer Note 7.8.1). The Corporation has not disclosed the gross payable and receivable value of foreign currency contracts, nor has it disclosed operational and capital commitments as it is exempt under Section 49 of the *Australian Grands Prix Act 1994*.

7.7 Our capital structure

Introduction

This section provides information on the capital structure of the Corporation as well as any reserves that arose from its operations.

Structure

7.7.1	Cash flow hedge reserve.....	60
7.7.2	Asset revaluation reserve.....	60

7.7.1 Cash flow hedge reserve

	(\$ thousand)	
	2023	2022
Cash flow hedge reserve at the beginning of the year	9,082	(23,361)
Change in fair value of derivatives recognised through cash flow hedge reserve	4,279	26,250
Deferred gain/(loss) on foreign exchange hedging	-	6,193
Cash flow hedge reserve at the end of the year	13,361	9,082

Foreign currency translation differences are recognised in 'other economic flows' and accumulated in the cash flow hedge reserve in the period in which they arise.

7.7.2 Asset revaluation reserve

	(\$ thousand)	
	2023	2022
Asset revaluation reserve at the beginning of the year	17,662	9,123
Revaluation increments	(16)	8,539
Asset revaluation reserve at the end of the year	17,646	17,662

Notes:

(a) The assets revaluation surplus arises on the revaluation of infrastructure and equipment.

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

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'Other economic flows – comprehensive income' and accumulated in equity under the asset revaluation surplus.

7.8 Risks, contingencies, and valuation judgements

Introduction

The Corporation 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 Corporation relate mainly to fair value determination.

Structure

7.8.1	Financial instruments specific disclosures.....	61
7.8.2	Fair value judgements.....	69
7.8.3	Contingent assets and contingent liabilities.....	72

7.8.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Corporation'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 arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

Categories of financial instruments

Financial assets at amortised cost

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

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

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

The Corporation recognises the following assets in this category:

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

Financial assets and liabilities at fair value through other comprehensive income

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into. Derivatives are carried as financial assets when their fair value is positive and as financial liabilities when their fair value is negative. Any gains or losses arising from changes in the fair value of derivatives after initial recognition are recognised in the comprehensive operating statement as other comprehensive income. Upon disposal of these derivative instruments, any related balance in the fair value reserve is reclassified to profit or loss.

From time-to-time certain derivative financial instruments do not qualify for hedge accounting, notwithstanding that the derivatives are held to hedge identified exposures. Any changes in the fair value of a derivative instrument or part of a derivative instrument that do not qualify for hedge accounting are classified as 'ineffective' and recognised immediately in the comprehensive operating statement.

Financial assets and liabilities at fair value through profit and loss

Other financial assets and liabilities 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 as explained above.

However, as an exception to those rules above, the Corporation may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

- payables (excluding statutory payables);
- borrowings (including lease liabilities)

Offsetting financial instruments: Financial instrument assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Corporation has the 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.

Derecognition of financial assets: A financial asset is derecognised when the rights to receive cash flows from the asset have expired, or the Corporation retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement, or the Corporation has transferred its rights to receive cash flows from the asset and transferred substantially all the risks and rewards of the asset or transferred control of the asset.

Where the Corporation has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Corporation's continuing involvement in the asset.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

7.8.1.1 Financial instruments: Categorisation

(\$ thousand)

2023	Contractual financial assets/liabilities designated at fair value through OCI	Contractual financial assets at amortised cost	Contractual financial liabilities at amortised cost	Total
Contractual financial assets				
Cash and deposits	-	49,419	-	49,419
Receivables (a)				
Trade and other receivables	-	6,141	-	6,141
Financial derivatives ^(b)	13,364	-	-	13,364
Total contractual financial assets	13,364	55,560	-	68,924
Contractual financial liabilities				
Payables (a)				
Trade and other payables	-	-	10,409	10,409
Lease liabilities	-	-	2,467	2,467
Total contractual financial liabilities	-	-	12,876	12,876

2022	Contractual financial assets/liabilities designated at fair value through OCI	Contractual financial assets at amortised cost	Contractual financial liabilities at amortised cost	Total
Contractual financial assets				
Cash and deposits	-	54,661	-	54,661
Other financial assets	-	-	-	-
Receivables (a)				
Trade and other receivables	-	8,251	-	8,251
Financial derivatives ^(b)	11,528	-	-	11,528
Total contractual financial assets	11,528	62,912	-	74,440
Contractual financial liabilities				
Payables (a)				
Trade and other payables	-	-	8,422	8,422
Lease liabilities	-	-	2,720	2,720
Financial derivatives ^(b)	2,442	-	-	2,442
Total contractual financial liabilities	2,442	-	11,142	13,584

Notes:

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

(b) Foreign exchange contracts were entered into at the request of the Victorian Government's Department of Treasury and Finance and are held with Treasury Corporation of Victoria.

7.8.1.2 Financial instruments – Net holding gain/(loss) on financial instruments by category

(\$ thousand)

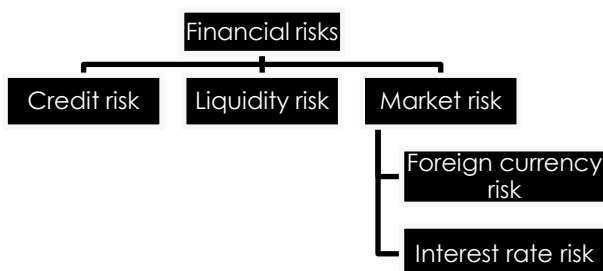
2023	Net holding gain/(loss)	Total interest income/(expense)	Total
Contractual financial assets			
Financial assets at amortised cost	-	2,191	2,191
Derivatives at fair value through net result	4,279	-	4,279
Hedge ineffectiveness	(1)	-	(1)
Total contractual financial assets	4,278	2,191	6,469

2022	Net holding gain/(loss)	Total interest income/(expense)	Total
Contractual financial assets			
Financial assets at amortised cost	-	218	218
Derivatives at fair value through net result	26,250	-	26,250
Hedge ineffectiveness	4	-	4
Total contractual financial assets	26,254	218	26,472

The net holding gains or losses disclosed above are determined as follows:

- for cash and cash equivalents, financial assets at amortised cost and debt instruments that are classified as financial assets at fair value through other comprehensive income, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;
- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
- for financial assets and liabilities designated at fair value through profit or loss, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

7.8.1.3 Financial risk management objectives and policies



As a whole, the Corporation's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and derivative instrument are disclosed in Note 7.8.1 and throughout the financial statements in relevant notes.

The main purpose of holding financial instruments is to prudentially manage the Corporation's financial risks within government policy parameters.

The Corporation's activities expose it to a variety of financial risks including interest rate risk, foreign exchange risk, liquidity risk and credit risk. The Corporation has determined that the most significant

of these is foreign exchange risk. The Corporation manages these financial risks in accordance with the financial risk policy.

The Corporation uses different methods to measure different types of risk to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Audit, Finance and Risk Committee of the Corporation.

Financial instruments: Credit risk

Credit risk arises from contractual financial assets of the Corporation, which comprise cash and deposits, non-statutory receivables, and derivative instruments. Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Corporation's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than Government, it is the Corporation's policy to only deal with creditworthy counterparties. Credit risk is controlled through the Corporation's risk management policies which deal with credit exposure limits and counterparty limits.

Provision of impairment for contractual financial assets is recognised through the application of the expected credit loss model. The Corporation uses a provision matrix that calculates expected future losses based on historical loss rates on trade receivables balances

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

The maximum credit risk exposure on foreign currency contracts is the full amount of the foreign currency the Corporation pays when settlement occurs should the counterparty fail to pay the amount which it is committed to pay to the Corporation.

As the Corporation transacts all foreign currency contracts with the Treasury Corporation of Victoria the credit risk is minimal.

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

	Financial institutions (double-A credit rating)	Government agencies (double-A credit rating)	Other (min triple-B credit rating)	Total
2023				
Cash and deposits	49,419	-	-	49,419
Receivables ^(a)	-	-	6,141	6,141
Total contractual financial assets	49,419	-	6,141	55,560

	Financial institutions (triple-A credit rating)	Government agencies (triple-B credit rating)	Other (min triple-B credit rating)	Total
2022				
Cash and deposits	54,661	-	-	54,661
Receivables ^(a)	-	-	8,251	8,251
Total contractual financial assets	54,661	-	8,035	62,912

Notes:

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

Impairment of financial assets under AASB 9

The Corporation has been recording the allowance for expected credit loss for the relevant financial instruments using AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Corporation's contractual receivables, statutory receivables and its investment in debt instruments.

Derivative instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through profit and loss are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Contractual receivables at amortised cost

The Corporation applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Corporation has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Corporation's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the Corporation's opening and closing balances in relation to loss allowance are as follows:

	Current	Less than 1 month	1-2 months	2-3 months	3-4 months	Over 4 months	Total
30 June 2023							
Expected loss rate	1%	3%	5%	8%	13%	90%	
Gross carrying amount of contractual receivables ^(a)	650	2,586	1,514	23	3	444	5,220^(b)
Loss allowance	7	77	76	2	1	400	563

	Current	Less than 1 month	1-2 months	2-3 months	3-4 months	Over 4 months	Total
1 July 2022							
Expected loss rate	1%	3%	5%	8%	13%	90%	
Gross carrying amount of contractual receivables ^(a)	51	1,311	94	846	434	52	2,788^(b)
Loss allowance	1	39	5	68	56	47	216

Notes:

(a) Contractual receivables do not include those receivables that have been fully provided as doubtful. 2023: \$67,304 (2022: \$Nil).

(b) The gross carrying amount used for the calculation of loss allowance excludes \$285k of receivables which had not been invoiced at balance date (2022: \$4.48m).

Contractual receivables are written off when there is no reasonable expectation for the receivables to be recovered and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Financial instruments: Market risk

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

The Corporation's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding 5-year period, with all variables other than the primary risk variable held constant.

Foreign currency risk

The Corporation has entered into forward foreign exchange contracts to hedge certain commitments denominated in US dollars. These contracts extend to 2026. Current derivatives relate to forward contracts that fall due within the next 12 months and non-current derivatives relate to forward contracts that fall due after this date.

These forward foreign exchange contracts have been entered into with full compliance of guidelines from, and with the approval of, the Treasurer of Victoria in accordance with the requirements of Section 24(2) of the *Australian Grands Prix Act 1994*.

The Corporation has not disclosed the gross value payable and receivable under the foreign currency contracts and is exempted from doing so under Section 49 of the *Australian Grands Prix Act 1994*. Disclosure of this information would constitute a breach of the international agreements as defined in Note 7.9.8 Other accounting policies and disclosures (Economic dependency).

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of financial markets, the Corporation believes the following foreign currency movements are reasonably possible over the next 12 months (base rates are sourced from Treasury Corporation of Victoria): a parallel shift of +15 per cent and -15 per cent in foreign exchange rates from year-end rates.

The Corporation's sensitivity to foreign currency movements is set out below.

		(\$ thousand)	
	Carrying amount	-15% net result	+15% net result
2023			
Derivative assets	13,364	38,550	(5,251)
Derivative liabilities	-	-	-
Total derivatives	13,364	38,550	(5,251)
	Carrying amount	-15% net result	+15% net result
2022			
Derivative assets	11,528	39,233	(8,950)
Derivative liabilities	(2,442)	7,243	(9,600)
Total derivatives	9,086	46,476	(18,550)

The line item in the comprehensive operating statement in which the hedge ineffectiveness is recognised is change in fair value of derivatives recognised through cash flow hedge reserve.

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

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation manages this risk by monitoring movement in interest rates and through using interest-bearing deposits and/or term deposits in order to minimise interest rate risk.

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

(\$ thousand)

2023	Weighted average interest rate (%)	Carrying amount	Variable interest rate	Non-interest bearing
Financial assets				
Cash and deposits	3.19	49,419	49,419	-
Receivables (a)		5,578	-	5,578
Total financial assets		54,997	49,419	5,578
Financial liabilities				
Lease liabilities	2.57	2,467	2,467	-
Total financial liabilities		2,467	2,467	-

2022	Weighted Average interest rate (%)	Carrying amount	Variable interest rate	Non-interest bearing
Financial assets				
Cash and deposits	0.22	54,661	54,661	-
Receivables (a)		8,035	-	8,035
Total financial assets		62,696	54,661	8,035
Financial liabilities				
Lease liabilities	2.29	2,720	2,720	-
Total financial liabilities		2,720	2,720	-

Notes:

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

Interest rate sensitivity

(\$ thousand)

2023	Carrying Amount	-100 basis points	+100 basis points	
		Net result	Fair value through OCI revaluation reserve	Fair value through OCI revaluation reserve
Contractual financial assets				
Cash and deposits	49,419	(494)		494
Total impact		(494)		494
Contractual financial liabilities				
Lease liabilities	2,467	(2)		2
Total impact		(2)		2

2022	Carrying Amount	-100 basis points	+100 basis points	
		Net result	Fair value through OCI revaluation reserve	Fair value through OCI revaluation reserve
Contractual financial assets				
Cash and deposits	54,661	(547)	-	547
Total impact		(547)	-	547
Contractual financial liabilities				
Lease liabilities	2,720	(27)	-	27
Total impact		(27)	-	27

7.8.2 Fair value judgements

Significant judgement: Fair value measurements of assets and liabilities:

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

Consistent with AASB 13 *Fair Value Measurement*, the Corporation determines the policies and procedures for both recurring fair value measurements such as infrastructure and equipment and financial instruments, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions (FRDs).

Fair value hierarchy

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.

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

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2023 and the comparative information presented for the year ended 30 June 2022.

How this section is structured

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

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

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.8.2.1) and non-financial physical assets (refer to Note 7.8.2.2).

7.8.2.1 Fair value determination for financial assets and liabilities

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

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

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

Off-balance sheet financial instruments

The Corporation has not disclosed the net fair value payable for forward future commitments under foreign exchange forward contracts and is exempted from doing so under Section 49 of the *Australian Grands Prix Act 1994*. Disclosure of this information would constitute a breach of the international agreements as defined in Note 7.9.8 Other accounting policies and disclosures (Economic dependency).

7.8.2.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy (\$ thousand)

	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(a)	Level 3 ^(a)
Equipment	725	-	-	725
Grand Prix infrastructure	18,822	-	-	18,822
Closing balance	19,547	-	-	19,547

	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(a)	Level 3 ^(a)
Equipment	487	-	-	487
Grand Prix infrastructure	19,670	-	-	19,670
Closing balance	20,157	-	-	20,157

Notes:

(a) Classified in accordance with the fair value hierarchy.

There have been no transfers between levels during the year.

The next scheduled revaluation will be in the 2025/2026 financial year.

There were no changes in valuation techniques throughout the year. (Note: Valuer General Victoria is the Corporation's independent valuation agency and is used wherever valuations are required). The valuer has advised that the market conditions at the time of the valuation, impacted by inflation, supply and demand and construction costs were volatile, creating significant valuation uncertainty.

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

Infrastructure assets are valued using the current replacement cost method when determining their fair value. Replacement costs relate to costs to replace the current service capacity of the asset. Economic obsolescence has also been factored into the current replacement cost calculation.

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

Reconciliation of Level 3 fair value movements

(\$ thousand)

	2023		2022	
	Equipment	Grand Prix infrastructure	Equipment	Grand Prix infrastructure
Opening balance	487	19,670	364	11,356
Purchases/(sales)	446	1,439	337	1,618
Depreciation	(210)	(2,287)	(589)	(13,135)
Transfer of asset class	2	-	-	-
Subtotal	725	18,822	112	(161)
Revaluation	-	-	375	19,831
Subtotal	-	-	375	19,831
Closing balance	725	18,822	487	19,670

Description of Level 3 valuation techniques used and key inputs to valuation

	Valuation technique	Significant unobservable inputs	Range	Sensitivity of fair value measurement to changes in significant unobservable inputs
Equipment	Current replacement cost	Cost per unit	\$500 - \$750,000 per unit	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of equipment	3 - 5 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Infrastructure	Current replacement cost	Cost per unit	\$500 - \$464,000 per unit	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of infrastructure	3 - 50 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

7.8.3 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.

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 are no contingent assets for the year ended 30 June 2023 (2022: 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 are no quantifiable claims for the year ending 30 June 2023 (2022: Nil)

A potential obligation remains unquantifiable at this time arising from the cancellation of the Formula 1® Rolex Australian Grand Prix 2020. The Corporation has denied liability and is defending the claim.

7.9 Other disclosures

Introduction

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

Structure

7.9.1	Ex gratia expenses.....	73
7.9.2	Responsible persons.....	73
7.9.3	Remuneration of executives.....	74
7.9.4	Related parties.....	75
7.9.5	Remuneration of auditors.....	76
7.9.6	Subsequent events.....	76
7.9.7	Australian Accounting Standards issued that are not yet effective.....	77
7.9.8	Other accounting policies and disclosures.....	79
7.9.9	Glossary of technical terms.....	80

7.9.1 Ex gratia expenses

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit that is not made to acquire goods, services or other benefits for the Corporation, nor to meet a legal liability, or to settle or resolve a possible legal liability or claim against the Corporation.

	(\$ thousand)	
	2023	2022
Employee termination payments	122	-
Settlements relating to event cancellation ^(a)	-	150
Total ex gratia expenses	122	150

Notes:

(a) The line item on the comprehensive operating statement for which the expense is recognised in is Formula 1[®] Grand Prix expenses from transactions. The line item on the balance sheet for which amounts are payable is recognised in payables.

7.9.2 Responsible persons

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

Persons who hold the position of Responsible Persons in relation to the Corporation during the year are as follows:

Responsible Minister

Steve Dimopoulos MP, Minister for Tourism, Sport and Major Events 1 July 2022 to 30 June 2023

Accountable Officer

Mr Andrew Westacott 1 July 2022 to 30 June 2023

Members of the Board

Mr Paul Little AO (Chair) 1 July 2022 to 30 June 2023

Ms Kimberley Brown 1 July 2022 to 30 June 2023

Mr Michael Doohan AM 1 July 2022 to 30 June 2023

Ms Tal Karp 1 July 2022 to 30 June 2023

Ms Nicki Kenyon 1 July 2022 to 30 June 2023

Mr Paul Lappin 1 July 2022 to 30 June 2023

Mr Mark Webber AO 1 July 2022 to 30 June 2023

Ms Kate Lundy 1 July 2022 to 30 June 2023

Mr John O'Rourke 1 July 2022 to 30 June 2023

Remuneration

Members of the Board act in an honorary capacity.

The total remuneration of the Accountable Officer, including superannuation contributions, in connection with the management of the Corporation during the reporting period was in the range \$510,000 - \$519,999 (2022: \$520,000 – \$529,999). The remuneration of the Responsible Minister is reported within the State's Annual Financial Report.

Other transactions of responsible persons and their related entities

A total of 103 tickets (retail value: \$32.5k inc. GST) for the 2023 Formula 1® Grand Prix (2022: 72 tickets) and 140 tickets (retail value: \$20k inc. GST) for the 2022 Motorcycle Grand Prix (2021: Nil) were either used by Responsible Persons free of charge or were provided to entities related to Responsible Persons under contractual obligations.

7.9.3 Remuneration of executives

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

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

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

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

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

(\$ thousand)

Remuneration of executive officers (excludes CEO) (including Key Management Personnel disclosed in Note 7.8.4) ^(a)	2023	2022
Short-term employee benefits	1,607	1,542
Post-employment benefits	164	206
Other long-term benefits	25	23
Termination benefits	103	261
Total remuneration^(a)	1,899	2,032
Total number of executives	10	8
Total annualised employee equivalents^(b)	6.24	5.76

Notes:

(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 7.9.4).

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

7.9.4 Related parties

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

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- the Portfolio Minister and close family members;
- the Department of Jobs, Skills, Industry and Regions (DJSIR);
- the Department of Premier and Cabinet (DPC);
- the Department of Transport and Planning (DTP);
- the Department of Treasury and Finance (DTF);
- Parks Victoria (PV);
- Victoria Police;
- Ambulance Service Victoria;
- Victorian Managed Insurance Authority (VMIA); and
- Country Fire Authority.

Key Management Personnel (KMP) of the Corporation includes:

- Board members of the Corporation;
- The Accountable Officer; and
- General Managers.

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

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

Remuneration of key management personnel

	(\$ thousand)	
Compensation of KMPs	2023	2022
Short-term employee benefits	2,066	2,011
Post-employment benefits	211	254
Other long-term benefits	32	30
Termination benefits	103	261
Total remuneration ^(a)	2,412	2,556

Notes:

(a) Note that KMPs are also reported in the disclosure of remuneration of executive officers (Note 7.9.3).

Significant transactions with government-related entities

The Corporation received funding of \$118.69 million (2022: \$49.4 million) from the Department of Jobs, Skills, Industry and Regions.

The Corporation has an arrangement with DTP for the provision of free tram shuttle services from the City to the Albert Park Grand Prix Circuit for patrons attending the Formula 1[®] Grand Prix. DTP received \$1.5 million payment (2022: \$1.12 million) directly DTF for this arrangement in 2023.

Transactions and balances with key management personnel and other related parties

During the financial year, in respect of the Formula 1[®] Grand Prix and the Australian Motorcycle Grand Prix, the Corporation entered into the following types of transactions with related parties, entities of which Key Management Personnel of the Corporation are Directors, and entities related to Key Management Personnel including entities under the significant influence or control of people directly related to the Key Management Personnel:

Expenditure

- Victoria Police;
- Ambulance Service Victoria;
- Victorian Managed Insurance Authority;
- Country Fire Authority; and
- Parks Victoria

The total aggregate expenditure was \$1.93 million (2022: \$1.1 million)

7.9.5 Remuneration of auditors

	(\$ thousand)	
	2023	2022
Victorian Auditor-General's Office		
Audit of the financial statements	81	74
Other non-audit services^(a)		
Amount paid or payable for internal audit activities	42	51
Total remuneration of auditors	123	125

Notes:

(a) The Victorian Auditor-General's Office is prohibited from providing non-audit services.

7.9.6 Subsequent events

Assets, liabilities, income or expenses arise from past transactions or other past events.

Disclosure is made about events between the reporting date and the date the financial statements are authorised for issue where the events relate to conditions which arose after the reporting date and are considered to be of material interest.

On 13 July 2023, it was announced that Travis Auld had been appointed to the role of Chief Executive Officer. Mr Auld commenced in the role on 14 August 2023.

The term of Chairman Mr Paul Little AO concluded on 16 September 2023. On 10 October 2023 it was announced that The Hon. Martin Pakula had been appointed as the new Chairman.

The Hon. Kate Lundy resigned from the Board on 22 August 2023.

Ms Tal Karp concluded her term as a Board member on 14 October 2023.

At the time of signing the accounts, replacement appointments for these roles had not yet been announced.

There has been no material developments or advancements since balance date in the litigation case arising from the cancellation of the 2020 event.

Investigations by authorities in relation to the early track invasion at the 2023 Formula One event remain ongoing.

The Australian Motorcycle Grand Prix, held 20-22 October 2023, was impacted by adverse weather conditions which resulted in a number of changes to the track schedule and the cancellation of some track activity altogether. Refunds or partial refunds have been offered to a limited number of patrons directly impacted by the changes.

Other than the matters outlined above, there has not arisen in the interval between the end of the financial year and the date of signing these financial statements, any other item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Corporation, the results of those operations, or the state of affairs of the Corporation, in subsequent financial years.

7.9.7 Australian Accounting Standards issued that are not yet effective

Certain new and revised Australian Accounting Standards (AAS) and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. The Corporation has assessed the impact of these new standards and their applicability and early adoption where applicable.

As at 30 June 2023, the following standards and interpretations have been issued but were not effective. They become effective for the first financial statements for the reporting periods commencing after the stated operative dates as follows.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on AGPC financial statements
AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.	AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows	1 January 2024	The standard is not expected to have a significant impact on the Corporation.
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	AASB 2020-1 amended AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current and was applicable to annual reporting periods beginning on or after 1 January 2022. AASB 2022-6 subsequently amended AASB 2020-1, deferring the mandatory effective date of AASB 2020-1 from 1 January 2022 to 1 January 2023. AASB 2022-6 was applicable for annual reporting periods beginning on or after 1 January 2022. AASB 2022-6 amends and clarifies the requirements contained in AASB 2020-1. Among other things, it: <ul style="list-style-type: none"> clarifies that only those covenants that an entity must comply with at or before the 	1 January 2023	The standard is not expected to have a significant impact on the Corporation.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on AGPC financial statements
	<p>reporting date affect a liability's classification as current or non-current; and</p> <ul style="list-style-type: none"> requires additional disclosures for non-current liabilities that are subject to an entity complying with covenants within twelve months after the reporting date. <p>AASB 2022-6 applies to annual reporting periods beginning on or after 1 January 2023</p>		

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

7.9.8 Other accounting policies and disclosures

Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Income tax

The Corporation is exempt from income tax under Section 24AR of Division 1B of the *Income Tax Assessment Act, 1936*.

Other non-financial assets

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

Foreign currency transactions and balances

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date at the end of the reporting period. Non-monetary assets carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Foreign currency translation differences are recognised in 'other economic flows' and accumulated in the cash flow hedge reserve in the period in which they arise.

Economic dependency

The ongoing activities of the Corporation are dependent upon the Corporation being able to exercise its rights and perform its obligations under the *Australian Grands Prix Act 1994* and the continued existence of certain contracts with international bodies concerning the staging of the Formula 1® Grand Prix at Albert Park and the staging of the Motorcycle Grand Prix at Phillip Island. The existing contract in respect of the Formula 1® Grand Prix runs until 2037. The contract in respect of the Motorcycle Grand Prix runs until 2026.

7.9.9 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

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

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

Comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

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

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

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

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, termination payments and superannuation contributions.

Financial asset is any asset that is:

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

Financial instrument is any contract that gives rise to a financial asset of one entity and a liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability is any liability that is:

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

- ii. A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own derivative instruments. For this purpose, the entity's own derivative instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own derivative instruments.

Financial statements: Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (September 2007), which means it may include the main financial statements and the notes.

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

Intangible assets represent identifiable non-monetary assets without physical substance.

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

Interest income includes interest received on bank term deposits, interest from investments and other interest received.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net acquisition of non-financial assets (from transactions) are purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations

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

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

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not 'financial assets'. It includes prepayments, infrastructure, equipment and intangible assets.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets as well as fair value changes of financial instruments.

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

Payables includes short and long-term trade debt and accounts payable, grants and interest payable.

Receivables includes short and long-term trade credit and accounts receivable, grants, taxes and interest receivable.

Sales of goods and services refers to revenue from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services and fees from regulatory services. User charges includes sale of goods and services revenue.

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

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

The Australian Grand Prix Corporation proudly acknowledges its supporters and suppliers of the FORMULA 1 ROLEX AUSTRALIAN GRAND PRIX 2023

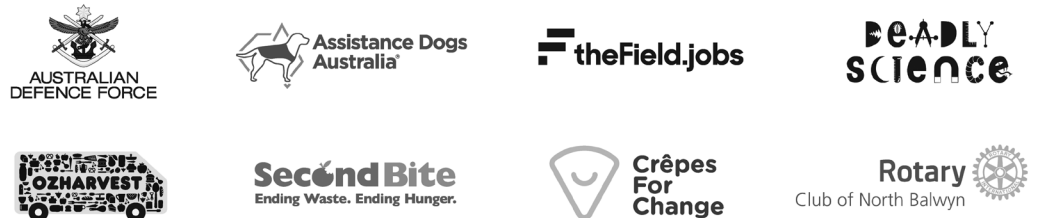
TITLE PARTNER



PARTNERS



COMMUNITY PARTNERS



The Australian Grand Prix Corporation proudly acknowledges its supporters and suppliers of the Animoca Brands Australian Motorcycle Grand Prix 2022.



TITLE PARTNER



PARTNERS



CHARITY PARTNER



THE AUSTRALIAN GRAND PRIX CORPORATION PROUDLY ACKNOWLEDGES THE SUPPORT OF:







AUSTRALIAN GRAND
PRIX CORPORATION

Level 5, 616 St Kilda Road,
Melbourne, VIC 3004, Australia
grandprix.com.au | motogp.com.au