



THE SOVEREIGN HILL
MUSEUMS ASSOCIATION LIMITED

ANNUAL REPORT

2019 | 2020

OUR STORY

We were born in 1970 with a rebellious spirit and an innovative vision. We have a sharp eye for history and want to ensure that Ballarat's vibrant gold rush heritage and the story of its impact on our nation can inspire future generations.

Founded by locals as a not-for-profit organisation, we are connected to our community and dedicated to the growth and success of the people and businesses in our part of the world.

We are passionate believers and advocates for adaptation and change, and we bring the people of the goldfields to life through stories of resilience, opportunity, curiosity, change, connection and conflict.

It has taken many cultures, many people and more than 60,000 years to build a country like Australia, and while the story of our nation is still being written, we tell an important part of it like no one else can.

Sovereign Hill is the story of us.

WADAWURRUNG ACKNOWLEDGMENT

Sovereign Hill acknowledges the Wadawurrung people as the Traditional Owners of the land on which we operate. We pay our respects to their Elders past and present, and to all of the Aboriginal and Torres Strait Islander people who live and work on Wadawurrung Country.

We acknowledge their unceded sovereignty over Wadawurrung Country, and the ongoing hardship and trauma as a result of colonisation. The history and continuous culture of the Wadawurrung people is an important part of our shared story.

COVER
2019 Winter Wonderlights, Sovereign Hill.

OUR STRATEGY

OUR VISION

Connecting people through our history to adapt for a better future.

OUR MISSION

Providing meaningful immersive experiences that tell stories of our humanity.

OUR VALUES

Our values identify how we will interact with each other, our visitors and our stakeholders.

Integrity

Our business is conducted with honesty and integrity

Safety

Ensuring the safety of our people and visitors underpins everything we do

Sustainability

We strive to balance social, environmental and economic priorities

Respect

We respect each other, and we respect our visitors, partners, resources, reputation and collections

Service

We are passionate about creating a positive and memorable visitor experience

Equality

We are committed to achieving equality and we value diversity

OUR APPROACH

Excellence in Visitor Experience

Provide immersive and tailored experiences that are relevant and meaningful

Places and Spaces

Reimagine our spaces and places, creating environments and experiences that transport all visitors

Bold Narratives

Reveal and share stories of our humanity that provoke connection, curiosity and change

Reach and Impact

Transform our reach and impact on-site, offsite and online

Workplace of the Future

Create a progressive workplace that values our people and promotes diversity and inclusion

Future Proofing

Build a resilient business for sustainability and agility

OUR DECISION-MAKING CRITERIA

Innovative | Data Informed | Risk and Return Assessed | Purpose Aligned

Culture and Capability Fit | Excellence in Visitor Experience





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PRESIDENT'S REPORT



Given my term as President concludes at this year's annual general meeting, it is timely to reflect upon the achievements of the past two years. It is also important to focus on some of the positives despite the severe impact that the current global COVID-19 pandemic is having on our operations.

On 29 November, 2018, the Board, together with our then interim CEO, Terry Lloyd, undertook a very important planning day. The aims of this day were to reflect upon the significant work ahead of us following a very challenging time, and to prepare a plan that would build the confidence of our stakeholders and ensure the safety of everyone involved in our organisation. The ultimate carriage of which would be undertaken by our newly appointed CEO – Sara Quon.

- As a result of that day, the Board resolved to:
1. Review and adopt best-practice governance structures for the whole of the organisation
 2. Review and adopt the new Mission, Purpose, and values of the organisation through the development of a new strategic plan
 3. Undertake a master planning process to set Sovereign Hill up for the next 50 years

From that time, our museum has worked tirelessly to deliver upon these resolutions.

In terms of the governance review, our aim has always been to ensure the organisation is beyond reproach and is a model of best practice that other organisations seek to replicate. We have re-engineered the organisation from the ground up, including the adoption of a new, modern constitution, and a membership structure that will serve Sovereign Hill into the future. With solid foundations in place, we will continue our work to build upon this.

Our new strategic plan outlines our mission, purpose, values and the decision-making criteria that will guide our organisation, ensuring that all decisions are fit for purpose.

Whilst the Master Planning process is underway, we look forward to the delivery of this document in the lead up to our 50th anniversary in November this year. It is pleasing to note that the \$10.2 million of Federal Government funding under the National Tourism Icons program not only ensures that we can deliver the planning aspect of the Master Plan, but it also allows us to begin phase 1 immediately.

Whilst many business models are under significant strain due to the global COVID-19 pandemic, I am confident that Sovereign Hill is in the best position to survive, ensuring that Sovereign Hill will be a major contributor to the Ballarat and Victorian economies well into the future.

There are so many layers to this current crisis and so many matters that must be taken into consideration. The crisis continues with very little prospect of recovery in the short term and the likelihood that we may not return to pre-COVID-19 trading for another two to three years.

I can assure you that the Board and management will leave no stone unturned in our pursuit of the best course of action out of this. There have been and will continue to be extremely tough decisions being made.

Finally, my greatest thanks to our board, including retiring members Janelle Ryan and Annmaree Perry, for their commitment to our work, and to Sara Quon and our entire Sovereign Hill staff and volunteers.



Damien Butler
Board President

CEO'S REPORT



2020 across the world has been dominated by COVID-19 and, for many, 2019 is a distant memory. Our facilities closed temporarily on 20 March, 2020 amid an uncertain and ever-changing landscape of external factors. A core team of staff remained to ensure business continuity, collection and asset protection, and animal care were in place.

COVID-19 has ensured we are clear about what is important to us, and throughout the safety of our staff, volunteers, visitors and community has been paramount in our decision making. We have been working to reduce our financial exposure through significant cost saving initiatives and have sought to secure financial support from both the State and Federal Government. Fundraising efforts have also been amplified through this time. Despite these efforts, there will be a long recovery period and an immensely negative financial impact over the coming years. The impact on our community, our visitors, our suppliers and our team has been immense, but we have remained optimistic about the future of our organisation and its role in our community through this crisis.

COVID-19, however, is not the only story of our 2019/20 financial year. Following the creation of a new purpose and mission in early 2019, the *Sovereign Hill Museums Association Strategic Plan 2020 - 2023* was developed in the second half of 2019 to drive a new direction and priorities. Reflecting our not-for-profit museum status, the plan articulates an enhanced desire for meaningful community engagement, a focus on the future for our workplace and business model, a clear understanding of our need to tell bold narratives, and a core proposition of visitor centricity. Strong decision making supported with robust data is at the centre of our ability to deliver on this plan, and in support of this the scoping phase of a customer relationship management system project has been initiated.

Planning for the commencement of our *Sovereign Hill Museums Association Master Plan 2020 - 2040* was initiated in late 2019 and the tender was officially awarded to Grimshaw and Associates in March 2020. The plan is due for release in late November 2020 and, despite the challenges of COVID-19, has progressed very well. The plan will articulate a long-term vision for the built form of all Sovereign Hill sites and drive the investment of Federal Government funding into stage one.

My sincere thanks to the Board and our entire team for their commitment and energy to our new direction. A rich fabric of supporters makes up our organisation's eco-system and to each of them I reiterate their value and my optimism about all that we can achieve together in the years to come.



Sara Quon
Chief Executive Officer

REACH & IMPACT

One of our key objectives from the beginning of this financial year has been to improve access to our site, services and offerings. By focusing on greater inclusion, we have been moving in a direction that supports lifelong learning for all. At the same time, a focal point for us has been to put our relationship with our local community under a spotlight and reinvigorate the way we interact.

WE REMAIN HIGHLY VALUED BY AUSTRALIANS BUT PARTICULARLY BY VICTORIANS

Over the past 12 months, 373,500 people visited Sovereign Hill's outdoor museum to experience a variety of high quality, entertaining and educational programs and events. During this period over 147,000 people visited from Melbourne, making up 40% of visitation; 70,000 people visited from regional Victoria, comprising 18% of our total visitation; and 43,724 people visited from our local Ballarat community, making up 11% of all visitation.

In total, 4,280 people took up Annual Passes and 96,145 people visited the Gold Museum. Across our sites – the Gold Museum, Outdoor Museum, Costumed School and Narmbool – we received 75,000 visits from students and 8,000 from educators.

We experienced 10% year-on-year growth in total international visitor numbers before travel was suspended from China in January and other regions shortly after. Visitor numbers from Western Markets grew 8% on the previous financial year.

OUR IMPACT EXTENDED WELL BEYOND OUR SITE AND INTO THE COMMUNITY

As part of our continued focus on improving accessibility for visitors, throughout the year we have developed a series of social stories to support children with autism and learning needs. The stories are designed to help children have a positive experience when visiting Sovereign Hill for the first time. By outlining Sovereign Hill's environment and what actions or behavior are expected on-site, these materials helped children pick up the social cues they normally wouldn't notice or practice during their visit.

Through our partnership with the Victorian Chamber of Commerce within the Museum Curators Internship program, in 2019 Sovereign Hill welcomed the employment of university students, who gained valuable work experience and vocational learning at the Gold Museum.

In July 2020, at the Accreditation Committee meeting for White Ribbon, The Sovereign Hill Museums Association was awarded full White Ribbon accreditation for three years. The White Ribbon committee was impressed by Sovereign Hill's focus on intersectionality as well as our inclusive message to visitors about gender equality and the prevention of violence.

Throughout the year, our Pioneer Pass program welcomed Ballarat residents aged over 70 to visit free of charge. The Outdoor Museum and Gold Museum team worked to develop a bespoke program for seniors that included 'Lola Montez' performing in the Victoria Theatre, hands on activities with our volunteers, as well a series of fascinating lectures presented by our resident experts.

On 17 November 2019, we celebrated 40 years of operation of our internationally recognised Costumed School. To mark the occasion, we invited past Sovereign Hill Costumed School staff and alumni to enter an online competition and describe their immersive 1850's schooling experience. Through this we learnt that for one past alumni student the experience inspired her love of history, and she currently is undertaking her history PHD. Almost 10,000 students a year attend the Costumed School program.

On 22 February, the very first annual National Raspberry Drop Day was celebrated, with ten local Ballarat businesses partnering with Sovereign Hill to create a variety of Raspberry Drop flavoured dishes and activities.

“ In 2019 we celebrated 40 years of operation of the internationally recognised Costumed School. ”

COVID-19 presented many challenges for the year, but also many opportunities. During our closure we launched *Sovereign Hill at Home*, a section of our website which is specifically designed for families with children at home. It complements our existing online education resources available through our education blog and e-news. Over the course of the year we received more than 90,000 online visits for our education materials – 30,000 of these while we were closed.

We were grateful to receive ongoing support from the Victorian Department of Education and the Catholic Education Commission enabling us to deliver curriculum-linked programs for students, professional development for teachers and further develop our digital learning resources. We were also pleased to partner with the Department of Education to deliver our Costumed School program.

On 5 March students from Geelong College were the first to visit the new Hugh DT Williamson Field Centre at our Narmbool site. The new centre is a state-of-the-art rammed earth, solar powered building replacing the “old” Mannas Outstation, which was destroyed in the 2015 Scotsburn bushfire. Built with support from the Ferry Family Charitable Trust and the Hugh DT Williamson Foundation, the centre is situated within a short walking distance of the Bowers Homestead archaeological site and the Aboriginal Silcrete Quarry site. These locations represent two of Narmbool's most significant historical sites, connecting stories of shared humanity on the property that span thousands of years. Enabling immersive experiences, the facilities support the delivery of meaningful learning in a contemporary and environmentally-friendly setting.



OUTDOOR MUSEUM VISITORS



373,500
PEOPLE VISITED

260,724
FROM VICTORIA

43,724
FROM BALLARAT

75,000
STUDENTS & EDUCATORS

EXCELLENCE IN VISITOR EXPERIENCE

Driven by a desire to diversify and continue to improve the visitor experience we spent a significant effort this year on gathering insights from our staff, volunteers, donors and major stakeholders. We also worked with industry leaders to conduct deep audience research to understand how we are perceived and what opportunities are available for us into the future. To ensure we are moving in a direction of constant improvement, we also reached out to peer organisations to share our challenges, experiences and foster a process of mutual learning within our industry.

AUDIENCES TOLD US WE HAVE AN EXCITING FUTURE FILLED WITH NEW OPPORTUNITIES

Through extensive consultation with various stakeholder groups and audiences, including workshops with staff and volunteers and ongoing market research, the feedback we received reinforced the fact that our future is bright and filled with opportunity – however significant changes will add even more value to the experiences we offer. Audiences expressed a favourable and warm perception of Sovereign Hill and the work we do, but also indicated a strong desire for the organisation to become more contemporary, dynamic and accessible.

Addressing these insights, we embarked on a detailed long-term change-management program that will involve input from every staff member and volunteer. Where possible, we also began making ongoing changes to our daily activities.

We placed a renewed focus and energy on interpretive training and utilised our existing staff gatherings as monthly training forums. Through the 'Creating Connections' program we enhanced the interpretive skills and historical knowledge of our retail and operations staff.

We also created regular modifications to existing programs through a new addition to our daily presentation – an excerpt from Charles Dance's play *A Morning Call* – which was performed by Lola Montez at the grand opening of the original Victoria Theatre in 1856.

Our performance of *The Ballarat Reform League* also debuted as part of the national Lazarus Tour for Eureka Day on 3 December 2019; and the pantomime *Beauty and the Beast* was on offer during the 2019 school holidays for families, and for schools in the evenings.

To assist in shaping a dynamic visitor experience our volunteer team of 240 members, from the Friends of Sovereign Hill (FOSH) and Gold Museum Society, delivered a diverse range of activities and interactions, from interpreting buildings and exhibits, assisting with school programs, working with collections, and running workshops and demonstrations, including heritage trades and crafts. One of the highlights this year was a number of volunteer-run workshops for children where they learned the rare trade of leatherwork. These workshops were very successful with high engagement levels, family participation and extra sessions slotted in to accommodate the demand.

SEASONAL ACTIVITIES AND SPECIAL PROGRAMS REMAIN HUGELY POPULAR WITH VISITORS

The ongoing development of special events and program activities that complement the core program and experience of Sovereign Hill remained a big attraction and an area of increasing interest for visitors throughout the past 12 months.

Over 23 days between 29 June and 27 July 2019, 90,967 people enjoyed the magical light show of 'Winter Wonderlights' consuming over 13,000 toffee apples!

During two weeks of school holidays 'The September Spectacular' brought lots of colour and fun to the Main Street and provided 28,000 people with the opportunity to learn different circus skills.

Over the Summer school holidays, 'The Summer Gold Rush' attracted 61,972 people and celebrated the outdoor museum's core program by highlighting different areas across the museum on different days.



“ Over 13,000 toffee apples were consumed throughout the 2019 'Winter Wonderlights' ”

Our sound and light show 'AURA' invited 31,793 people to participate in the immersive storytelling of our region, from the dreamtime through to the discovery of gold and the establishment of our current community.

On Sunday, 17 November, Narmbool hosted its annual Open Day, with 700 visitors spending time exploring the gardens, stables precinct, lodge and education facilities. The day showcased a number of the unique elements that make Narmbool a destination of choice for weddings, high teas, conferences and camps. Tours of the gardens, Echidna Dam and the Lodge were complemented by Devonshire Teas and a seasonal lunch menu in and around the Garden Room Restaurant; and several hundred gathered to see Martin Scuffins from Leigh Valley Hawk and Owl Sanctuary present his Birds of Prey demonstration.

Looking to the future, we are focused on expanding our programming to provide more compelling seasonal and core program concepts that will create an urgency and sense of dynamism to attract new visitors.



90,967

ATTENDED WINTER WONDERLIGHTS

31,793

ATTENDED AURA

61,972

ATTENDED THE SUMMER GOLD RUSH

PLACES & SPACES

Our attention for the past 12 months has been focused on engaging a range of stakeholders to imagine how Sovereign Hill's physical environments can best be shaped to meet our strategic ambitions. Through a process of evaluation and ongoing monitoring of our assets we sought to link the vision of our physical assets and spaces to the future potential of our visitor experience. We've also placed a critical eye over our assets to ensure they embody our commitment to flexibility, sustainability and inclusion.

WHILE WE WERE CLOSED, WE IMPROVED OUR SITE

Over the course of the past 12 months we have completed substantial renewal works to our buildings and infrastructure, meeting our ambition to continuously improve the visitor experience. Whilst the closure of Sovereign Hill due to COVID-19 has had a devastating effect on our business, the Engineering team have worked where possible to make the most of this shut down period to undertake crucial renewal works.

Within our Quartz mine, the Link Drive - a 35 metre section of tunnel connecting the north drive to the west drive - has seen a great deal of structural support work undertaken. This work includes the installation of shotcrete over galvanised steel mesh, pinned to the natural ground with steel bolts. This is further stabilised with galvanised steel sets and timber backs. Split timber laths provide wall support, as well as adding to the authentic aesthetics of the mine. This section of mine has not previously been open to the public. However, the latest renewal works will enable the development of future mine offerings.

A unique aspect of Sovereign Hill's Main Street - is the long stretches of timber guttering along the edges of the south end of this road. Recently, 165 metres of this timber gutter was excavated and replaced by Sovereign Hill's in-house construction team. The new timbers have been fixed to an embedded concrete slab, hidden from sight below the exposed timber surfaces. The innovative new design will provide an extended useful life to these gutters, as well as improving safety and accessibility for visitors to the nearby shops and exhibits.

Another significant renewal project, also improving accessibility and safety, has been the complete rebuild of the boardwalk in front of the Candle Makers and Seinfeld's

Building. The new boardwalk has taken into account existing building heights, and incorporated thresholds to building entrances. This removed barriers to access for visitors, staff and volunteers with mobility limitations - in line with Sovereign Hill's access and inclusion strategy of improving access whenever possible.

The diggings area also continues to be an area of focus for renewal works, with all bridge timber decking boards and the timber substructure having been recently replaced. A significant number of canvas structures have also been replaced, ensuring the diggings looks as fresh and new as possible.

During January, we enhanced our Costume Department facilities, dividing Costume Production and the Wardrobe Department into two separate buildings. This has improved business productivity, providing updated costume change facilities and costume-related services for staff, volunteers and visitors. A site-wide costume audit is currently being undertaken during this period of closure, which will assist in future-proofing the costume asset.

Leading up to the end of the financial year works were completed at Narmbool to automate the Observatory roof. The new custom designed mechanism is solar powered, and controlled using a hand-held pendant. The control mechanism allows staff to safely retract the large steel roof along a 12 metre gantry, allowing students to view the night sky using a number of available telescopes.

Sovereign Hill recently acquired a ten year license on 15 hectare parcel of land on the south side of Elsworth Street. Works have been completed to eliminate a significant quantity of built-up noxious weeds and overgrowth, to provide improved access for maintenance and reduce the fire risk during the summer months. Consideration will be given to the future use of this land as part of our Master Plan process.

COMMUNITY INVOLVEMENT AND EXCHANGE REMAINS CRITICAL TO RENEWING AND MAINTAINING OUR SITE

In September our volunteers planted more than 650 trees, grasses and shrubs at both Sovereign Hill and Narmbool, assisting with much needed revegetation work and ensuring the sustainability of our sites for future generations.

Sovereign Hill was fortunate enough to have assistance in painting the Bank and Gold Shop Building from an apprentice painter who was on exchange from Den Gamle By in Aarhus, Denmark. Sovereign Hill and Den Gamle By have built an exchange program that has benefited both museums through staff development and cultural exchange.

“ In September our volunteers planted more than 650 trees, grasses and shrubs at both Sovereign Hill and Narmbool. ”

Further painting works were conducted throughout the year across a number of significant Main Street buildings, including the Red Hill Photographic Studios, Universal Transit Office, Boot Mart and the Apothecaries.

Our continuing partnership with the Ballarat Multicultural Regional Council provided young CALD (Culturally and Linguistically Diverse) students from refugee backgrounds with much-valued work experience at Sovereign Hill. This important relationship continues to grow and now provides multicultural learnings and training for our workforce.



3

SITES - NARMBOOL, GOLD MUSEUM AND SOVEREIGN HILL



650

TREES PLANTED

140

BUILDING ASSETS MANAGED AND MAINTAINED BY SOVEREIGN HILL

BOLD NARRATIVES

Our aspiration has been to promote debate by taking steps toward making truth-telling a feature of our offering. To ensure we are able to articulate these ‘bold narratives’, we have turned our efforts to the development of a Master Interpretive Framework to shape and guide our collections, research and programs. We aim to tell the often hidden narratives of women, Indigenous Australians and Chinese immigrants. To further help identify and produce these narratives we’ve placed an increased emphasis on developing creative community partnerships.

COMMUNITY AND CREATIVE PARTNERSHIPS LED THE WAY

Driven by a wish to connect meaningfully with partners that align with our strategic direction, we began the initial work on our Master Interpretive Framework. Championed by our historians, this framework has been designed to guide the development of future narratives and ensure they are credible and authentic.

During the year, we worked in collaboration with Grimwade Centre for Cultural Materials Conservation (University of Melbourne) and the Copland Foundation to bring Loong, Ballarat’s Chinese Processional Dragon – Australia’s oldest processional dragon – home to Sovereign Hill after nine months on display with the Grimwade collections.

On 21 February, we hosted Andrew Abbott CEO of Creative Victoria for an engagement session with Ballarat Arts Sector leaders including City of Ballarat, Art Gallery of Ballarat, Eureka Centre and Foto Biennale.

Later in the year on 23 August and 20 October we also supported the 2019 Ballarat International Foto Biennale with the development of ‘Pose’, which curated portraits from the Gold Museum Collection, focusing on Sovereign Hill’s extensive photographic collections.

On 16 October, Sovereign Hill invited Dr Sara Hayes, an eminent archaeologist and historian, to present her research, ‘The Gold Rush in Discarded Things’ to over 150 people at the annual Weston Bate Memorial Lecture. Weston was an inspiring and influential historian at the University of Melbourne and Deakin University, as well as instrumental figure to Sovereign Hill since its inception to his passing in 2017.

Working with the Victorian State Government’s Department of Environment, Land, Water and Planning, Sovereign Hill was awarded a ‘Living Heritage’ grant to support the assessment and documentation of the very significant Porters Prefabricated Iron store.

In collaboration with the University of Queensland, we commenced research on the Museum’s rare Jimmy Possum and Colonial Chair Collection. Led by Dr Mike Epworth, the project will result in the publication of this work early next year and will be accompanied by a traveling exhibition spearheaded by the Ipswich Art Gallery.

HIDDEN NARRATIVES ARE CRITICAL TO OUR SUCCESS

On 20 February, we developed a new version of the Voltaic Battery Blasting Demonstration using a female presenter. Consistent with our desire to explore a wider range of stories and voices – with a particular focus on relatively unheard voices, like those of women and non-British figures – this showcased our shifting direction and commitment towards bolder narratives.

In the lead up to International Women’s Day on 8 March 2020, the Gold Museum presented a series of speakers sharing tales of feisty and fearless women as represented in the Sovereign Hill Museums Association’s collection. The event showcased the hidden stories and experiences of women connected to the goldfields, including Alice ‘Madame Midas’ Cornwall, owner of Creswick’s Midas Gold Mining Company; Lola Montez, world renowned goldfields entertainer; the ‘Pioneer Women of Ballarat’ photo montage; and the unknown woman, as represented by a Victorian-era servant’s dress.



“ In the lead up to International Women’s Day, the Gold Museum presented a series of speakers sharing tales of feisty and fearless women as represented in the Sovereign Hill Museums Association’s collection. ”

To celebrate the role and resilience of women in our society past, present and future, on the 8 March we also piloted a new program with students from Ballarat High School. The students experienced costumed housework based on the 1850s, a behind-the-scenes tour of the Gold Museum, a conversation with ‘Lola Montez’ and ‘Clara Seekamp’, and spoke to a panel of Sovereign Hill Museums Association women who reflected on how the role of women has changed since the 19th century.

During the year we also agreed to partner with SBS to support the production of its flagship drama program *New Gold Mountain*, a story of Chinese Australian entrepreneurialism and hardship during the 1850s, which will be shot on-site at Sovereign Hill. *New Gold Mountain* will be launched in 2021.



3
PUBLIC LECTURES HOSTED

30
COLLABORATIONS WITH CULTURAL INSTITUTIONS

350
OBJECTS ACQUIRED FOR OUR MUSEUM COLLECTIONS

WORKPLACE OF THE FUTURE

Creating a vibrant workplace for the next five to ten years and beyond is our duty to our people, their families and the local Ballarat community. We’ve now placed an increased emphasis on equity, meaningful work and lifelong learning. Over the past 12 months we’ve strengthened our cultural foundations through enhancement of our policies and training in the areas of Respect and Responsibility.

OUR WORKPLACE REMAINS DIVERSE, RESILIENT AND STRONG

Sovereign Hill employs more than 350 people who comprise a combination of permanent and casual employees. Our employees are spread over a range of sites, including the Outdoor Museum, The Gold Museum, Narmbool Farm and the Alfredton Confectionery manufacturing site. In addition, we have more than 200 adult volunteers who represent a core cultural component of our workforce.

Throughout the past 12 months, all 550 volunteers and employees of Sovereign Hill have participated in a culture building program called Respect and Responsibility. This involved a renewal of the organisations Values and Code of Conduct, along with an overhaul of policies in relation to sexual harassment and bullying, a new complaint-handling and recording procedure, new investigations procedures, new discipline processes, and a new and independent whistleblowing third party process. This work was acknowledged by Creative Victoria in its evaluation of Sovereign Hill. According to Creative Victoria’s Respectful Workplaces framework, Sovereign Hill’s new workplace code is well developed and best practice. A highlight associated with this work was the hosting by Sovereign Hill of the ‘Not in My Workplace’ forum on 4 December, which was attended by the Federal Sex Discrimination Commissioner, Kate Jenkins, and Our Watch Chief Executive, Patty Kinnerly, and other local leaders.

In 2019, we finalised our latest Enterprise Bargaining Agreement, ensuring our staff were heard and engaged with regards to their future benefits. The agreement builds on our strong and positive interactions with both our on-site union (the Media, Entertainment and Arts Alliance) and independent staff representatives.

HEALTH, WELL-BEING AND LEARNING ARE KEY PRIORITIES

We placed a strong focus on staff exchange programs for the facilitation of personal and professional development of our people. We have also maintained an ongoing focus on the employment of apprentices, ensuring the growth of our rare trades skills base.

In addition to proactive measures for our workforce such as flu vaccinations, we continued to have an excellent Employee Assistance Program, which offers a range of support services for all staff and their immediate families. Keen to hear more from our staff, we increased the number of staff surveys and feedback forums to gauge a deeper understanding of employee sentiment. As a result, we adopted a new Purchase of Leave policy for employees who seek more flexible leave arrangements and implemented a new approach to staff and volunteer family access to our sites.



“ We have more than 200 adult volunteers who represent a core cultural component of our workforce. ”

During the early stages of our closure in March, which resulted in the suspension of on-site volunteering, we focused on developing a plan to keep our volunteers engaged and connected with Sovereign Hill. We held a weekly video conference, which enabled volunteers to explore virtual ways of contributing to behind the scenes work during this period.



350

PERMANENT AND CASUAL EMPLOYEES

200

VOLUNTEERS

550

TRAINED IN RESPECT AND RESPONSIBILITY CULTURE BUILDING PROGRAM

FUTURE PROOFING

While embracing our entrepreneurial mindset, we have focused on ensuring we are living up to our values and making consistent and ethical decisions on our investments and partnerships. We are committed to a sustainable future, with a fiscally savvy operation grounded in robust business planning.

ANALYSIS AND PLANNING

While we launched our new strategic plan complete with new vision and mission statements, the challenge of implementation required us to do a deep dive into the fundamentals of our business model and explore how to rebuild it so that we are more resilient into the future. COVID-19 has validated the need for us to have astute and robust long term business and financial plans to ensure the organisation is able to ride the peaks and troughs of highly unpredictable external fluctuations. This means we have adopted rigorous project management methodologies and trained staff in their usage. We have also reviewed our procurement guidelines and processes to ensure the necessary rigour and best practice is being applied throughout our organisation.

Consistent with our identity as a registered charity and not-for-profit organisation, we have also placed an increased emphasis on fundraising as an essential part of the mix in our revenue earning capabilities. We have developed a new fundraising team and strategy to begin the process of building our relationships with more philanthropic foundations and trusts.

This coming November we will celebrate our 50th anniversary, a milestone that signifies 50 successful years as a local, Victorian and national icon. To improve on

this 50-year success story we need to improve our ability to capture, connect and communicate with key stakeholders and visitors from within the local community, metropolitan and regional areas, as well as visitors from interstate and overseas. To do this, we've begun scoping the requirements for a CRM (customer relationship management) system. This major infrastructure development will provide immense benefits to our organisation, delivering more immediate and tailored engagement with funders and corporate partners, and allowing us to drive increased investment into the site and the Ballarat community. An enhanced communications system will also allow direct, tailored communications to be delivered to previous and potential visitors, wherever they are in the world, and play a more active role in increasing profile and visitation to Ballarat.

“ This coming November we will celebrate our 50th anniversary, a milestone that signifies 50 successful years as a local, Victorian and national identity. ”

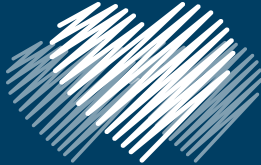


LIVING OUR VALUES WILL LEAD TO COLLABORATIVE SUCCESS

During the past 12 months we have reviewed all of our investment policies to ensure our endowment support from donors is well managed, this included adding ethical investment provisions into our portfolio. We also commissioned a sustainability review across all of our operations. This review presented significant new information for our organisation to consider as we plan our future efforts to be more sustainable and environmentally friendly.

At the same-time, we started to identify potential commercial partners that share similar values to us and began engaging with them, with the view to develop long-term mutually beneficial values-based relationships.

During the year, with strong support from our executive team and Board, we enhanced our female representation in senior and middle management, exceeding our workforce gender targets.



50

YEARS OF BEING A COMMUNITY-FOCUSED NOT-FOR-PROFIT AND REGISTERED CHARITY

55%

OF MIDDLE AND SENIOR MANAGEMENT ARE WOMEN

40+

CORPORATE PARTNERS

TRIBUTES TO RETIRING BOARD MEMBERS

RETIREMENT TRIBUTE TO ANNMAREE PERRY 2003 – 2019

Elected to the Sovereign Hill Board in 2003, Annmaree had previously served on the Outdoor & Mining Museum Committee for two years, gaining a strong grounding in the museum principles that have underpinned Sovereign Hill's development. Annmaree became the 16th Board President in 2008 and served in this capacity for two years. She was only the second female Board President of Sovereign Hill.

There were many highlights that made Annmaree's term of office as Board President memorable, including the array of celebrations surrounding Sovereign Hill's 40th Anniversary and the refurbishment of the Victoria Theatre, which was launched during her presidency.

Annmaree has always been a tireless advocate for Sovereign Hill in the community. In particular, she threw herself into our fundraising efforts to support our costume initiatives, including the production of new Redcoat uniforms designed to be more historically accurate.

RETIREMENT TRIBUTE TO JANELLE RYAN 2018 – 2020

Janelle joined the Board in 2018, bringing with her a vibrant view of the world and expertise in marketing, communications and public relations.

Janelle quickly got involved, making significant contribution to our Outdoor & Mining Museum Committee and our Finance & Risk Committee.

Janelle's warmth and enthusiasm for Sovereign Hill will be missed, as will her strong voice regarding quality community involvement. We look forward to seeing Janelle and her family when they visit Sovereign Hill in the future.

“As a super optimist I am confident that 2021 will be a year of renewal at Sovereign Hill. I acknowledge, thank and praise all those who have “soldiered on” behind the scenes to ensure that Sovereign Hill will emerge bigger, better and ready to face the challenges of the next 50 years. The passionate people of Management, Staff, Volunteers and Board will always be at the forefront in ensuring that this happens.”

Annmaree Perry – Retiring Board Member

THE SOVEREIGN HILL FOUNDATION

Established in 1996 as an internal fund of The Sovereign Hill Museums Association Limited, the Foundation has this year been called upon to support our operations during the unprecedented economic circumstances caused by the COVID-19 pandemic emergency.

We thank the Foundation committee Chair, Dr Ross Wilkie, and fellow committee members for their unwavering support for the Board during this crisis. We also thank the Named Account donors listed below for their foresight and generosity in establishing this essential stream of support for the Museum.

The Peter and Richard Nicholson Family gift
Jane Cowles Bequest
The Isobella Foundation
Delaware North Companies Australia
McDonald's Australia
D & J McKenzie Account
Bruce & Kay McKnight Bequest
The Colin & Shirley Prowse Family Gift
GH & AJ Troon Account
SJ Weir (Ballarat) Pty Ltd Account
Ross & Elizabeth Wilkie
Voi Williams Family Gift
The Barry James Account
The John & Catherine Davis Account
Jim and Betty Gay Family Gift
Jeremy & Anne Johnson Family Gift
JG King Pty Ltd

Terry & Sue Lloyd Gift
Jim & Irene Stephen Account
Gull & Company Gift
Adroit Insurance & Risk (Directors)
Doug Sarah & Penny Russell (Win Sarah Memorial) Gift
Dorothy & David Baird and Family Gift
Sophie and Steven Coltman Family Gift
Neil & June Jens Family Account
John Collier Bequest
Alizzi Family Named Account
Bruce & Adela Bartrop Account
Rod & Melinda Unmack Family Gift
Dean & Pauline Stevens Family Gift
Bentley Family Gift
Plush Family Gift



“ I am hoping that things turn around and that we are allowed to get on the road again soon to support tourism – I’m thinking Australian visitors will replace the international ones. I’m keen to see the kids come back – the education programs are an amazing catalyst for visitation. When the kids have a great time, they tell their parents and it snowballs from there. ”

John Davis – Major Donor

MAJOR SPONSORS, GRANTS, DONORS & CORPORATE MEMBERS

MAJOR SPONSORS & GRANTS

City of Ballarat
Victorian Government Regional Growth Fund Economic Infrastructure
Catholic Education Commission of Victoria
Victorian Government Department of Education and Training

The Museum would also like to acknowledge the support of Creative Victoria and its Organisational Investment Program.

The Sovereign Hill Museums Association also acknowledges the support of the Australian Government under the 2019 National Tourism Icons Program, in the provision of \$0.7M of funding, of a total confirmed grant of \$1M, for the development of the Associations Master Plan, which is scheduled to be delivered in November 2020.

DONORS

Adroit Insurance & Risk
Alizzi C
Baird S
Butler D & K
Carey A & P
Chandler A
Collier D
Davis J
Ferry A & R
Ferry Family Charitable Trust
Fletcher C
Gull S & S
Harman J & A
Haymes Family Foundation
Hemming P & L
Hinchey R & N
Isobella Foundation
Lloyd T & S
Longden M & L
McCarthy P
McKnight B & K
Moneghetti S
Montgomery Foundation
Mountford B
Nicholson R & P
Plush J
Robson V
Sarah D
Stevens D & P
Symons M
Unmack R & M
Verlin J & R
Webster Dolita Finance
Wilkie R & E



“ I haven’t done much wandering around this past year but loved coming up to be filmed for the 50th anniversary – it brought back so many memories, especially of my early years as the one woman on a Board with 20 men. I learned the useful technique of handing over what I thought were my good ideas so men could take ownership. How things have changed! ”

Nina Valentine - Life Governor

OUR ORGANISATION - SUPPORTERS & STAFF

CORPORATE SUPPORTERS

Sovereign Hill's Corporate Supporters come from our local Ballarat community and further afield and enjoy an array of generous benefits, including free entry passes, discounts on evening performances and retail purchases, as well as priority access to meeting and event facilities. We welcome enquiries from other organisations who may wish to join this cohort.

A W Nicholson Pty Ltd
Adroit Insurance & Risk
AF Sourcing
Ballarat Coachlines
Ballarat Holden
Ballarat Property Transfers
Ballarat Turf Club
Butler Pty Ltd
C. E. Bartlett Pty Ltd
Catholic Education Commission of Victoria
Cave Hill Creek
Central Highlands Surgeons
Chinese Australian Cultural Society Ballarat Inc
Colliers International
Commonwealth Bank
Cops 'n' Kids - Ballarat Police Station
D W Security Pty Ltd
Eclipse Ford
Eureka Concrete
Federation University Australia
FMP Group Pty Ltd
Frank Ford Travel Pty Ltd
Greenshoot Consulting
Haymes Paint
HS Social Club
Imerys Minerals Australia
J B Cameron Pty Ltd
Jak Trading Pty Ltd (Caltex Service Stations)
Jayco Ballarat
Lake Imaging
Lifestyle Travel Ballarat
Mercedes Benz Ballarat
Morton Dunn Architects
Mulcahy & Co
Peter Tobin Funerals
Pickwick Group Pty Ltd
PPT Holdings Pty Ltd
Sargeant Transport Pty Ltd
Selkirk Brick Pty Ltd
Simplex Insurance
Sovereign Press Pty Ltd
The Haymarket
W & D Finance

PROSPECTORS

Prospectors are passionate supporters of Sovereign Hill who make an annual donation and enjoy social gatherings at Sovereign Hill. This year all donations were directed to our Sustain Sovereign Hill fund, which will help our organisation navigate the challenges brought on by the COVID-19 emergency. We look forward to welcoming our Prospector Donors back to Sovereign Hill for more behind-the-scenes tours when we are able to open once again. We are pleased that Mr Steve Moneghetti AM remains Patron of this coterie.

Ball D & P
Bowman B
Bradie D
Brooke D
Campana T & L
Carter R & S
Chandler I & J
Chapman W & T
Chester D & P
Coltman B
Corcoran I & K
Cowles J E
Cross R
Dale J & P
Davies S
Davis J
Fiskien P
Glover J & S
Gow D & B
Kannourakis G & T
Lloyd T & S
Lyons L
McGregor W & R

McKnight B & K
Miller J & M
Moneghetti S & T
Moss S & D
Nelson J & K
Oliver N
O'Sullivan F
Owen G
Perrin K & L
Pierce J & H
Plaatzter W & S
Plush J
Prowse C & S
Russell J & M
Selkirk R & C
Stone B
Taylor R & H
Thomson B & J
Webster J & M
Wilkie G & D
Wilkins R
Williams V

COSTUME COTERIE

Anderson L
Baird S
Belcher L
Chandler A
Coburn P
Cowles J
Garrisson V
Gull S
Harman J
Hemming L
Lloyd S
Nicholson P
Unmack M

SIR HENRY BOLTE TRUST COMMITTEE

The Sir Henry Bolte Trust is an internal fund of The Sovereign Hill Museums Association Limited that supports Sovereign Hill by funding acquisitions to underpin our historical research and help build our museum collections. Our sincere thanks goes to the volunteer committee members.

Nicholson R (Chair)
McKnight B (Deputy Chair)
Elder S
McGregor W
McNamara P
Prowse C
Thompson D
Trudgeon R
Butler D (Ex-officio)
Quon S (Ex-officio)

PATRONS, CIVIC PATRONS, NARMBOOL TRUST

Patrons

The Hon. John Cain
The Hon. John Brumby AO
The Hon. Steve Bracks AC
The Hon. Jeffrey Kennett AC
The Hon. Denis Napthine
The Hon. Ted Baillieu

Civic Patrons

Mayor of the City of Ballarat, Cr Samantha McIntosh (to 28/10/19)

Mayor of the City of Ballarat, Cr Ben Taylor (from 28/10/19)

Chancellor of Federation University Australia, Terry Moran AC

Patrons of Narmbool Trust

Andrew Ferry OAM
Robin Ferry OAM





BOARD MEMBERS & SENIOR MANAGEMENT

Board Members

Damien Butler – President
Judy Verlin AM – Vice-President
Adrian Doyle
Chris Alizzi
Angela Carey
Peter McCarthy
Annmaree Perry (to 31/12/19)
Janelle Ryan
Sara Quon - Chief Executive Officer
Pat Clifford – Company Secretary (to 16/08/19)
Angela Morrison – Company Secretary (from 16/08/19)
Board Advisors Craig Fletcher, Benjamin Mountford

SENIOR EXECUTIVE

Chief Executive Officer

Sara Quon

DIRECTORS

Chief Operations Officer

Will Flamsteed

Chief Content & Engagement Officer

Katrina Nitschke (from 29/7/19)

Chief Engineering Officer

Chris Hutton

Chief Financial Officer

Angela Morrison (from 12/8/19)

Chief Marketing Officer

Jennifer Ganske (to 1/4/20)

Director – Finance & Corporate Services

Pat Clifford (to 16/8/19)

Director – Visitor Experience

James Baker (to 6/12/19)

COMMITTEE CHAIRS, COMMUNITY SUPPORT

Committee Chairs

Finance & Risk Committee – Alizzi C
Gold Museum Committee – Verlin J, AM
President’s Advisory Committee – Butler D E
Narmbool Committee – Doyle A K
Sir Henry Bolte Trust – Nicholson R
The Sovereign Hill Foundation – Wilkie R

Community Support

We are grateful for the on-going support of the following members of the community who serve on Board committees, Trusts and Foundations associated with Sovereign Hill:

Boyd A	McNamara P
Carlson M	Moneghetti S
Cuttle M	Prowse C
Dore J	Rodd A
Elder S	Sebastian P
Ferry A	Thompson D
Schinck A	Trudgeon R
Ferry R	Wilkie R
McGregor W	Westbrook L
McKnight B	
Auditors	MOR Accountants
Bankers	National Australia Bank
Mining Consultant	Darveniza P
Numismatics Consultant	Sharples J

Leased Business Managers

Catering – Delaware North Companies Australia Pty Ltd
Soho Foundry & Clarke Bros Tinsmiths – Bilney P & F

Honorary Music Historian

FitzSimons T

Honorary Mining Historian

d’Auvergne P

“ Winter Wonderlights was amazing – the images of soldiers fighting with snowballs on the buildings and across the road were brilliant and magical. Sovereign Hill extended it to run over the school holidays and the turnout was fantastic – it was clever and a lot of fun. ”

Rod Unmack – Life Member

LIFE MEMBERS

*New Life Member

Addison J
Agostino C
Agostino J D
Baird A
Baird D
Baird M
Baird S E
Baird S N
Ballinger J
Bartrop B E
Battersby D
Benjamin T M
Blomley D
Bonthorne J
Bowman B C
Brown G W
Brown N
Bruce C
Bruce E
Bruce G
Bruce T
Bunning P R
Butler C
Butler D
Butler J
Butler K
Butler N
Butler X
Byrne A
Byrne P M
Byrne T J
Chandler J
Chester C
Christie R B
Christofi A
Christofi C
Coburn C
Coburn I
Coburn P I
Coburn P J
Collier D
Collier D
Collier J
Collier P
Coutts L

Crabb S
Craig O
Creelman T
Davies P R
Davis J
Davis K
Davis P
Davis T
Dunne M
Elder S
Evans L
Fairhurst J
Farnell M R
Faulkner J
Faull J
Ferry A
Ferry R
Fitzgerald D
Garrisson B
Garrisson C
Garrisson H
Garrisson V
Gay C
Gay D
Gay M
Gay R
Gilbert J
Glenn S
Goodbourn P
Goodbourn R
Goodbourn W
Grant E
Grant L
Gribble N
Gull S
Gull S
Hayden J M
Hayden M
Hayden P
Hayden R
Haymes D
Heres K
Hinchey N*
Hinchey R*
Hiscock P McL
Hocking D
Houston J
Howard M

Hunt R V M
Hunt V D U
Jackman R
Jacobs L
James B
James B
James D
James G
James G
Jenkins L
Jens N
Johnson A*
Johnson C
Johnson D M
Johnson J A
Johnson J W M*
Jones C E
Jones D K
Jones P K
Jones R
Judd P
Judkins B
Kaess D
Kaess J
Kelleher L
Kennard D
Kershaw P
Kinchington T
King J
King J
King L
King N
Knight F
Le Lacheur C
Llewellyn W
Lloyd A
Lloyd J
Lloyd S
Lonsdale G
Lyons G N
Mann P L
Martino N
Mason K
Matthews R E
McArthur L
McArthur R
McCarthy P
McDonald-Williams A

McDonald-Williams S
McGrath D
McGregor H C
McGregor H H
McGregor R E
McKenzie D
McKenzie J
McKnight I
McKnight T
McKnight W
McMahon K L
Montgomery T
Morrison K
Moss D
Moss S
Myer B
Myer S
Nemeth R
Nevill J
Nicholson A W
Nicholson C
Nicholson E A
Nicholson J E
Nicholson P
Nicholson P C
O'Sullivan F
O'Sullivan F C
O'Sullivan J
O'Sullivan M
Pandazopoulos J
Pettit M
Peuker H
Pickett N
Pleydell C R
Prowse C
Prowse D
Prowse G D
Prowse M
Prowse R
Prowse S L
Prowse T
Ramsay T D
Rice-Jones R
Robertson G H
Robinson A
Robinson R J
Robson V G



Runnalls T H
Sarah Le-Lacheur O
Sarah V J
Schmid R
Selkirk I
Selkirk J
Smith M
Stephen I
Stephen M
Stephen J
Stepnell J
Stone B
Stone P C
Storey P
Taylor P L
Thacore V
Thomas K
Thompson D
Titheridge N W
Tobin F L
Tribe J
Troon A
Troon S
Trudgeon R
Turner P
Unmack M*
Unmack R*
Vagg F
Vendy D N
Webster M
Wilkie E
Wilkie J

Wilkie R
Williams C
Williams J
Williams V
Wilson P R
Young A

LIFE GOVERNORS

*New Life Governor

Akers M T*
Coltman S*
Cowles J E*
Jones E C
Lloyd T*
Lonsdale B J*
McGregor W H
McKnight B
Nicholson R W*
Perry A*
Prowse C R
Sarah A D
Selkirk R J
Valentine N*



FINANCIAL REPORT

2019-2020

THE SOVEREIGN HILL MUSEUMS
ASSOCIATION LIMITED
ABN 87 565 053 651

“ Our own back yard has become much more precious. In 2021 we will be exploring our own regions, creating our own experiences, sharing our own highlights, writing our own story. ”

Dianne Gow – Prospector

BOARD PROFILE

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651



DAMIEN BUTLER
PRESIDENT

Elected to the Board in 2005. Chairman of the President’s Advisory Committee. Ex-officio member of all Board Trusts and Committees. Director of a Chartered Accountancy Practice.



JUDY VERLIN AM
VICE-PRESIDENT

Elected to the Board in 2011. Member of the President’s Advisory Committee. Chairman of the Gold Museum Committee. A Past-Mayor of the City of Ballarat.



ADRIAN DOYLE

Elected to the Board in 2010. A Past-President. Member of the President’s Advisory Committee. Chairman of the Narmbool Committee. Certified Practicing Valuer. Director of a Property Consulting Firm based in Ballarat and operating across regional Victoria.



CHRIS ALIZZI

Elected to the Board in 2017. Chairman of the Finance and Risk Committee. Member of the President’s Advisory Committee. Automotive Dealer Principal.



ANGELA CAREY

Appointed to the Board in 2015. Member of the Gold Museum Committee. Engagement Practitioner. Former Editor of the Ballarat Courier.



PETER MCCARTHY

Elected to the Board in 2010. Former Board member 1981-89. A Chartered Professional Engineer, has served as a non-executive director of five public gold mining companies.

BOARD PROFILE

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651



ANNMAREE PERRY
(to 31/12/19)

Elected to the Board in 2003. A Past-President. Member of the Narmbool Committee. Retired Teacher and Family Historian.



JANELLE RYAN

Elected to the Board in 2018. Member of the Finance and Risk Committee. Head of Strategy for a workplace law firm with over 10 years’ experience in senior communications and stakeholder engagement roles in corporate and government sectors.



STEVE COLTMAN
(to 31/8/19)

Elected to the Board in 2003. A Past-President of The Sovereign Hill Museums Association Insurance Advisory.



SARA QUON
CHIEF EXECUTIVE OFFICER

Member of the Committee for Ballarat Board. Member of Visit Victoria Board. Formerly Group CEO of Beechworth Honey with a 20-year career spanning the tourism/major events and the food sectors.



PAT CLIFFORD

Company Secretary (to 16/08/19). Company Secretary from 2013. Director Finance and Corporate Services, The Sovereign Hill Museums Association Ltd.



ANGELA MORRISON

Company Secretary (from 16/08/19). Chief Financial Officer, The Sovereign Hill Museums Association Ltd.

BOARD ADVISORS Craig Fletcher, Benjamin Mountford

DIRECTOR’S REPORT

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

The Directors present this report on the Association for the financial year ended 30 June 2020. The names of each person who has been a Director during the year and to the date of this report are:

D E Butler President
J A Verlin Vice-President

C J Alizzi
A L Carey
A K Doyle
A P Perry (to 31/12/19)

S O Coltman (to 31/8/2019)
P L McCarthy
J A Ryan

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPLE ACTIVITIES

The Sovereign Hill Museums Association Limited is a Ballarat member-based non-profit organisation with a workforce of over 600 staff and volunteers. The Association runs museum and education programs at our three campuses – Sovereign Hill Outdoor Museum, the Gold Museum and Narmbool, a sustainability focused pastoral property. The interpretive focus is to use Australia’s rich history to education and provoke visitor thinking.

STRATEGY AND KEY PERFORMANCE INDICATORS

The Sovereign Hill Museums Association Limited finalised a new Strategic Plan during the financial year ended 30 June 2020. The following figure illustrates the Association’s Purpose, Mission, Values and Strategic Pillars.

PURPOSE Connecting people through our history to adapt for a better future.		MISSION To provide meaningful, immersive experiences that tell stories of our humanity.			
VALUES | INTEGRITY | SAFETY | SUSTAINABILITY | RESPECT | SERVICE | EQUALITY					
EXCELLENCE IN VISITOR EXPERIENCE Providing immersive and tailored experiences that are relevant and meaningful.	PLACES AND SPACES Reimagine our spaces and places, creating environments and experiences that transport all visitors.	BOLD NARRATIVES Reveal and share stories of our history and humanity that provoke connection, curiosity and change.	REACH AND IMPACT Transform our reach and impact onsite, offsite and online.	WORKPLACE OF THE FUTURE Creating a progressive workplace that values our people and promotes diversity and inclusion.	FUTURE PROOFING Build a resilient business for sustainability and agility.
DECISION MAKING CRITERIA Innovative, data informed, risk and return assessed, purpose aligned, culture and capability fit, excellence in visitor experience.					

DIRECTOR’S REPORT

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

Following the launch of the Strategic Plan the Association is currently developing a new suite of key performance measures aligned to its strategic priorities. In the meantime, the previously reported Key Performance Indicators continue to be monitored by the Directors to assess the financial sustainability of the Association and whether the Association’s short-term and long-term objectives are being achieved. The Strategic Key Performance Indicators are:

- Performance against budget in recurrent and capital expenditure particularly operating surplus, status of General Reserve and Foundation funds, insurance premium against sector benchmarks, and membership numbers and income
- Yield per visitor across business areas
- Visitor demographic patterns (international, interstate and domestic)
- Website use statistics
- Occupancy rates for accommodation facilities
- Conversion ratios for Sovereign Hill visit with Quartz Mine tickets, Gold Museum visit, AURA patronage and accommodation
- Environmental performance indicators, including recycling volumes, waste volumes, reduced utilities costs, % water in storage and accessible for use, and solid fuel use
- OH&S incident reports and analysis/mapping
- Workforce demographics, including staff and volunteers, turnover, gender and age mapping and labour costs
- WorkCover premium rating and claims record

SIGNIFICANT CHANGES AND LIKELY DEVELOPMENTS

The financial year ended 30 June 2020 was an unprecedented year for The Sovereign Hill Museums Association Ltd and a year of two halves. For the first six months of the year, the Association was enjoying a strong year of visitation across its sites; however, while the Gold Museum and Sovereign Hill Outdoor Museum remained open through a decline in international visitation as Australia began to feel the effects of the COVID-19 pandemic in early 2020, ultimately the Directors made the saddening decision to close to visitors in March 2020.

Restrictions introduced by Government in support of public health at this time resulted in all facilities being closed to the public from Monday 23 March to Thursday 25 June 2020. With the reduced restrictions from mid-June, the outdoor museum was able to open with a ‘VIP Family and Friends’ event on Friday 26 June 2020 and thereafter on Fridays, Saturdays and Sundays with strict capacity limits and enhanced infection control protocols. In support of visitor, staff and volunteer safety, the Gold Museum and AURA Sound and Light experience remained closed.

Throughout the period of restrictions, the Association’s wholesale confectionery and online sales businesses, together with the Narmbool working farm, continued to operate.

The financial result for the year is likewise a story of two halves. Like many Australian businesses, the necessary closures placed significant financial strain on Sovereign Hill. It is very clear that our financial report from ordinary operations looks very different to the 2019 financial year. Our closure for over 3 months of the 2020 financial year has underpinned a 26% reduction in entrance takings as compared to the prior year and a 25% reduction in sales of goods, when adjusted to exclude sales from the Narmbool farm. Similarly, our rents and commissions, which include proceeds from the Association’s food and beverage contract, reduced 38%. These significant reductions in core operating revenues have had a profound impact on the financial results and operations of the Association.

DIRECTOR’S REPORT

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

However, for the full year the Association has reported an operating surplus of \$992,873. This result was made possible through significant financial contributions from each of our business operations which were able to continue to operate during this time, together with the significant contributions from our generous supporters and the Australian Government and the Victorian Government, in particular through Creative Victoria and the Department of Education and Training. Operating revenue from donations increased over 400% during the year to over \$0.95M, including a fantastic response to our ‘Sustain Sovereign Hill’ campaign run in June 2020. These donations include over \$0.3M which is required to be expended in the new financial year. Government grants in total comprised over 21% of the Association’s revenue from operating activities during the financial year. The Sovereign Hill Museums Association particularly appreciates the impact of the Australian Government JobKeeper program which has supported so many of our workers during this challenging time. Additionally, The Sovereign Hill Museums Association acknowledges the support of the Australian Government under the 2019 National Tourism Icons Program, in the provision of \$0.7M of funding, of a total confirmed grant of \$1M, for the development of the Association’s Master Plan which is scheduled to be delivered in November 2020. As at 30 June 2020, the Association has recognised as revenue within the operating surplus \$0.45M of revenue which had not yet been expended.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

At the time of reporting, all the Associations sites are again closed to the public following the reintroduction of restrictions prohibiting operations from Sunday 2 August 2020. The majority of the Associations workforce has been fully stood down, receiving ongoing salaries and wages supported through the Commonwealth JobKeeper program. Those staff who are continuing to work during this period are focused on strategic projects to support the safe and financially sustainable reopening of all Sovereign Hill sites and attractions when we are able to do so.

The Directors expect the financial year ending 30 June 2021 to present ongoing challenges as Australia and the Association moves forward out of the COVID-19 pandemic. These challenges are highly likely to result in a significant operating deficit being reported. However, the Directors believe the Association in a strong financial position to maintain operations through this period.

NON-AUDIT SERVICES

The auditor did not provide any non-audit services during the year.

INSURANCE OF OFFICERS

Insurance premiums have been paid totaling \$21,471 for directors and officers liability insurance during the financial year which cover any person who is, or has been an officer of the company.

DIRECTOR’S REPORT

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

DIRECTOR ATTENDANCES

The attendances of each Director of the Association at meetings for the period July 2019 to June 2020 were:

	BOARD MEETINGS		COMMITTEE MEETINGS							
			FINANCE & RISK COMMITTEE		PRESIDENT’S ADVISORY COMMITTEE		GOLD MUSEUM COMMITTEE		NARMBOOL COMMITTEE	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
C J Alizzi	13	11	6	6	10	8	.	.	.	.
D E Butler	13	13	6	6	10	10	1	1	3	3
A L Carey	13	11	6	5	.	.	1	0	.	.
A K Doyle	13	11	.	.	10	10	.	.	3	3
P L McCarthy	13	13	.	.	.	.	.	.	.	.
A P Perry (to 31/12/2019)	4	3	.	.	.	.	.	.	2	1
J A Ryan	13	8	6	6	.	.	.	.	.	.
J A Verlin	13	13	.	.	10	9	1	1	.	.
S O Coltman (to 31/8/2019)	1	1	.	.	.	.	.	.	.	.

AUDITOR’S INDEPENDENCE DECLARATION

The lead auditor’s independence declaration in accordance with Division 60 of the Australian Charities and Not-for profits Commission Act 2012 for the year ended 30 June 2020 has been received and can be found on the opposite page.

Dated this day the 24th day of September 2020.

D E Butler
President

C J Alizzi
Chair of the Finance and Risk Committee



Chartered Accountants

Ballarat
Cnr Dana & Dawson Streets
Ballarat VIC 3350
Tel (03) 5333 3202
Fax (03) 5333 3381

Melbourne
By Appointment
Level 23 Herald Weekly Tower
40 City Road, Southgate, VIC 3006
Telephone: (03) 9674 0416

Postal
406 Dana Street, Ballarat VIC 3350
Email: info@mor.net.au

www.mor.net.au

THE SOVEREIGN HILL MUSEUMS ASSOCIATION ABN 87 565 053 651

DIRECTOR’S REPORT

AUDITORS INDEPENDENCE STATEMENT UNDER DIVISION 60 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

To the directors of The Sovereign Hill Museums Association

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been no contraventions of:

- The auditor independence requirements as set out in Division 60 of the Australian Charities and Not-For-Profits Commission Act 2012 in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

David Abbott

D G Abbott
Partner
MOR Accountants
406 Dana Street, Ballarat

Dated this day the 24th day of September 2020

	Note	2020 \$	2019 \$
Revenue from Operating Activities	2	31,664,655	32,758,621
- Sale of goods		6,590,210	8,220,956
- Entrance takings		13,575,588	18,371,850
- Rents and commissions		679,986	1,097,622
- Other revenue (including donations and accommodation)		3,497,366	3,502,066
- Interest and dividends received		445,459	801,008
- Government grants		6,876,046	765,119
Other Income	2	(520,896)	391,512
Employee benefits expense		(15,887,117)	(16,476,317)
Depreciation	3	(2,889,602)	(2,548,058)
Administration, Marketing, Maintenance expense		(9,361,724)	(11,177,095)
Cost of Sales		(1,803,141)	(2,760,093)
Other expenses		(209,302)	(317,210)
Operating Profit	3	992,873	(128,640)
Capital receipts	2	179,359	2,547,527
Result for the year attributable to the members of The Sovereign Hill Museums Association Limited		1,172,232	2,418,887

OTHER COMPREHENSIVE INCOME

Fair value (losses)/gains on available-for-sale financial assets	(503,887)	(365,498)
Total comprehensive income for the year attributable to the members of The Sovereign Hill Museums Association Limited	668,345	2,053,389



STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,840,116	373,776
Trade and other receivables	5	1,959,913	1,466,679
Inventories	6	1,227,578	1,603,641
Biological assets	7	2,261,323	1,857,320
Other current assets	8	424,123	924,708
Financial assets	9	1,784,463	6,643,453
TOTAL CURRENT ASSETS		10,497,516	12,869,577
NON-CURRENT ASSETS			
Financial assets	9	6,208,630	1,740,992
Property, plant and equipment	10	54,503,961	56,290,542
Collections assets	10	8,829,323	8,823,682
TOTAL NON-CURRENT ASSETS		69,541,914	66,855,216
TOTAL ASSETS		80,039,430	79,724,794
CURRENT LIABILITIES			
Trade and other payables	11	2,067,124	2,492,945
Borrowings	12	-	-
Short term provisions	13	1,206,202	1,129,716
TOTAL CURRENT LIABILITIES		3,273,326	3,622,662
NON-CURRENT LIABILITIES			
Long term provisions	13	631,499	635,872
TOTAL NON-CURRENT LIABILITIES		631,499	635,872
TOTAL LIABILITIES		3,904,825	4,258,534
NET ASSETS		76,134,605	75,466,260
EQUITY			
Retained Earnings		59,312,189	58,258,133
Reserves		16,822,416	17,208,127
TOTAL EQUITY		76,134,605	75,466,260

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	Retained Earnings	Asset Revaluation Reserve ##	General Reserve	Sir Henry Bolte Trust	The Sovereign Hill Foundation	Collections Reserve	Total
	\$	\$	\$	\$	\$	\$	\$
BALANCE AT 30 JUNE 2018	56,108,929	877,684	2,514,707	1,064,318	4,020,957	8,826,275	73,412,870
Total comprehensive income for year	2,418,887	(365,498)					2,053,389
Transfers (to)/from reserves							
- General Reserve	325,116						325,116
- The Sovereign Hill Foundation	(436,315)						(436,315)
- Sir Henry Bolte Trust	(161,076)						(161,076)
- Collections	2,593						2,593
Transfers from retained earnings			(325,116)	161,076	436,315	(2,593)	269,683
BALANCE AT 30 JUNE 2019	58,258,133	512,186	2,189,592	1,225,394	4,457,273	8,823,682	75,466,260
Total comprehensive income for year	1,172,232	(503,887)					668,345
Transfers (to)/from reserves							
- General Reserve	(152,077)						(152,077)
- The Sovereign Hill Foundation	126,664						126,664
- Sir Henry Bolte Trust	(87,123)						(87,123)
- Collections	(5,640)						(5,640)
Transfers from retained earnings			152,077	87,123	(126,664)	5,640	118,176
BALANCE AT 30 JUNE 2020	59,312,189	8,299	2,341,669	1,312,517	4,330,609	8,829,322	76,134,605

This reserve records the revaluation increment of shares, hybrid securities and floating notes in Corporations listed on a prescribed Stock Exchange.

STATEMENT OF CASH FLOWS FOR
THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Sales from small businesses		7,249,231	9,044,210
Other revenues from operating activities		24,959,386	25,833,797
Interest and dividends received		445,459	801,008
Payments to employees		(15,815,005)	(16,367,010)
Interest paid		(11,279)	(22,209)
Payments for materials and contracts		(12,827,622)	(15,977,039)
Net cash generated from operating activities	18	4,000,170	3,312,757
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital receipts		179,359	2,547,527
Proceeds from sale of property, plant and equipment		32,400	36,105
Proceeds from disposal of investments		1,906,678	1,595,657
Purchase of investments		(2,282,835)	(1,832,060)
Purchase of property, plant and equipment		(1,369,433)	(10,111,500)
Net cash used in investing activities		(1,533,831)	(7,764,272)
CASH FLOWS FROM FINANCING ACTIVITIES *			
Proceeds from borrowings		775,000	800,000
Repayment of borrowings		(775,000)	(800,000)
Net cash used in financing activities		-	-
Net (decrease)/increase in cash held		2,466,339	(4,451,515)
Cash and cash equivalents at the beginning of the year		373,776	4,825,291
Cash and cash equivalents at the end of the year	4	2,840,116	373,776

* For the Financial Year ended 30 June, 2020, The Sovereign Hill Museums Association Ltd has changed the presentation of cash flows from financing, to show in full proceeds and repayments from financing arrangements completed within the same financial year. The presentation of cash flow for the Financial Year ended 30 June, 2019 have also been updated for comparison.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Sovereign Hill Museums Association (“the Association”) is a company limited by guarantee.

New, revised or amending Accounting Standards and Interpretations adopted

The Association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. Refer Note 1 (bb) for commentary on Standards issued but not yet effective.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Division 60 of Australian Charities and Not-for-profits Commission Act 2012. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

ACCOUNTING POLICIES

(a) Revenue

Revenue from Contracts with Customers

The Association applies the following accounting policies to its key categories of revenue from contracts with customers:

- i. Revenue from Sale of Goods and Services, including ticket sales, is recognised upon the delivery of goods or provision of services to customers or the expiry of the rights of customers to receive goods or services.
- ii. Donations and bequests are recognised as revenue when received, except where they represent financial assets received to acquire or construct a non-financial asset. The policy for accounting for financial assets received to acquire or construct a non-financial asset is detailed below.
- iii. The Association receives non-reciprocal contributions of assets from other parties at either a nil or a nominal value. These assets are recognised at fair values on the date of acquisition in the Statement of Financial Position with, for assets contributed to the Association’s Collection, the corresponding value credited to the Collections Reserve.

iv. Grant revenue is recognised in the profit or loss when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably. If distinct performance obligations are attached to the grant which must be satisfied before the Association is eligible to receive the contribution, the recognition of grant revenue as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Grants where financial assets are received to acquire or construct a non-financial asset are recognised as detailed below.

Financial assets received to acquire or construct a non-financial asset

Where the Association receives a cash grant to acquire or construct a recognisable non-financial asset that the Association will control, the Association recognises a liability for the difference between the initial carrying amount of the financial asset received (cash) and the amount recognised under AASB 1058 being the Association's obligation to acquire or construct the non-financial asset.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive the dividend has been established.

Volunteer Services

The Association receives Volunteer Services across each of its main sites. The services provided provide enhancement to the visitor experience and management of the Association's collections. The services provided by volunteers would not have been purchased had they not been provided voluntarily and their fair value cannot be reliably measured. Accordingly, these services are not recognised within the financial statements of the Association.

All revenue is stated net of the amount of goods and service tax (GST).

(b) Inventories

Inventories are measured at the lower of average cost and net realisable value.

(c) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

Property

The Association includes an outdoor museum that represents Ballarat in the Victorian goldfields for the period 1851 to 1861. All the buildings exhibits in the museum precinct have extensive ongoing maintenance to ensure their standards are in keeping with this 11-year time period. Consequently, the Directors believe that buildings will have an estimated useful life of 150 years and therefore depreciation has been calculated at 0.67% pa.

Other buildings are depreciated over a shorter estimated useful life dependent on the nature of the individual building.

Land

Land is freehold land recorded at cost and does not incur a deprecation charge.

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and any accumulated impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amounts of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight-line basis over their useful life to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of asset	Depreciation of asset
Buildings - historic	0.67%
Buildings - other	1.5% - 10%
Plant, equipment and vehicles	2.5% - 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset class' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss in the period in which they arise.

(d) Assets held for sale

Assets held for sale are valued at the lower of cost and net realisable value. Profits are brought to account on the signing of an unconditional contract of sale.

(e) Collections assets

Collections Assets controlled by the Association are works of art and other heritage assets, including the property Narmbool, which have been donated to the Association and are recognised at fair value at the time of the donation. They are anticipated to have very long and indeterminate useful lives. Their future economic benefits have not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

(f) Biological Assets

From 1 July 2013 the control of Narmbool farm operations has transferred to the Association. Biological assets consist of the following categories of sheep; Dohne Merino, Cross bred and Rams. All biological assets are carried at fair value less costs to sell. Changes in the fair value of biological assets are recognised in the profit or loss.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date the Association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(h) Financial assets at fair value through profit and loss

Financial assets are classified at 'fair value through profit and loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(i) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Association's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

(j) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(k) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Borrowings are classified as current liabilities unless the Association has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(l) Available-for-sale investments

Available-for-sale investments (i.e. shares, hybrid securities, fixed interest, convertible and floating notes) are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

(m) Impairment of financial assets

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial assets, a significant or prolonged decline in the value of the instrument is considered to indicate that impairment has arisen. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

(n) Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Association no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, canceled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(o) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using assumptions that market participants would use when pricing an asset or liability, assuming they act in economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(p) Impairment of non-financial assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

(q) Compensation for impairment

The impairment of property, plant and equipment are recognised in accordance with AASB 136 Impairment of Assets. The derecognition of items of property, plant and equipment retired are offset against any compensation for impairment in Capital Receipts in the Statement of Profit or Loss and Other Comprehensive Income.

(r) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for these benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national corporate bonds with terms to maturity that match the expected timing of the cash flows.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(s) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(t) Goods and service tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the ATO.

(u) Income tax

No provision for income tax has been raised as the Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(v) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(w) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(x) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(y) Contingent Assets & Liabilities

The Association has entered into a contract which contains elements that provide for variations in certain circumstances. As at 30 June 2020, the Association had not yet agreed the final amount payable in respect of a construction project completed during the financial year ended 30 June 2019 due to extended rectification of defects. As the value to be paid is unable to be quantified and remains contingent on activities to be completed post 30 June 2020, a liability arising from this contract is not recognised within these financial statements.

(z) Leases

Operating Leases

Operating leases are recognised in accordance with AASB 16. As at 30 June 2020, the Association has entered into a small number of low value leases such as relate to office equipment and, as such, has applied the exception for short-term and low-value assets. Any new qualifying leases entered into from 1 July 2020 will be recognised on the balance sheet in the form of a lease liability and a right-of-use asset.

Right of Use Assets: Peppercorn Leases

Peppercorn Leases are measured at cost (present value of lease payments). The Association holds the following peppercorn leases as at 30 June 2020.

1. Provided by the Minister for Environment and Conservation (Crown land). The term is 50 years from 30th November 2000 for a rental amount of \$2.00 per annum, the full term has been paid in advance. The land is used for the main site of Sovereign Hill outdoor museum and the Gold Museum.
2. Provided by the Minister for Energy, Environment and Climate Change (Crown land) under a license arrangement. The term is 10 years from 1st April 2019 for a term license fee of \$300.00 paid in full. The land is used for grazing land.
3. Provided by the Minister for Energy, Environment & Climate Change (Crown land). The term is 20 years from 18 November 2019 with a further term of 10 years for a rental amount of \$1 per annum payable on demand. The land is located on the southern side of Elsworth Street Ballarat on the Southern border of the main site of the Sovereign Hill outdoor museum. The land is held for future utilisation.

(aa) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key Judgements

Available for Sale Investments: The Association maintains a portfolio of securities with a carrying value of \$6,208,630 at the end of the reporting period. These valuations are the current market value on the stock exchange as at reporting date. The Directors believe there is no impairment of these investments.

(bb) Standards Issued but not yet effective

The Association has reviewed standards issued but not yet effective, including amended standards which are not mandatory for the 30 June 2020 reporting period and has not identified any material impacts on the financial reporting of the Association.

	2020	2019
	\$	\$

NOTE 2 Revenue

REVENUE FROM OPERATING ACTIVITIES

- sale of goods	6,590,210	8,220,956
- entrance takings	13,575,588	18,371,850
- rents and commissions	679,986	1,097,622
- other revenue (including donations and accommodation) *	3,497,366	3,502,066
- interest and dividends received	445,459	801,008
- government grants **	6,876,046	765,119
Revenue from Operating Activities	31,664,655	32,758,621

OTHER INCOME

- gain (loss) on disposal of property, plant and equipment	(263,548)	986
- gain (loss) on disposal of available-for-sale financial assets	(257,348)	390,526
Other Income	(520,896)	391,512

CAPITAL RECEIPTS

Capital grants from Government	11,880	2,000,000
- donations and collection assets donated	206,279	743,644
Less expenditure against capital receipts	(38,800)	(196,117)
	179,359	2,547,527
Capital receipts includes donations and collections assets donated	179,359	2,547,527

Total Revenue	31,323,118	35,697,660
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* Other revenue includes:

Donations recognised in full with future obligations	312,932	
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** Government grants includes:

Grants recognised in full with no future obligations	3,226,046	253,000
Grants recognised in full with future obligations	3,650,000	-
Creative Victoria (included in above)	331,388	253,000

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	2020	2019
	\$	\$

NOTE 3 Operating Profit

OPERATING PROFIT INCLUDES THE FOLLOWING:

Depreciation		
- Land and Buildings	1,476,553	1,396,393
- Plant and Equipment	1,413,049	1,151,665
Total Depreciation	2,889,602	2,548,058
Auditor Remuneration		
- Audit Services - external	44,690	43,600
Employee benefits expense:		
- Contributions to defined contribution superannuation funds	1,125,801	1,270,327
Interest paid on borrowings	11,279	22,209

SIGNIFICANT REVENUE AND EXPENSES

Net gain/(loss) on disposal of non-current assets		
Investments		
Proceeds on disposal	1,906,678	1,595,657
Disposals at written down value	(2,164,026)	(1,205,130)
Net profit (loss) on disposals	(257,348)	390,527

PROPERTY, PLANT AND EQUIPMENT

Proceeds on disposal	32,400	36,105
Disposals at written down value	(295,948)	(35,119)
Net (loss)/gain on disposals	(263,548)	986

COLLECTIONS ASSETS

Impairment loss	-	(98,822)
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NOTE 4 Current assets – cash and cash equivalents

CURRENT		
Cash at Bank	2,812,564	172,022
Cash on hand	27,552	201,754
	2,840,116	373,776

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	2020	2019
	\$	\$

NOTE 5 Current assets – trade and other receivables

CURRENT

Trade receivables	907,331	1,461,891
Provision for doubtful debts	(28,903)	-
Other receivables *	1,081,485	4,788
	1,959,913	1,466,679

* Other receivables includes a JobKeeper receivable of \$971,250

The Association does not have any material credit risk exposure to any single receivable or group of receivables.
The Association has impaired debtors with a provision for doubtful debts resulting from COVID-19 uncertainty.

NOTE 6 Current assets – inventories

CURRENT

At lower of average cost and net realisable value		
Stock	1,227,578	1,603,641

NOTE 7 Current assets – biological assets

CURRENT

At fair value less cost to sell		
Sheep		
Balance at the beginning of the year	1,857,320	1,835,620
Net movement in valuation during year	(777,596)	(823,864)
Fair value movement of biological assets	1,181,599	845,564
Balance at end of year	2,261,323	1,857,320

NOTE 8 Current assets – other assets

CURRENT

Pre-payments	424,123	924,708
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	2020	2019
	\$	\$
NOTE 9 Financial assets		
CURRENT		
Held-to-maturity investments	1,784,463	6,643,453
NON-CURRENT		
Available-for-sale financial assets	6,208,630	1,740,992
- includes \$1,027,245 attributable to The Sir Henry Bolte Trust (refer note 21)		
- includes \$3,494,091 attributable to The Sovereign Hill Foundation (refer note 21)		
- includes \$1,687,294 attributable to The Sovereign Hill General Reserve (refer note 21)		
Available-for-sale financial instruments comprise shares, hybrid securities, convertible and floating notes in corporations listed on a prescribed Stock Exchange at market value. There are no fixed returns or fixed maturity dates attached to these investments. Held-to-maturity investments comprise cash accounts with financial institutions.		
NOTE 10 Non-current assets – property, plant and equipment		
LAND		
At cost	4,746,713	4,746,713
Total land	4,746,713	4,746,713
BUILDINGS		
At cost	53,313,779	52,600,125
Less accumulated depreciation	(10,858,400)	(9,410,307)
Less impairment loss		-
Total buildings	42,455,379	43,189,818
PLANT AND EQUIPMENT		
At cost	26,789,675	28,378,217
Less accumulated depreciation	(19,487,806)	(20,024,206)
Total plant and equipment	7,301,869	8,354,011
PROPERTY, PLANT AND EQUIPMENT	54,503,961	56,290,542
COLLECTIONS ASSETS		
At fair value	8,829,323	8,922,504
Less impairment loss	-	(98,822)
Total Collections Assets	8,829,323	8,823,682

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

Movements in Carrying Amounts	Land	Buildings	Plant and Equipment	Collections Assets
	\$	\$	\$	\$
2019				
Balance at the beginning of the year	4,746,713	38,827,465	5,284,280	8,826,275
Additions at cost	-	5,758,746	4,256,525	96,229
Disposals	-	(2,269)	(83,247)	-
Impairment loss	-	-	-	(98,822)
Depreciation expense	-	(1,394,124)	(1,103,548)	-
Carrying amount at end of year	4,746,713	43,189,818	8,354,011	8,823,682
2020				
Balance at the beginning of the year	4,746,713	43,189,818	8,354,011	8,823,682
Additions at cost	-	843,874	519,918	5,641
Disposals	-	(107,970)	(187,978)	-
Impairment loss	-	-	-	-
Depreciation expense	-	(1,470,343)	(1,384,082)	-
Carrying amount at end of year	4,746,713	42,455,379	7,301,869	8,829,323

NOTE 11 Current liabilities - trade and other payables

CURRENT			
Trade payables		968,146	1,873,537
Other current payables		1,098,978	619,409
		2,067,124	2,492,945

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	2020	2019
	\$	\$

NOTE 12 Current liabilities - borrowings

CURRENT

Interest-only loan	-	-
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Loan liability is secured by assets of the Association

The total bank loans of \$0 (facility limit of \$1,000,000) are categorised in current liabilities as a result of a paragraph in the business letter of offers that states that the Bank can, at any time, reduce any limit, including a Facility Limit, Debtor Limit and a Component Limit. This is on the basis of a strict interpretation of the relevant accounting standard which requires that a liability is current where the Association does not have the unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

NOTE 13 Current liabilities - provisions

CURRENT

Provision for employee benefits: annual leave	800,733	699,635
Provision for employee benefits: long service leave	405,469	430,081
	1,206,202	1,129,716

NON-CURRENT

Provision for employee benefits: long service leave	631,499	635,872
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	1,837,701	1,765,589
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ANALYSIS OF TOTAL PROVISIONS

Opening balance	1,765,589	1,656,282
Additional provisions raised during year	826,719	319,554
Amounts used	(754,607)	(210,247)
Balance at end of year	1,837,701	1,765,589

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect to long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2020

THE SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED | ABN 87 565 053 651

	2020	2019
	\$	\$

NOTE 14 Capital Commitments

Commitments for uncompleted capital projects at 30 June (matched by government grant and private fundraising)	-	500,243
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NOTE 15 Events after the Reporting Period

No events after the reporting period

NOTE 16 Key Management Personnel Compensation

Key management personnel compensation	1,444,603	1,551,971
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NOTE 17 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

During the year: a Board Member was the director of a company that provided valuation services to the Association totalling \$1,400 and a Board Member was the director of a company that provided vehicle sales and service to the Association totalling \$824.

	2020	2019
	\$	\$
NOTE 18 Cash Flow Information		
RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT		
Operating Profit	992,873	(128,640)
NON-CASH FLOWS		
Depreciation	2,889,602	2,548,058
Impairment of non-financial asset	-	98,822
(Decrease)/increase in employee entitlements	72,112	109,307
Profit on sale of non-current assets	520,896	(391,512)
Write-down of non-current assets	-	-
CHANGES IN ASSETS AND LIABILITIES		
Increase in inventories	(27,940)	26,193
Decrease/(increase) in receivables	(522,137)	1,314,162
(Increase)/decrease in other assets	500,585	269,253
(Increase)/decrease in trade and other payables	(425,821)	(532,886)
Cash flows provided by operating activities	4,000,170	3,312,757

The Association has a bank overdraft facility available to the extent of \$500,000.

NOTE 19 Financial instruments

FINANCIAL RISK MANAGEMENT

The Association’s financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.
The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2020	2019
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents	2,840,116	373,776
Receivables	1,959,913	1,466,679
Held-to-maturity investments (ii)	1,784,463	6,643,453
Available-for-sale financial assets (i)	6,208,630	1,740,992
TOTAL FINANCIAL ASSETS	12,793,122	10,224,900
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost:		
- trade and other payables	2,067,124	2,492,945
TOTAL FINANCIAL LIABILITIES	2,067,124	2,492,945

FAIR VALUES

- (i) For listed available-for-sale financial assets and financial assets at fair value through profit or loss, the fair values have been based on closing quoted bid prices at the end of the reporting period.
In determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).
- (ii) Fair values of held-to-maturity investments are based on quoted market prices at the ending of the reporting period.

NOTE 20 Fair Value Measurement

The Association measures the following assets and liabilities at fair value on a recurring basis:

- Financial assets
- Biological assets

- (i) Fair value hierarchy
AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value at 30 June 2020:

Recurring fair value measurements	Level 1	Level 2	Level 3
Available for sale financial assets	\$6,208,630	-	-
Biological assets	-	\$2,154,060	-

Fair value of the biological assets is based on valuation performed by independent, professionally-qualified valuers as at 30 June, 2020.

- (ii) Transfers between levels of the hierarchy
There were no transfers between levels of the fair value hierarchy
- (iii) Highest and best use
The current use of each asset measured at fair value is considered to be its highest and best use.

The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Directors at each reporting date.

NOTE 21 Reserves

The Sovereign Hill Foundation Reserve was established to grow the corpus to underpin Sovereign Hill's long-term financial viability.

The Sir Henry Bolte Trust Reserve is used as the main acquisitive fund for collections.

The General Fund Reserve exists to provide a major financial underpinning of Sovereign Hill's operations.

The Collections Reserve recognises collections assets controlled by the Association. They include works of art and other heritage assets which have been acquired by or donated to the Association.

The Asset Revaluation Reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets that are classified as available-for-sale.

NOTE 22 Entity Details

The registered office of the Association is:
The Sovereign Hill Museums Association Ltd
39 Magpie Street
Ballarat Vic 3350

The principal place of business is:
The Sovereign Hill Museums Association Ltd
39 Magpie Street
Ballarat Vic 3350

NOTE 23 Controlled Entity

SUBSIDIARIES OF SOVEREIGN HILL MUSEUMS ASSOCIATION LIMITED:	COUNTRY OF INCORPORATION	2020	2019
Sovereign Hill No. 1 Pty Ltd	Australia	100%	100%

On 26 June 2014 Sovereign Hill Museums Association Limited acquired 100% interest in Sovereign Hill No.1 Pty Ltd. No transactions have occurred in this company from the date of acquisition to 30 June 20.

NOTE 24 Members' Guarantee

The Association is incorporated under the Australian Charities and Not-for-profits Commission Act 2012 and is a company limited by guarantee. If the Association is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the Association. At 30 June 2020 the number of members was 476.

The Directors of the Association declare that:

1. The financial statements and notes, as set out on pages 33 to 63 are in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and:
- a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and

b. give a true and fair view of the financial position of the Association as at 30 June 2020 and of the performance for the year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Dated this day the 24th day of September 2020.

D E Butler
President

C J Alizzi
Chair of the Finance and Risk Committee



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Independent Auditor's Report to the members of The Sovereign Hill Museums Association

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of The Sovereign Hill Museums Association (the Association), which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes comprising to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the financial report of The Sovereign Hill Museums Association is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including

- (a) giving a true and fair view of the Association's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for our Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. The directors are responsible for the other information in the annual report. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information, and report only if the other information is materially inconsistent with the financial report. We have nothing to report in this regard.

Directors' Responsibility for the Financial Report

The directors of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australia Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

D G Abbott
Partner
MOR Accountants
406 Dana Street, Ballarat

Dated this day the 24th day of September 2020

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Association Limited. 2020

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