

BENDIGO STADIUM LTD ANNUAL REPORT

2022-2023

Bringing the Bendigo community together through sports, events and quality entertainment



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ACKNOWLEDGEMENT OF COUNTRY

We acknowledge that Bendigo Stadium Ltd is on Dja Dja Wurrung and Taungurung Country.

We would like to acknowledge and extend our appreciation for the Dja Dja Wurrung People, the Traditional Owners of the land that we work on.

We pay our respects to leaders and Elders past, present and future for they hold the memories, the traditions, the culture and the hopes of all Dja Dja Wurrung Peoples.

We express our gratitude in the sharing of this land, our sorrow for the personal, spiritual and cultural costs of that sharing and our hope that we may walk forward together in harmony and in the spirit of healing.

OUR VISION, PURPOSE AND VALUES

While sport is at our core, we offer so much more. Red Energy Arena is the premier regional destination for national-level competitions and entertainment. Greater Bendigo communities are thriving as a result of the contribution we make to the local economy and community health and wellbeing.



MESSAGE FROM THE CHAIR

STACIE WRIGHT

“Our vision to create a space where communities thrive and come together for sport, events, and quality entertainment is coming to life.”

Stacie Wright, Chair



Welcome to the Chair’s report for our 2022/23 Bendigo Stadium Limited (BSL) Annual Report.

This past year was filled with numerous achievements, challenges and moments of pride as we continued to uphold our commitment to excellence in sports, entertainment and fostering a vibrant sporting community.

Our vision to create a space where communities thrive and come together for sport, events and quality entertainment is coming to life.

We are currently implementing a new strategy devised by the Board. The strategy’s focus is ensuring we have the business foundations that set up the organisation to deliver quality entertainment and a vibrant precinct, while ensuring we provide opportunities for a diverse range of people to play a broad range of sports.

These foundations include a focus on profitability and financial sustainability, attracting and retaining passionate and skilled people, and ensuring we remain a recognised and valued brand - a brand that is not only well known and respected, but synonymous with quality, value and community engagement.

There have been several external factors over the past year that have influenced our business position, particularly cost-of-living pressures and increasing interest rates. These factors affect how individuals allocate their spending, directly impacting event attendance and hospitality. It is important we remain adaptable to these changing economic conditions to maintain a stable cash position. Continued focus on our strategy foundations will enable us to be well equipped for these challenges.

The new Venue Operators Gaming Entitlements License commenced with the Victorian State government in August 2022, and is set to be in place for the next 10 years. We are now in the first year of this new gaming regime, which marks a significant milestone in the gaming industry and will impact all gaming venues across Victoria.

I wish to thank the BBA for all the work they do to achieve sporting excellence in the Bendigo region. I also wish to thank the Bendigo Volleyball Association and Bendigo Strathdale Netball Association for creating sporting opportunities for the greater community.

Over the past 12 months there have been some changes to the Board. Two of our long-serving directors, John Gallagher and Eain McRae, tendered their resignations from the Board. I would like to personally thank them for their contribution to BSL.

We welcomed a new director, Stan Liacos, to the Board earlier this year. Stan comes to BSL with a wealth of knowledge and experience that will assist us to look forward and plan for the future.

As we celebrate our accomplishments, I extend gratitude to our Board members, the dedicated staff and many volunteers. I also want to express my appreciation to our sponsors, partners and stakeholders, whose support was instrumental over the past year. I wish to thank CEO Dennis Bice for showing remarkable leadership throughout the year.

I would also like to acknowledge the unwavering support of the City of Greater Bendigo (COGB), which continued to help us achieve

great outcomes by attracting sporting and entertainment events, as well as providing professional support and guidance. Thank you Mayor Andrea Metcalf, CEO Craig Niemann and your extended teams.

The challenges in the world of sports, entertainment and hospitality are ever evolving. With a clear focus on our strategy and vision, I am confident we will make strides in creating more opportunities for Greater Bendigo communities.

I am proud to be part of Bendigo Stadium Limited and I eagerly anticipate the opportunities and achievements that lie ahead.



Stacie Wright
Chair



MESSAGE FROM THE CEO

DENNIS BICE

“To the staff, volunteers, and supporters – I am truly grateful for your efforts, your acceptance of change and resilience.”

Dennis Bice, CEO



The past 12 months certainly passed very quickly and as I reflect on that time, I do so knowing we are very fortunate to have such a wonderful community asset here at Red Energy Arena.

One thing you begin to realise is the important role the venue plays, bringing a wide range of people together to enjoy quality entertainment, diversity in sporting events and hospitality, while being a community meeting hub in a venue that is nationally recognised. There is no doubt it is an important part of the landscape and fabric of the Greater Bendigo community. More importantly, everything we do or earn is reinvested back into the community for the benefit of the community.

It is difficult to pinpoint specific highlights for the year given there were so many of them, but it was pleasing to be recognised by Community Clubs Victoria as the Sports and Entertainment award winner, while seeing our very own Jake Hilson take out the Emerging Young Leader award.

The variety of events both at a national and state level attracted fantastic attendance and interest from a wide area, plus we saw an increased number of breakfasts, conferences and dinners being held – none more pleasing than the McKean McGregor Gala Ball for the second year in a row hosting 950 guests for dinner.

Overlay our ever-growing community sport programs through basketball, volleyball and netball, and it made for a very busy calendar throughout the year. I would like to acknowledge and congratulate the Bendigo Basketball Association for winning the ‘Association of the Year’ category at the Basketball Victoria awards night – the first regional association to win the award since 2003.

The cancellation of the Commonwealth Games was a very big disappointment. We will continue to work with government on the potential redevelopment of our venue. While there are no guarantees, we will continue to

work with the City of Greater Bendigo, State government and stakeholders to ensure we are considered in any further spend.

Our revenue for the 2023 financial year was up \$4.5M on the 2022 financial year, with increases across most revenue lines. The revenue is a record year for our business, largely attributable to our investment back into the business through a concentrated effort to market Red Energy Arena as a multi-purpose facility, and a significant contributor to the broader community. This is further evident by the increase in attraction and growth in our sports, events, and entertainment.

Our EBITDA for 2023 financial year was \$1.849M, up from \$382K in 2022. After depreciation and interest, the 2023 result was a loss of 251K, which was a significantly better position than the 2022 loss of \$1.130M.

Special thanks to all our partners and stakeholders who contributed significantly to the success of our organisation. They are genuinely engaged and excited with everything that is Red Energy Arena. To the City of Greater Bendigo and broader team, thank you for your ongoing support, guidance and genuine interest in the success of our venue and the value it provides our region.

To the Board - thank you for your support and patience as we rebuild the business during some challenging times. The introduction of a new strategic plan will assist us greatly in providing a clearer way forward.

Finally, to the staff, volunteers, and supporters, I am truly grateful for your efforts, your acceptance of change and resilience through some challenging times.

The future is bright, and we should never underestimate the value of what we do for the 15,000 people who walk through our doors every week.



Dennis Bice
CEO



OUR STRATEGY

Our new strategy will serve as our blueprint for success by giving us clear focus areas, foundations and priority actions to ensure we remain adaptable and aligned with our vision.

We are implementing this new strategy across the business and will continue to monitor and evaluate our progress, which will allow us to improve our approach to achieve our five-year goals.

Purpose

We are a sports and entertainment organisation that creates opportunities for Greater Bendigo communities.

Vision

To have vibrant places where communities thrive and people come together for sport, events and quality entertainment.

FOCUS AREAS



Sporting Diversity

We provide opportunities for a diverse range of people to play a broad range of sports



Vibrant Community Precinct

We have a vibrant community precinct that is well connected to other venues, leaving a valued and sustainable legacy



Quality Entertainment

We offer a range of high-quality hospitality, events, and functions and that bring people together again and again

FOUNDATIONS

► Profitability & Sustainability

Our business is profitable, financially sustainable and ready to take on new opportunities

► Passionate & Skilled People

Our staff and board are talented, well-supported and passionate about our business

► Recognised & Valued Brand

Our communities know and value Bendigo Stadium Ltd as a premier sports and entertainment precinct



red[™]
energy
arena

red[™]
energy
arena

BOARD MEMBERS



STACIE WRIGHT

Chair

Stacie joined the BSL board in 2017 as a Director and was appointed as Chair in 2019. Stacie has a strong background in developing and delivering organisational, brand, marketing, customer, and communication strategies, from her professional experience in senior roles at NAB, Bendigo and Adelaide Bank, Rural Bank, and Wesfarmers.

Additionally, she runs a consultancy firm, STP Grow, and is also a Director of Bendigo Heritage Attractions, and was previously a member on the Bendigo Basketball Association (BBA) board.

As Chair of Bendigo Stadium Limited, Stacie strongly emphasises the stadium's role to ensure communities thrive, providing a location where people come together for sport, events and quality entertainment.



AMELIA FISHER

Treasurer

Amelia joined the Board in 2020. A high-performing finance specialist, CPA and AICD graduate, Amelia brings a wealth of expertise not only to the Board but also to the BSL Finance Committee. She has a deep understanding of the regulatory framework and statutory requirements of the finance sector. Her career has included several

high-level financial roles with Coliban Water and Bendigo and Adelaide Bank.

A skilled communicator, Amelia understands how to leverage technology for the best financial success. Passionate about local success, Amelia has served on the Doctor Harry Preschool Committee, Mitiamo Football and Netball Club Committee and the Bendigo CPA Branch Committee.



KEVIN DOLE

Kevin joined the Board in January 2022. He is currently Managing Director of Bendigo Telco, a publicly listed company that delivers technology-based solutions. Throughout his career, Kevin has focused on ensuring technology has been a key enabler to support customers achieving success.

Prior to BSL, Kevin held a number of technical and senior leadership roles within Bendigo and Adelaide Bank. He is also a Board Member and Director of Bendigo Telco. In addition to his duties as a BSL Director, Kevin is also a member of the Finance, Audit and Risk Committee, and Chair of the Sport and Community Committee.



NICK MCCLURE

Nick joined the Board in 2022. A tertiary qualified Civil Engineer by profession, who is accredited on Engineers Australia's National Engineering Register and the Victorian Business Licencing Authority, he is also the director of two Victorian engineering companies that specialise in Project Management, Civil, Structural and Geotechnical Engineering.

Nick has extensive contractual management experience, specialising in project planning/staging and risk management. Having worked nationally across a broad range of infrastructure projects in both the private and public sectors, Nick's drive is to provide sound governance and operational practices to regional Victoria.



STAN LIACOS

Stan Liacos joined the board in 2023. He has over 30 years' experience with entities including Queen Victoria Markets as CEO; City of Greater Bendigo, Victorian Government, Federation Square and Melbourne Docklands as an Executive Director; Head of the Geelong Waterfront Development; a planning and development practitioner in earlier years; and board director in varied sectors. Stan holds qualifications in Planning, Business, Marketing and AICD.

Stan has expertise in Major Projects; Planning and Development; Local Government; Tourism and Major Events; Marketing; Communications; and Business Leadership.

Whilst at the City of Greater Bendigo, Stan led teams that developed and promoted attractions including Ulumbarra Theatre; Gurri Wanyarra Aquatic Centre; State Trustees office and car park; and expansions of Bendigo Art Gallery, Bendigo Airport and Bendigo Stadium.



LACHLAN EDWARDS

Company Secretary

Lachlan was appointed as company secretary for BSL in September 2022.

Lachlan is a director and commercial lawyer at O'Farrell Robertson McMahon in Bendigo.

He has a background and passion working in not-for-profit organisations.

He is currently the company secretary for Bendigo UFS.

OUR PEOPLE

Our organisation's success is testament to the dedication of our passionate team, which includes skilled staff and enthusiastic volunteers. The commitment of our staff and volunteers is the driving force behind many of our most successful initiatives.

Throughout this year we welcomed 41 new staff to BSL, many becoming integral to our team. We have had a dedicated focus on recruitment, which aligns with our strategy of fostering a talented, vibrant and diverse workforce. The influx of this new talent enhanced our ability to adapt and respond to our ever-evolving landscape.

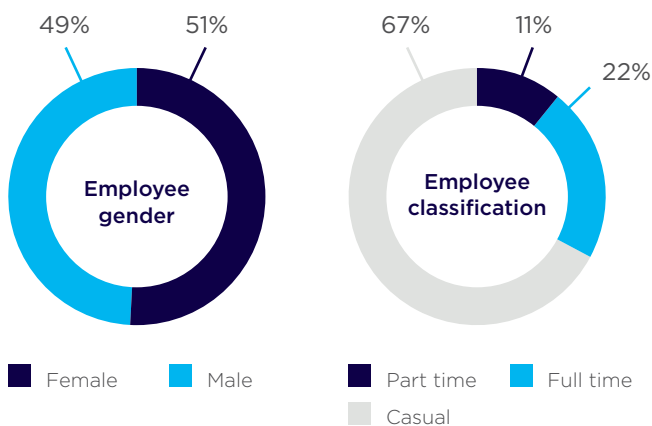
We take pride in recognising our long-serving staff members, a testament to our organisation's commitment to cultivating a nurturing work environment. In December, we recognised 51 staff across our venues with a tenure of five years or more. This is over 30 per cent of our workforce and is

significant given the competitive nature of our industry. These employees' steadfast loyalty reflects our capacity to foster a workplace that encourages growth and enduring relationships. Congratulations to all the staff recognised - your dedication and commitment have had a significant impact on our organisation.

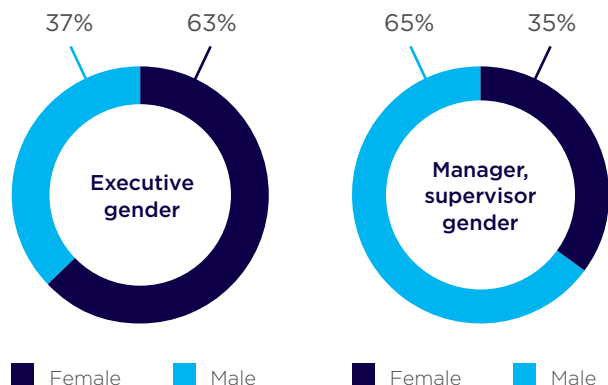
Beyond tenure, we also relaunched our Employee of the Month awards in February. Now known as the BSL Excellence Award, this program was rejuvenated to foster an environment that celebrates staff prepared to go above and beyond expectations to help our customers, partners and the community.



Employee Diversity

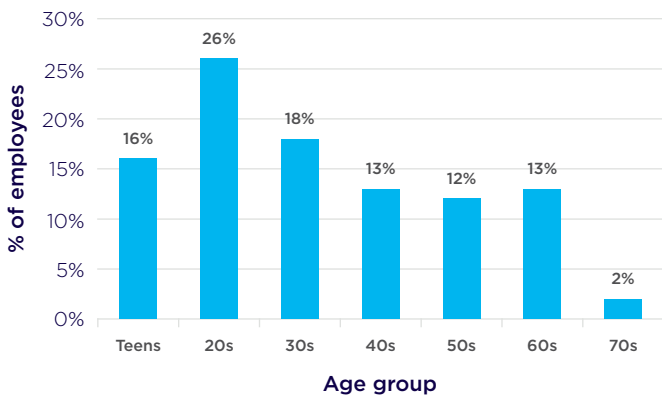


Leadership Diversity

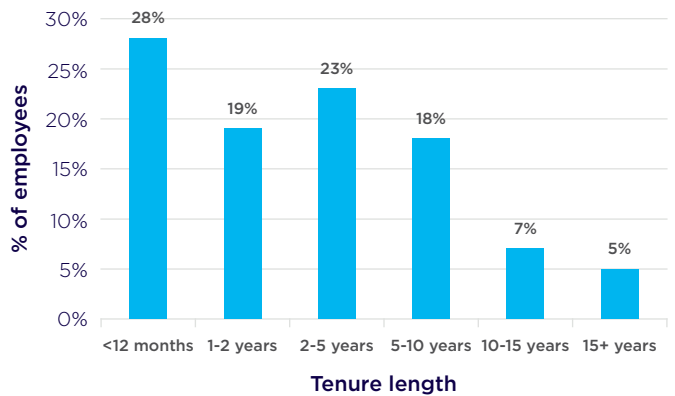




Employee Age Breakdown



Employee Tenure



The nomination process was opened to all staff, so everyone got an opportunity to participate. As a result, we enjoyed the opportunity to share some wonderful stories and examples of staff living our BSL values and behaviours. In celebrating our monthly winners, we highlighted their outstanding efforts and this accolade underscores the appreciation for the tireless work by our teams that propels our organisation forward.

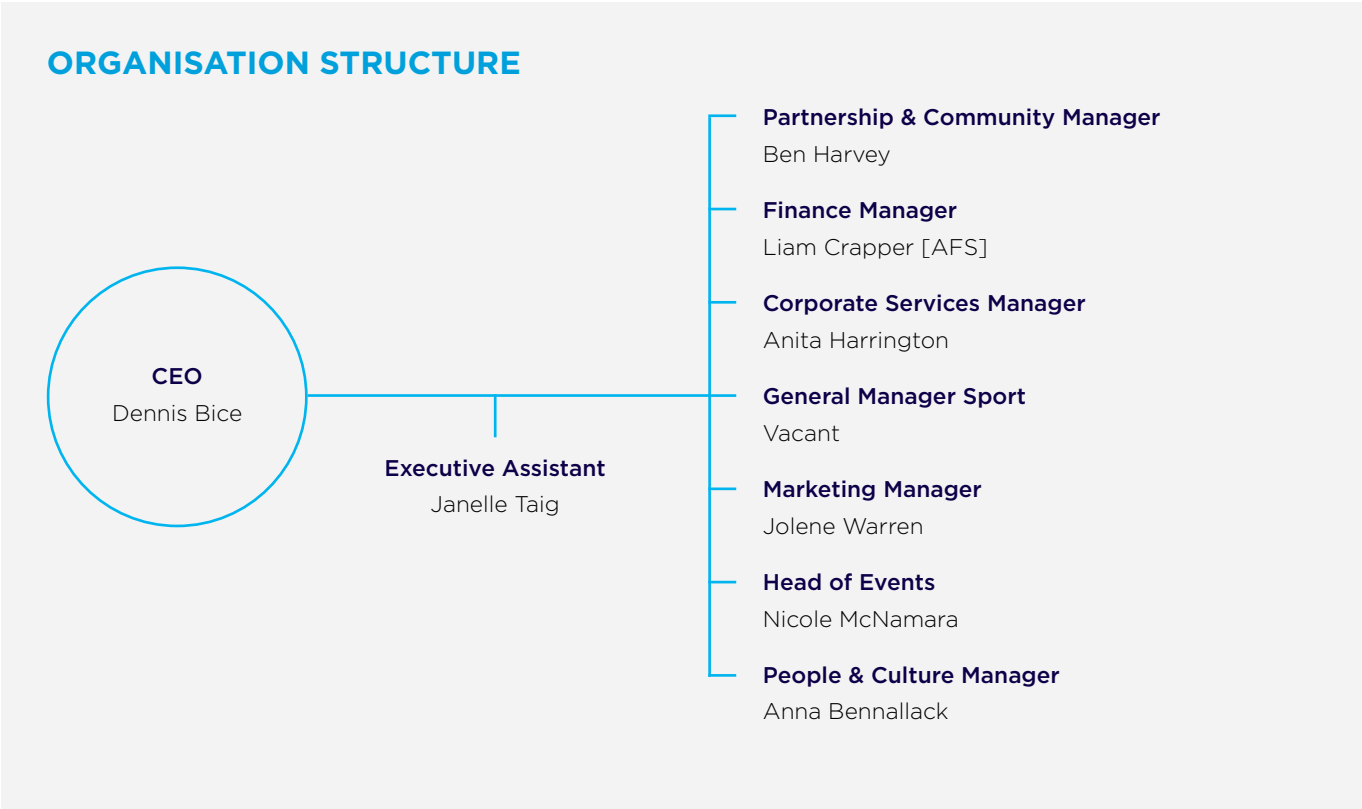
We continue to maintain a strong commitment to diversity and inclusion, exemplified by the makeup of our workforce. Approximately 10 per cent of our team comprises individuals overcoming disabilities, which is a testament to the strong community partnerships we foster with organisations such as Axis Employment. Our workforce features a balanced gender representation of 51 per cent male and 49 per cent female.

This extends to our leadership roles, where 63 per cent of our senior positions are held by women. We remain committed to ensuring the community feels like it belongs when it enters our venues, and people can see themselves represented in our many wonderful staff ready to help them.

LEADERSHIP

Led by CEO Dennis Bice, our leadership team is a committed and collaborative group of diversely skilled people with a deep understanding of our overarching vision for Bendigo Stadium Limited.

Under the guidance of Dennis, the leadership team is dedicated to aligning the broader team with our strategic goals and cultivating a positive and resilient organisational culture.



NETWORK



15 Community Partners



60 Business Partners



10,000+
Club and Sport Members

HISTORY

RED ENERGY ARENA

Beginning in 1976 with just two basketball courts, the Red Energy Arena has seen three major developments to meet the growing demands for indoor sporting and entertainment facilities.

Red Energy Arena is of national prominence, being home now to 10 indoor multi-purpose courts and 12 outdoor netball courts. The latest expansion project delivered a spectacular 4,000-seat main arena and today showcases some of the best international sport and entertainment events available.

We are the largest indoor stadium outside metropolitan Melbourne and the largest netball facility in regional Victoria – making the arena an appealing venue for large-scale sporting events.

Our dining experience at Red Energy Arena was elevated this year with the rebranding of our bistro to Restaurant 91. From a brand perspective, the new name, menu and look of the dining area better reflect the quality of our meals and service.

Red Energy Arena now has the capability to drive visitation and tourism to the Bendigo region through hosting these major events, which delivers a flow-on effect to the local economy, particularly accommodation, hospitality and retail businesses.



VENUES

Bendigo Stadium Limited manages and operates three venues across Victoria – Red Energy Arena, Borough Club and St Arnaud Sporting Club.

ST ARNAUD SPORTING CLUB

Located in the Wimmera region, west of Bendigo, is the St Arnaud Sporting Club.

Situated at Lord Nelson Park, St Arnaud Sporting Club has a long and rich history. The sporting precinct is home to football, netball, harness racing and hockey.

St Arnaud Sporting Club is a hub for live music, with high profile artists including Reece Mastin and Kevin Wilson performing over the past year. These acts, along with tribute artists, drew large crowds to the venue, creating community interest and heightened visibility of the club.

The 2022-23 year also saw Bendigo Stadium Limited strengthen ties with the Northern Grampians Shire Council, with our team attending several St Arnaud community planning and branding exercises throughout the year.

Jake Hilson, our St Arnaud Sporting Club Venue Manager, was awarded Emerging Young Leader at the 2023 Community Clubs Victoria Awards for his service and commitment to the St Arnaud community.



THE BOROUGH CLUB

Located in the heart of Eaglehawk, the Borough Club is situated opposite Canterbury Park Gardens.

The historic building dates back to 1859 and has seen many forms since then. It now serves as a historic club with quality meals, function space and entertainment.

The Borough Club is a proud member of the Eaglehawk community, sponsoring the local

cricket, girls and boys' football, netball, hockey and bowls clubs. It is also a partner of the local community group Empowering Eaglehawk.

The Borough Club played a significant part in the Dahlia and Arts 50th anniversary celebration in March 2023, which saw the Eaglehawk community come together in Canterbury Park to celebrate half a century of the iconic festival.



OUR COMMUNITY

Red Energy Arena is a community asset and a pillar of support, collaboration and community engagement.

Supporting community groups is at the core of our values and we are delighted to partner with many meaningful organisations across the Bendigo region.

Bendigo Stadium Limited provided more than \$500,000 to local sporting organisations, charities and not-for-profits over the past five years.

Red Energy Arena is a safe place that enriches the lives of people of all ages in our community. We strive to provide avenues and opportunities for different community members, whether it be for sport, charities or not-for-profits.

The harrowing onset of flooding across Victoria in 2022 was a challenging time for many communities. It was incredible to see our teams step up in a remarkable way to help State Emergency Service volunteers, as well as children who lost their homes and possessions in the floods.

Super Sport Relief Day at the arena for flood affected Rochester students

Over 300 students and teachers from Rochester came to Red Energy Arena to enjoy a day of sports, fun, food and games after a harrowing week of flooding across Victoria.

We rallied together with other businesses in Bendigo to provide an action-packed day for children who were impacted, including some who lost their homes and possessions due to the floods.

Students and staff from Rochester Primary School, Rochester Secondary School and St Joseph's Primary School participated in a range of activities, from basketball to netball, skipping, hula hooping, volleyball and more.

"Coming to Bendigo gets the kids out of the town so that they can have fun and be kids again," Melissa Gould, Principal at Rochester Secondary College, said.

"One of the biggest challenges of this flood event has been connecting, and some of our students haven't seen each other, or their teachers for over a week.

"It's been important that we find a way to let them be kids again, bring them together and have some fun.

"With the support of Red Energy Arena and Newtons Bus Service, we've been able to pull together this event quickly and it's so good to hear the noise and see all the smiles.

"Red Energy Arena have been incredible, they've put on sport, food, activities, and given us this huge space. It's just been incredible so we cannot say thank you enough."





Red Energy Arena glows pink for Breast Cancer Awareness Month

In October 2022, Red Energy Arena turned pink to support Red Energy's long-term partner, Breast Cancer Network Australia (BCNA). Our signage, both externally and internally, was lit up pink and we ran a Pink Day for staff to help raise money. Collection tins were also placed around the venue for members and guests to donate.

Red Energy has partnered with BCNA since 2015 to help support Australians affected by breast cancer. The partnership enables our organisation to contribute, support and collaborate with BCNA with a very personal cause to many Australians. Our aim is to help raise awareness of the support BCNA provides, so no one has to go through breast cancer alone.

'Lunch at the Arena' for Lifeline's Hello for Hope fundraiser

Hello for Hope Week is an annual suicide prevention awareness and fundraising initiative run by Lifeline Central Victoria and Mallee. Red Energy Arena hosted 'Lunch at the Arena' to launch the beginning of Lifeline's week of fundraising activities and events across the Bendigo region.

Through Red Energy Arena's rebate program, 20 per cent of the proceeds from all meals purchased on the day went to Lifeline.

There was a fantastic turn-out at the event, with over 30 people attending 'Lunch at the Arena'.



Bendigo Braves players team up with McKern Steel Foundation to promote healthy eating habits in local schools

Over the past year, the Bendigo Braves and Red Energy Arena, in partnership with the McKern Steel Foundation, ran a wellbeing initiative aimed at promoting healthy eating habits among local school children.

As part of this initiative, players from the Bendigo Braves and Red Energy Arena staff visited schools in the area on Fresh Fruit Fridays to distribute fruit and promote healthy eating habits.

The initiative aims to raise awareness about the importance of eating fresh fruits and vegetables as part of a healthy diet.





Mirabel children bounce with joy at Red Energy Arena

Over the course of the year, children from The Mirabel Foundation had the opportunity to practice their basketball skills within a team environment at Red Energy Arena.

Mirabel assists children who are in kinship care, providing support and opportunities to ensure their families thrive.

The programs allow vulnerable children to be part of the local community by participating in a range of activities.

Kaylene McKay, Education Coordinator at The Mirabel Foundation, connected with Red Energy Arena to give the children an opportunity to learn the ropes of basketball and practice their ball skills.

“The children are a great group of energetic kids, and they love basketball,” Kaylene said.

“We were looking for somewhere that we could get them active – a place where there are teams and a competition, so they can see how it all works.

“We want to get them involved in the community.”

Creating employment opportunities

We currently employ approximately 170 people across Red Energy Arena, which includes our 15 staff members employed through the Axis Employment program – an employment program that supports people living with disability to find and sustain employment.


We recognise that being a large employer in the Bendigo region, we can have a strong economic and social impact on the wellbeing of the community and can be a key driver promoting a diverse and inclusive workplace.

Social media community

We have a passionate and growing social media community across our brands. In 2022, we implemented social media community guidelines for our sporting pages, and we are committed to creating welcoming and open platforms where our online community can feel heard, safe and have a sense of belonging.

Over the past year, we developed and nurtured a strong presence of our parent brands, Red Energy Arena and the Bendigo Braves on TikTok, through viral and innovative short-form video content.

Our social media followers across the Bendigo Stadium Limited brands – inclusive of the 15 platforms we manage for Red Energy Arena, Bendigo Braves, Bendigo Basketball, St Arnaud Sporting Club, and the Borough Club:

 **21,644**

 **6,904**

 **753**

 **1,995**

As of 30 June 2023

OUR VOLUNTEERS

We have many volunteers who help keep our teams running smoothly. They are dedicated to making sure children can play their favourite sports, promoting a connected and supportive sporting community.

We wish to thank all our volunteers from the past year - we recognise how much you contributed to Red Energy Arena and our vision.

We've highlighted a handful of our volunteers, but there are many more who help make a difference to our venue and sporting pathways.

KARLA AND DON COULSON

Karla and Don Coulson have marked 60 years of volunteer service with Bendigo Stadium Limited.

Karla and Don both started playing basketball at Red Energy Arena in the early 60s. They have been like family ever since their early basketball careers, transitioning through several volunteer roles.

To name just a few, they have been involved in coaching, refereeing, the BBA board and more recently, court supervision.

Karla was the first coach for the Braves Women's team in 1986 and Don coached Dyson Daniels in U14s for two years. For Karla, it's all about the sport and keeping in touch with the community and players.

"I love giving back to the community - being someone that can inspire young people and help them further their own dreams is really important to me," she says.

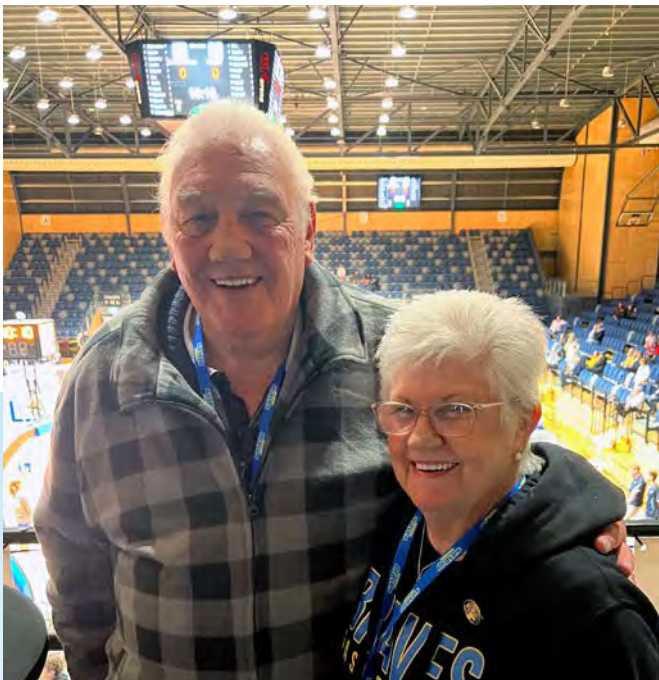
GEOFF ADCOCK

Geoff Adcock has volunteered in various positions with the Bendigo Volleyball Association (BVA), including coaching, refereeing, website management, BVA Board Member and BVA President. He also established and managed the Bendigo Junior City Volleyball Tournament.

Geoff believes it is important to offer voluntary services to the community to help make society a better place now, and for generations to come.

"I feel that I have had such a wonderful life much due to the efforts of others," he says. "Coming from a working-class family, it has been the many volunteers who helped me achieve my life successes."

"I feel the need to offer similar opportunities to others and the various communities in which I have lived - I find that there is great satisfaction in volunteering, and I have met many wonderful people over the years."





DUSTY, HAMISH AND ANGUS MOSS

For the past year, Dusty, Hamish, and Angus have been an essential part of our Bendigo Braves game days, wiping the floors clean to ensure the players' safety. The boys are familiar faces at Red Energy Arena.

Why do you volunteer?

It's a great way to give back to the community!

What do you enjoy most about it?

Getting to know lots of new people and becoming friends with the players.

How would you describe the volunteer spirit?

It's always a happy place at the arena, working alongside other volunteers.

What would you say to someone thinking about becoming a volunteer within their community?

Give it a go, it is very rewarding!

EVENTS

Throughout the 2022/23 financial year, Red Energy Arena showcased its event hosting capabilities to over 68,000 attendees, successfully delivering 91 events in our facility – a 42 per cent increase on 2021/22.

From national and international sporting events to major entertainment events, expos, community events and business functions, we were a hub of social activity throughout the year. This was a welcome change after the effects COVID-19 had on our events space.

Among the many events we hosted, there were some standouts, including American basketball spectacular Harlem Globetrotters, which attracted a crowd of 4,000 people. We also saw the return of the Suncorp Super Netball preseason featuring the Melbourne Vixens with 'Bound 4 Bendigo'. This weekend-long sporting event drew crowds of over 3,000 per day and included several netball clinics alongside the main event.

The Australian Boomers' triumph against Iran in the FIBA World Cup qualifying campaign brought exciting international basketball action to Red Energy Arena's main arena in 2022 – drawing a crowd of over 2,500 people to our venue.

We saw the return of the McKean McGregor Gala Ball, a local community fundraising event, where we catered for and entertained 950 guests – our main arena transformed seamlessly from a basketball court into a spacious function room to host this event. We're proud to be part of the \$277,277.18 that was raised for The Cancer Wellness Centre on the night. An impressive effort by all involved.



Our Sky Lounge played host to several business events, conferences and functions throughout the year. Highlights included our sellout International Women's Day Breakfast in March 2023, our Bendigo Braves Partner Breakfast and our Be.Bendigo partner breakfasts.

The extensive calendar of events over 2022/23 allowed us to remain busy throughout the year, as we delivered a diverse range of experiences for attendees of all interests, backgrounds and age groups.

Red Energy Arena's commitment to activating all our spaces for events proved to be a success over the year, bringing economic value to the Bendigo region. Our multipurpose spaces, including the main arena with a 4,000-person capacity, 10 multipurpose courts, Sky Lounge, Green Room, VIP Mezzanine and our Concourse space allowed for versatility in hosting a wide range of events for the community and local businesses.

Going into 2024, we are looking forward to engaging with the community even more and creating memorable moments for the people of Bendigo.

 **91** events delivered

68,000 attendees



Scan code for a virtual tour of Red Energy Arena's event spaces



SPORTS

The Sports team took great pride in supporting many community organisations throughout the year. We were able to assist with putting on sports and activities for teachers and children of the Rochester community impacted by floods. We also organised shootaround sessions and Bendigo Braves game day experiences for members of the Mirabel Foundation. We are excited about extending our community reach moving into 2024.

BASKETBALL

The Bendigo Basketball Association (BBA) achieved a momentous feat this year by being awarded the prestigious Association of the Year title at the Basketball Victoria awards night. This was the first time a regional association has secured the award since Bendigo's previous win in 2003. Only two regional associations have won the award in the past 34 years.

Additionally, it was fantastic to win the Sport and Entertainment award at the Community Clubs Victoria awards in 2023. These awards are testament to all the wonderful work the BSL Sport team does.

Highlights of the year include:

- **Referee Development:** Our focus on nurturing referee talent led to a record number of referees, with the total reaching an all-time high of 154 referees.
- **Team Registrations:** Both the winter and summer seasons saw an unprecedented number of team registrations, with 433 teams in winter, a 13.65 per cent increase on the previous year, and 490 teams in summer, a 9.87 per cent increase on the previous year. These numbers reflect the increasing popularity of basketball in Australia.
- **Bendigo Braves Memberships:** We celebrated an astounding almost 300 per cent growth from the previous year in the number of paid memberships for the Bendigo Braves.
- **McDonald's Bendigo Junior Classic:** Our annual representative tournament held on the Australia Day long weekend experienced a record registration of 334 teams - that is a total of 3828 registered athletes playing over the course of the weekend. In addition to this, we had 150 staff and referees working this weekend.



44%

increase in crowd attendance at Bendigo Braves games



- **Junior Braves:** Over the past year, we had 28 Junior Braves teams participate in representative tournaments and state development leagues, nurturing a strong pipeline of basketball talent.
- **NBL1 Crowd Attendance:** Our NBL1 Bendigo Braves crowd attendance had a remarkable 44 per cent increase in average attendance numbers, with an average of 655 attendees in 2023, compared to 455 in 2022.
- **Bendigo Braves Women's Team:** Our Bendigo Braves Women's team delivered an exceptional performance, remaining undefeated for the season and being crowned 2023 NBL1 National Champions – an outstanding result for the Bendigo Braves this year.

NETBALL

In 2023, we hosted the Bendigo Strathdale Netball Association (BSNA) winter season on our indoor courts.

In total, 800 participants took part in almost 50 netball games each weekend, demonstrating the venue as a true multi-purpose venue while bringing people into the venue on a Saturday.

This participation was in addition to our partnership with Golden City Netball Association (GCNA), which manages the 12 outdoor courts all year round.

VOLLEYBALL

Bendigo Volleyball Association Inc. runs a domestic competition and a junior competition at Red Energy Arena.

Red Energy Arena is home to the Phantoms Volleyball Club, which competes in the state league.

Volleyball has seen significant interest and growth over the past year, increasing by 10 per cent to 50 teams in 2022/23.



PARTNERSHIPS

Over the past year the Partnerships team were focused on rebuilding connections, uncovering business opportunities, expanding networking efforts, engagement and community programs.

Through the establishment and upkeep of an internal framework, we guaranteed positive experiences for our partners.

 **343**
client meetings

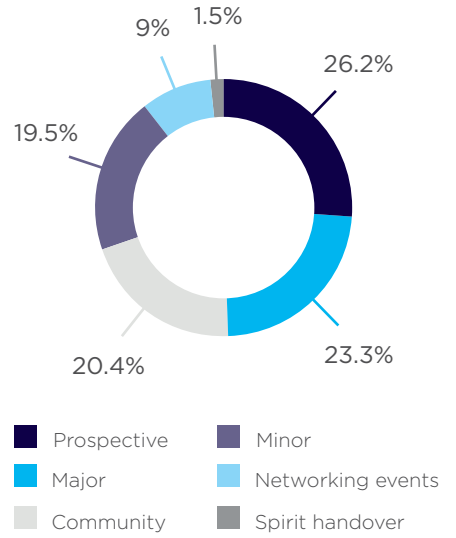
Our focus lies in client engagement – nurturing our business relationships through continuous and proactive communication with potential partners. We place great importance on keeping the lines of communication open and being responsive, as it allows us to build trust and develop long-lasting partnerships.

Our objective is to build significant relationships with the local Bendigo business community, actively integrating them into the Bendigo Stadium Community, and showcasing the valuable community resource that is Red Energy Arena. Specifically, our aim is to reconnect and strengthen our ties with the community.

Partnerships had a total of 343 meetings with clients over 2022-23.

Client engagements

Breakdown of the types of meetings our Partnerships team engage with regularly.



OUR PARTNERS





CONSOLIDATED FINANCIAL REPORT

30 JUNE 2023



Bendigo Stadium Limited Directors' report 30 June 2023

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Bendigo Stadium Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name: Stacie Wright
Title: Chair
Experience and expertise: In 2017, Stacie joined the Board of Bendigo Stadium as a Director, and is currently Board Chair. Stacie is a strategic leader with a background in developing and delivering organisational, brand, marketing, customer, and communication strategies. Her experience includes senior roles at the NAB, Bendigo and Adelaide Bank, Rural Bank, and Wesfarmers. Additionally, she runs a consultancy firm, STP Grow. Stacie holds a Master of Business Administration, a Bachelor of Business with Majors in Marketing and Human Resource Management, and is a Graduate of the Australian Institute of Company Directors. Committed to the Bendigo community, Stacie recognises the importance of Bendigo Stadium as a valuable community asset. As a Director of Bendigo Heritage Attractions and a previous Director of the Bendigo Basketball Association, she understands the significant role that sports and cultural venues play in enriching the lives of residents. As Board Chair of St Arnaud Sporting Club, Stacie strongly emphasises the club's role to ensure communities thrive, providing a location where people come together for sport, events and quality entertainment.

Name: Amelia Fisher
Title: Treasurer
Experience and expertise: Amelia joined the Board in 2020. A high performing finance specialist, CPA and AICD Graduate, Amelia brings a wealth of expertise not only to the Board but also to the Finance Committee. She has a deep understanding of the regulatory framework and statutory requirements of the finance sector. Her career has included several high-level financial roles with Coliban Water and Bendigo and Adelaide Bank. A skilled communicator, Amelia understands how to leverage technology for the best financial success. Passionate about local community, Amelia has served on the Doctor Harry Preschool Committee, Mitiamo Football Committee, and the Bendigo CPA Branch Committee.

Name: Kevin Dole
Title: Non-executive director
Experience and expertise: Kevin joined the Board in January 2022. He is currently the Managing Director of Bendigo Telco, a public listed company which delivers technology-based solutions. Throughout his career Kevin has focused on ensuring technology is a key enabler to support customers achieving success. Prior to Bendigo Stadium he held a number of technical and senior leadership roles within Bendigo and Adelaide Bank. Kevin is also a Board Member and Director of Bendigo Telco. In addition to his duties as a Bendigo Stadium Director, Kevin is also a member of the Finance, Audit and Risk Committee, and Chair of the Sport and Community Committee.

Name: Nick McClure
Title: Non-executive director
Experience and expertise: Nick joined the Board in 2022. A tertiary qualified Civil Engineer by profession, who is accredited on Engineers Australia's National Engineering Register and the Victorian Business Licencing Authority, he is also the director of two Victorian engineering companies who specialise in Project Management, Civil, Structural and Geotechnical Engineering. Nick has extensive contractual management experience, specialising in project planning/staging, risk management. Having worked nationally across a broad range of infrastructure projects in both the private and public sectors, Nick's drive is to provide sound governance and operational practices to regional Victoria.

**Bendigo Stadium Limited
Directors' report
30 June 2023**

Name: Stan Liacos
Title: Non-executive director (*appointed March 2023*)
Experience and expertise: Stan Liacos is an accomplished executive with over 30 years' experience with several major institutions and authorities including Queen Victoria Markets Pty Ltd as CEO; the City of Greater Bendigo, Victorian Government, Federation Square and Melbourne Docklands Authority as an Executive Director; former Head/CEO of the Geelong Waterfront Development; a planning, development and local government consultant earlier in his career; and as a non-executive Board Director in the education, public and private sectors. Stan holds a Bachelor of Applied Science in Planning and Urban Design from RMIT; and a Postgraduate Diploma and Masters of Marketing from the University of Melbourne. Stan has enjoyed a career in often high-profile, challenging environments and has seasoned expertise in sectors including Major Projects; Planning, Design and Development; Local Government; Arts, Tourism and Major Events; Business Leadership; and Marketing and Communications. Stan is a proud resident of Bendigo where he is particularly synonymous with the development of major attractions including Ulumbarra Theatre, Gurri Wanyarra Aquatic Centre and the major expansions of Bendigo Art Gallery, Bendigo Airport, and Bendigo Stadium. Stan joined the board in 2023.

Name: John Gallagher
Title: Non-executive director (*resigned 11 April 2023*)
Experience and expertise: John has been on the Board for over ten years. He is Managing Director of Wild Company, an enterprise he started with his partner in 1984 and built up to be northwest Victoria's largest specialised contracting business of its type. He brings years of hands-on management experience to the Board as well as a deep understanding of quality assurance and accreditation processes. He has expertise in workplace safety, dispute resolution and emergency responses. Also a serving member on the Boards of other BSL entities, he is passionate about ensuring that the infrastructure and assets of the Bendigo community are well managed.

Name: Eain McRae
Title: Non-executive director (*resigned 28 February 2023*)
Experience and expertise: Eain McRae joined the Board in 2015. He has spent his career in community serving roles within the public service. With roles in the CFA, the Department of Environment and Primary Industry, Natural Resources and Environment and the Ministry of Conservation, Eain has demonstrated a passion for hands-on, out and about roles. A certified trainer, he has expertise in the forensic analysis of situations and events. Eain has been a volunteer firefighter in the Maiden Gully CFA for over seven years as well as serving as a Director of the Bendigo Basketball Association for the past 16 years.

Company secretary

The company secretary is Lachlan Edwards. Lachlan was appointed to the position of company secretary in 27 October 2022.

Lachlan is a director and commercial lawyer at O'Farrell Robertson McMahon in Bendigo and has a background and passion working in not for profit organisations. He is currently the company secretary for Bendigo UFS Pharmacies

Prior to the appointment of Lachlan Edwards, Dennis Bice (CEO) performed the role of Company Secretary from when he took over the CEO role on 1 November 2021 to 27 October 2022. Prior to commencing with BSL, Dennis held senior roles across varying organisations, including CEO at Be.Bendigo, Regional Operations and BFNL Manager at AFL Central Victoria Commission, and as Executive – Retail at Bendigo and Adelaide Bank (BEN). In addition to his 40+ years at BEN, Dennis combined his passion for harness racing by serving on Bendigo Harness Racing committee for 13 years, including 6 years as President.

Bendigo Stadium Limited Directors' report 30 June 2023

Operating results

The net result of the consolidated entity for the financial year was a deficit of \$251,512 (\$1,130,174 deficit in 2022).

The operating result for the previous financial year was significantly impacted by the COVID 19 pandemic. All consolidated entity venues were forced to cease operating and close at different stages throughout the previous financial year due to government coronavirus restrictions.

Objectives

The short-term objective of the company is to have vibrant places where communities thrive and people come together for sport, events and quality entertainment.

The long-term objective of the company is to be a sports and entertainment organisation that creates opportunities for Greater Bendigo communities.

Strategy for achieving the objectives

The company has formulated several pivotal strategies to achieve its objectives:

- (1) Provide opportunities for a diverse range of people to play a broad range of sports.
- (2) Have a vibrant community precinct that leaves a valued and sustainable legacy.
- (3) Offer a range of high-quality hospitality, events and functions that bring people together again and again.

Performance measures

The company measures its performance by establishing an annual budget that is in alignment with the company's strategic objectives for the forthcoming annual reporting period. The company's actual performance is systematically monitored and subsequently reported on during each board meeting to gauge its performance in relation to the annual budget.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the company during the financial year.

Principal activities

The principal activities of the consolidated entity during the financial year was the operation of a sports and recreation complex. The consolidated entity also holds three gaming licenses and operates three gaming venues.

There were no significant changes in the nature of these principal activities during the year.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Board Attended	Held
Stacie Wright	11	11
Amelia Fisher	10	11
Kevin Dole	10	11
Nick McClure	10	11
Stan Liacos	3	3
John Gallagher	6	8
Eain McRae	6	7

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each.

The total amount that members of the company are liable to contribute if the company is wound up is \$180 based on 18 current ordinary members.

Bendigo Stadium Limited
Directors' report
30 June 2023

Events subsequent to the end of the reporting period

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

Environmental regulation

The consolidated entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends have been paid or declared since the start of the financial year.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Indemnification of officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibilities on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Director's and Auditor's indemnification

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Directors benefits

Since the end of the previous financial year, no director of the company has received or become entitled to receive a benefit other than:

- (i) A benefit included in the aggregate amount of emoluments received or due and receivable by directors disclosed in note 21 of the accounts; or
- (ii) a fixed salary as a full-time employee of the entity or of a related corporation, by reason of a contract made by the entity or a related entity corporation with the director or with a firm of which they are a member or with an entity in which they have a substantial financial interest.

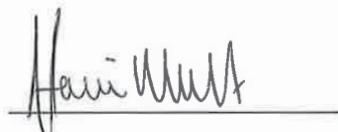
Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached to this report.

Bendigo Stadium Limited
Directors' report
30 June 2023

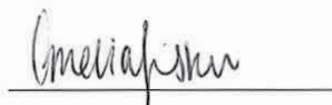
This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Director

27 September 2023



Director

Bendigo Stadium Limited
Consolidated statement of comprehensive income
For the year ended 30 June 2023

	Note	Consolidated 2023 \$	2022 \$
Revenue from contracts with customers	4	15,939,911	11,456,827
Other income		25,853	-
Finance income		9,452	41,971
Total revenue		<u>15,975,216</u>	<u>11,498,798</u>
Expenses			
Cost of sales	5	(1,976,125)	(983,941)
Employee benefits expense	5	(7,445,517)	(6,139,477)
Depreciation and amortisation expense	5	(1,468,277)	(1,512,943)
Bad debts		(19,328)	(46,283)
Sporting operations		(573,370)	(839,035)
Gaming costs		(880,430)	(571,847)
Occupancy and associated costs		(883,737)	(659,489)
IT and associated costs		(272,904)	(208,736)
Promotional and marketing costs		(477,161)	(274,402)
Other expenses		(1,597,058)	(1,122,332)
Finance costs	5	(632,821)	(270,487)
Total expenses		<u>(16,226,728)</u>	<u>(12,628,972)</u>
Deficit for the year	20	(251,512)	(1,130,174)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		<u>(251,512)</u>	<u>(1,130,174)</u>

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

Bendigo Stadium Limited
Consolidated statement of financial position
As at 30 June 2023

	Note	Consolidated 2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,082,522	1,533,991
Trade and other receivables	7	230,878	487,130
Inventories	8	146,036	87,362
Financial assets	9	173,338	121,336
Other current assets	11	16,657	19,473
Total current assets		<u>1,649,431</u>	<u>2,249,292</u>
Non-current assets			
Property, plant and equipment	12	12,065,680	12,036,871
Right-of-use assets	10	352,152	438,547
Intangibles	13	20,335,862	15,620,151
Total non-current assets		<u>32,753,694</u>	<u>28,095,569</u>
Total assets		<u>34,403,125</u>	<u>30,344,861</u>
Liabilities			
Current liabilities			
Trade and other payables	14	2,068,860	1,493,895
Borrowings	15	224,451	254,887
Lease liabilities	16	96,657	113,523
Employee benefits	17	586,375	571,851
Other current liabilities	18	48,465	121,698
Total current liabilities		<u>3,024,808</u>	<u>2,555,854</u>
Non-current liabilities			
Trade and other payables	14	4,133,124	-
Borrowings	15	12,216,979	12,443,468
Lease liabilities	16	320,453	391,694
Employee benefits	17	84,889	79,461
Total non-current liabilities		<u>16,755,445</u>	<u>12,914,623</u>
Total liabilities		<u>19,780,253</u>	<u>15,470,477</u>
Net assets		<u>14,622,872</u>	<u>14,874,384</u>
Equity			
Reserves	19	9,324,006	9,324,006
Retained surpluses	20	5,298,866	5,550,378
Total equity		<u>14,622,872</u>	<u>14,874,384</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Bendigo Stadium Limited
Consolidated statement of changes in equity
For the year ended 30 June 2023

Consolidated	Asset revaluation reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2021	9,324,006	6,680,552	16,004,558
Deficit for the year	-	(1,130,174)	(1,130,174)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(1,130,174)	(1,130,174)
Balance at 30 June 2022	<u>9,324,006</u>	<u>5,550,378</u>	<u>14,874,384</u>
Consolidated	Asset revaluation reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2022	9,324,006	5,550,378	14,874,384
Deficit for the year	-	(251,512)	(251,512)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(251,512)	(251,512)
Balance at 30 June 2023	<u>9,324,006</u>	<u>5,298,866</u>	<u>14,622,872</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Bendigo Stadium Limited
Consolidated statement of cash flows
For the year ended 30 June 2023

	Note	Consolidated	
		2023	2022
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		17,793,668	11,411,147
Payments to suppliers and employees (inclusive of GST)		<u>(15,447,933)</u>	<u>(11,355,410)</u>
Net cash provided by operating activities	30	<u>2,345,735</u>	<u>55,737</u>
Cash flows from investing activities			
Payments for financial assets		(52,002)	(121,336)
Payments for property, plant and equipment		(1,250,788)	(447,916)
Payments for intangibles	13	(546,514)	-
Payments for security deposits		-	(1,636)
Loans from/(to) related and other parties		-	(15,349)
Proceeds from disposal of property, plant and equipment		25,620	-
Proceeds from release of security deposits		<u>2,816</u>	<u>-</u>
Net cash used in investing activities		<u>(1,820,868)</u>	<u>(586,237)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	470,577
Repayment of lease liabilities		(99,368)	(106,082)
Interest received		9,452	41,971
Interest and other finance costs paid		(610,412)	(270,487)
Repayment of borrowings		<u>(276,008)</u>	<u>(768,722)</u>
Net cash used in financing activities		<u>(976,336)</u>	<u>(632,743)</u>
Net decrease in cash and cash equivalents		(451,469)	(1,163,243)
Cash and cash equivalents at the beginning of the financial year		<u>1,533,991</u>	<u>2,697,234</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,082,522</u></u>	<u><u>1,533,991</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 1. General information

The financial statements cover Bendigo Stadium Limited as a consolidated entity consisting of Bendigo Stadium Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Bendigo Stadium Limited's functional and presentation currency.

Bendigo Stadium Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are 91 Inglis Street, West Bendigo VIC 3550.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 September 2023. The directors have the power to amend and reissue the financial statements.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Statement of compliance

The consolidated entity is a not-for-profit public sector entity as defined in AASB 1053 Application of Tiers of Australian Accounting Standards and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

Bendigo Stadium Limited

Notes to the consolidated financial statements

30 June 2023

Note 1. General information (continued)

Going concern

At 30 June 2023 the consolidated entity has a net working capital deficiency, with current liabilities of \$3,024,808 being greater than current assets of \$1,649,431.

The working capital deficiency is attributable to the consolidated entity's ongoing operating losses and cash outflows attributed to loan repayments. The consolidated entity has negotiated an interest only period of 12 months on the bank loan with Bendigo Bank. The interest only period expires in May 2024. The consolidated entity is currently in discussions with the City of Greater Bendigo around options for the loan balance.

The board believe the consolidated entity will be able to operate within the levels of its current cash reserves without the need to secure additional finance. The board acknowledge there remains some level of uncertainty as to whether or not the consolidated entity's operations will be disrupted again throughout the foreseeable future.

The board believes the consolidated entity will continue to be economically dependent on support from its bankers to help manage the consolidated entity's working capital position.

Nevertheless, after making enquiries and considering the circumstances above, with continued support from key stakeholders, including the consolidated entity's bankers, the board have a reasonable expectation that the consolidated entity has adequate resources to pay its debts as and when they fall due for the foreseeable future. For these reasons, the board continue to adopt the going concern assumption in the preparation of the annual financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bendigo Stadium Limited ('company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Bendigo Stadium Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 2. Significant accounting policies (continued)

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Income tax

As the consolidated entity is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 2. Significant accounting policies (continued)

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority 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 tax authority, are presented as operating cash flows.

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

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Impairment of property, plant and equipment

The consolidated entity assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision

As discussed in note 17, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 4. Revenue from contracts with customers

	Consolidated	
	2023	2022
	\$	\$
<i>Revenue from contracts with customers</i>		
Gaming revenue - net of state taxes	8,208,758	6,296,771
Kiosk, bistro and bar sales	5,050,858	2,528,829
Events income	698,656	428,121
Court hire and hire fees	104,983	39,137
Sponsorship	591,277	805,144
Sporting fees	957,732	553,932
TAB commissions	71,225	35,960
EFT/ATM rebates	72,026	33,031
	<u>15,755,515</u>	<u>10,720,925</u>
<i>Other revenue</i>		
Other revenue	184,396	735,902
Revenue from contracts with customers	<u>15,939,911</u>	<u>11,456,827</u>

Accounting policy for revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Gaming and TAB revenue

The gaming revenue directly attributable to the company is recognised as the residual value after deducting the return to customers from the wagering and gaming turnover net of the amounts collected by the association on behalf of Intralot and the Government. The company recognises only the company's portion of revenue. Revenue is recognised at a point in time.

Kiosk, bistro and bar sales

Revenue is recognised when the bar and kitchen products are provided to the customer. Revenue is recognised at a point in time.

Events income

Revenue is recognised when the event is provided to the customer. Revenue is recognised at a point in time.

Court hire and hire fees

Revenue is recognised when the court is used by the customer. Revenue is recognised at a point in time.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 4. Revenue from contracts with customers (continued)

Sponsorship

The company's sponsorships do not typically contain sufficiently specific performance obligations. This means that under AASB 1058 such funds are usually recognised as revenue immediately when the company obtains control of the cash, even if the funds are to be spent in the following reporting period.

Sporting fees

The company's sporting fees charged do not typically contain sufficiently specific performance obligations. This means that under AASB 1058 such funds are usually recognised as revenue immediately when the company obtains control of the cash, even if the funds are to be spent in the following reporting period.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 5. Expenses

	Consolidated	
	2023	2022
	\$	\$
Deficit includes the following specific expenses:		
Cost of sales		
Cost of sales	1,976,125	983,941
Employee benefits expense		
Wages and on-costs	7,445,517	6,139,477
Depreciation and amortisation		
Leasehold improvements	306,598	307,128
Plant and equipment	194,108	141,195
Fixtures and fittings	679	873
Motor vehicles	428	526
Car park improvements	997	1,109
Electronic gaming machines	375,498	340,369
Land and buildings - right-of-use	84,996	87,174
Office equipment - right-of-use	9,334	10,717
Website	-	4,162
Gaming machine entitlements	495,639	619,690
Total depreciation and amortisation	1,468,277	1,512,943
Finance costs		
Interest and finance charges paid/payable on borrowings	610,107	207,614
Interest and finance charges paid/payable on lease liabilities	22,409	26,125
Other interest paid	305	36,748
Total finance costs	632,821	270,487

Bendigo Stadium Limited
Notes to the consolidated financial statements
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Note 6. Cash and cash equivalents

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Cash on hand	376,789	417,637
Cash at bank	705,733	1,116,354
	<u>1,082,522</u>	<u>1,533,991</u>

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 7. Trade and other receivables

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Trade receivables	159,908	263,696
Other receivables	28,282	221,877
Prepayments	42,688	1,557
	<u>70,970</u>	<u>223,434</u>
	<u>230,878</u>	<u>487,130</u>

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 8. Inventories

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Stock on hand - at cost	146,036	87,362

Accounting policy for inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 9. Financial assets

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Term deposits	173,338	121,336
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	121,336	-
Additions	52,002	121,336
Closing fair value	173,338	121,336

Note 10. Right-of-use assets

	Consolidated	
	2023	2022
	\$	\$
<i>Non-current assets</i>		
Land and buildings - right-of-use	687,957	676,696
Less: Accumulated depreciation	(340,831)	(255,835)
	347,126	420,861
Office equipment - right-of-use	37,110	46,641
Less: Accumulated depreciation	(32,084)	(28,955)
	5,026	17,686
	352,152	438,547

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land and buildings \$	Office equipment \$	Total \$
Balance at 1 July 2021	528,506	28,276	556,782
Remeasurements	(20,471)	127	(20,344)
Depreciation expense	(87,174)	(10,717)	(97,891)
Balance at 30 June 2022	420,861	17,686	438,547
Disposals	-	(3,326)	(3,326)
Remeasurements	11,261	-	11,261
Depreciation expense	(84,996)	(9,334)	(94,330)
Balance at 30 June 2023	347,126	5,026	352,152

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 10. Right-of-use assets (continued)

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 11. Other current assets

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Security deposits	<u>16,657</u>	<u>19,473</u>

Bendigo Stadium Limited
Notes to the consolidated financial statements
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Note 12. Property, plant and equipment

	Consolidated	
	2023	2022
	\$	\$
Leasehold improvements - at directors valuation	11,828,041	11,828,041
Leasehold improvements - at cost	2,157,283	2,111,065
Less: Accumulated depreciation	<u>(3,901,129)</u>	<u>(3,594,531)</u>
	<u>10,084,195</u>	<u>10,344,575</u>
Plant and equipment - at cost	4,311,906	3,960,157
Less: Accumulated depreciation	<u>(3,064,575)</u>	<u>(2,870,467)</u>
	<u>1,247,331</u>	<u>1,089,690</u>
Fixtures and fittings - at cost	216,198	216,198
Less: Accumulated depreciation	<u>(213,622)</u>	<u>(212,943)</u>
	<u>2,576</u>	<u>3,255</u>
Motor vehicles - at cost	100,122	100,122
Less: Accumulated depreciation	<u>(98,267)</u>	<u>(97,839)</u>
	<u>1,855</u>	<u>2,283</u>
Car park improvements - at cost	56,835	56,835
Less: Accumulated depreciation	<u>(47,858)</u>	<u>(46,861)</u>
	<u>8,977</u>	<u>9,974</u>
Electronic gaming machines - at cost	4,713,183	4,090,502
Less: Accumulated depreciation	<u>(3,992,437)</u>	<u>(3,616,939)</u>
	<u>720,746</u>	<u>473,563</u>
Work in progress - at cost	-	113,531
	<u>12,065,680</u>	<u>12,036,871</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements \$	Plant and equipment \$	Fixtures and fittings \$	Motor vehicles \$	Car park improvements \$	Electronic gaming machines \$	Work in progress \$	Total \$
Balance at 1 July 2021	10,647,171	1,017,436	4,128	2,809	11,083	608,096	89,432	12,380,155
Additions	4,532	213,449	-	-	-	205,836	24,099	447,916
Depreciation	<u>(307,128)</u>	<u>(141,195)</u>	<u>(873)</u>	<u>(526)</u>	<u>(1,109)</u>	<u>(340,369)</u>	-	<u>(791,200)</u>
Balance at 30 June 2022	10,344,575	1,089,690	3,255	2,283	9,974	473,563	113,531	12,036,871
Additions	46,218	238,218	-	-	-	622,681	-	907,117
Transfers in/(out)	-	113,531	-	-	-	-	(113,531)	-
Depreciation	<u>(306,598)</u>	<u>(194,108)</u>	<u>(679)</u>	<u>(428)</u>	<u>(997)</u>	<u>(375,498)</u>	-	<u>(878,308)</u>
Balance at 30 June 2023	<u>10,084,195</u>	<u>1,247,331</u>	<u>2,576</u>	<u>1,855</u>	<u>8,977</u>	<u>720,746</u>	-	<u>12,065,680</u>

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 12. Property, plant and equipment (continued)

Valuations of land and buildings

The basis of the valuation of leasehold improvements is fair value. The leasehold improvements were last revalued on 30 June 2011 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of leasehold improvements being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	5 - 40 years
Plant and equipment	3 - 10 years
Fixtures and fittings	3 - 10 years
Motor vehicles	3 - 10 years
Car park improvements	3 - 10 years
Electronic gaming machines	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 13. Intangibles

	Consolidated	
	2023	2022
	\$	\$
Goodwill - at cost	10	10
Gaming machine entitlements - at cost	11,185,303	5,973,953
Less: Accumulated amortisation	<u>(6,141,672)</u>	<u>(5,646,033)</u>
	5,043,631	327,920
Stadium asset - at cost	<u>15,283,480</u>	<u>15,283,480</u>
Capitalised acquisition costs	8,741	8,741
	<u>20,335,862</u>	<u>15,620,151</u>

Bendigo Stadium Limited
Notes to the consolidated financial statements
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Note 13. Intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Website \$	Gaming machine entitlements \$	Stadium asset \$	Capitalised acquisition costs \$	Goodwill \$	Total \$
Balance at 1 July 2021	4,162	947,610	15,283,480	8,741	10	16,244,003
Amortisation expense	(4,162)	(619,690)	-	-	-	(623,852)
Balance at 30 June 2022	-	327,920	15,283,480	8,741	10	15,620,151
Additions	-	5,211,350	-	-	-	5,211,350
Amortisation expense	-	(495,639)	-	-	-	(495,639)
Balance at 30 June 2023	-	5,043,631	15,283,480	8,741	10	20,335,862

The consolidated entity has Gaming Machine Entitlement licences for 180 machines which were purchased via the Victorian State Government 'pre auction club offer'. The entitlements are in place for a period of 10 years, expiring in August 2032.

During the previous financial year the consolidated entity received confirmation that it has been allocated new gaming machine entitlements which take effect in August 2022 and expire in August 2032. A 5% deposit for the new entitlements was paid in the 2019 financial year. The remaining 95% cost of the entitlements will be paid over 27 equal instalments, with the first being made in November 2022 and the last in May 2029.

Accounting policy for intangible assets

Intangible assets are measured on initial recognition at cost. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Gaming machine entitlements

Gaming machine entitlements are recognised at net present value. The useful life of the asset expires in line with the expiry of the gaming machine entitlements held. The asset is being amortised on a straight line basis over a ten year period.

Stadium asset

During the 30 June 2018 reporting period, the consolidated entity contributed funds as part of an agreement with the City of Greater Bendigo towards construction of the new stadium at a total cost to the consolidated entity of \$15,238,480. The stadium is situated on Crown land.

The consolidated entity has entered into an agreement with the City of Greater Bendigo for the lease of the land and buildings. The lease is for an initial term of five years which commenced on 1 July 2009. Several lease renewals and variations have occurred since 2009, the most recent being 1 July 2019 which extended the term of the lease to 30 June 2024 and includes two further options to extend the lease term by five years each.

Whilst City of Greater Bendigo have ownership of the buildings and the land is Crown land, the agreement and contribution towards the stadium construction provides the consolidated entity with exclusive access to a facility specifically designed to meet the needs of the consolidated entity and its operations. The consolidated entity also has the right and power to obtain economic benefits flowing from the new stadium.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 14. Trade and other payables

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Trade payables	421,547	569,059
Unpaid prize money	33,359	182,316
Accrued expenses	304,835	283,897
ATO amount payable	464,795	440,534
Other payables	132,320	18,089
Amounts payable for gaming machines	712,004	-
	<u>2,068,860</u>	<u>1,493,895</u>
<i>Non-current liabilities</i>		
Amounts payable for gaming machines	<u>4,133,124</u>	<u>-</u>

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 15. Borrowings

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Bank loans	<u>224,451</u>	<u>254,887</u>
<i>Non-current liabilities</i>		
Bank loans	<u>12,216,979</u>	<u>12,443,468</u>

Assets pledged as security

The bank loans are secured by first mortgages over the consolidated entity's stadium asset. These loans are guaranteed by the City of Greater Bendigo.

Financing arrangements

The bank loans are interest only to May 2024 at which point they move to principal and interest payments, repayable in monthly instalments and due to mature in January 2032. The variable interest rate is 5.56% (2022: 2.443%).

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Bendigo Stadium Limited
Notes to the consolidated financial statements
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Note 16. Lease liabilities

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Lease liability	<u>96,657</u>	<u>113,523</u>
<i>Non-current liabilities</i>		
Lease liability	<u>320,453</u>	<u>391,694</u>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	96,657	113,523
One to five years	320,453	342,054
More than five years	-	49,640
	<u>417,110</u>	<u>505,217</u>

Lease portfolio

Borough Club property	The lease agreement commenced in March 2011. A 6 year renewal option was exercised in March 2017. The company has 3 x 5 year renewal options available which, for AASB 16: Leases purposes, they are only reasonably certain to exercise the first. As such, the lease term end date used in the calculation of the lease liability is March 2028. The discount rate used in the calculations is 4.85%.
St Arnaud property	The lease agreement commenced in January 2011. A 5 year renewal option was exercised in January 2021. The company has 1 x 5 year and 1 x 1 year renewal options available which, for AASB 16: Leases purposes, they are not reasonably certain to exercise. As such, the lease term end date used in the calculation of the lease liability is January 2026. The discount rate used in the calculations is 4.85%.
Office equipment	The lease agreement commenced in July 2019 for a lease term of 55 months. As such, the lease term end date used in the calculation of the lease liability is January 2024. The discount rate used in the calculations is 4.58%.
Office equipment	The lease agreement commenced in August 2020 for a lease term of 42 months. As such, the lease term end date used in the calculation of the lease liability is January 2024. The discount rate used in the calculations is 3.58%.

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 17. Employee benefits

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Annual leave	287,423	311,628
Long service leave	298,952	260,223
	<u>586,375</u>	<u>571,851</u>
<i>Non-current liabilities</i>		
Long service leave	<u>84,889</u>	<u>79,461</u>

Accounting policy for employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Superannuation expense

Contributions to superannuation plans are expensed in the period in which they are incurred.

Note 18. Other current liabilities

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
BBA bond held	43,700	65,575
Ticketek funds held	-	2,123
Revenue received in advance	4,765	54,000
	<u>48,465</u>	<u>121,698</u>

Note 19. Reserves

	Consolidated	
	2023	2022
	\$	\$
Asset revaluation reserve	<u>9,324,006</u>	<u>9,324,006</u>

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 19. Reserves (continued)

Asset revaluation reserve

The reserve is used to recognise increments and decrements in the fair value of leasehold improvements, excluding investment properties.

Note 20. Retained surpluses

	Consolidated	
	2023	2022
	\$	\$
Retained surpluses at the beginning of the financial year	5,550,378	6,680,552
Deficit for the year	<u>(251,512)</u>	<u>(1,130,174)</u>
Retained surpluses at the end of the financial year	<u>5,298,866</u>	<u>5,550,378</u>

Note 21. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2023	2022
	\$	\$
Aggregate compensation	<u>219,938</u>	<u>318,200</u>

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSD Audit, the auditor of the company:

	Consolidated	
	2023	2022
	\$	\$
<i>Audit services - RSD Audit</i>		
Audit of the financial statements	<u>21,630</u>	<u>21,000</u>

Note 23. Contingent liabilities and assets

There were no contingent liabilities or contingent assets at the date of this report to affect the financial statements.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 24. Commitments

	Consolidated	
	2023	2022
	\$	\$
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Gaming machine entitlements	3,705,619	-
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	617,603	-
One to five years	2,470,413	-
More than five years	617,603	-
	3,705,619	-

Note 25. Related party transactions

Parent entity

Bendigo Stadium Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 27.

Key management personnel

Disclosures relating to key management personnel are set out in note 21.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2023	2022
	\$	\$
Other income:		
Other income from other related party	180,000	442,301
Payment for goods and services:		
Purchase of goods from other related party	-	272
Payment for services from other related party	-	295,090

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 26. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of comprehensive income

	Parent	
	2023	2022
	\$	\$
Deficit	(389,200)	(1,215,340)
Total comprehensive loss	(389,200)	(1,215,340)

Statement of financial position

	Parent	
	2023	2022
	\$	\$
Total current assets	1,208,637	1,640,421
Total assets	32,574,316	28,996,008
Total current liabilities	2,700,083	2,342,005
Total liabilities	18,565,760	14,598,257
Equity		
Asset revaluation reserve	9,324,006	9,324,006
Retained surpluses	4,684,550	5,073,745
Total equity	14,008,556	14,397,751

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2023.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2023.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023.

Note 27. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Voting interest	
		2023 %	2022 %
BSL St Arnaud Sporting Club Ltd (SSC)	Lord Nelson Park, Charlton Road, St Arnaud 3478	100%	100%

Although Bendigo Stadium Limited has no share ownership or voting rights in SSC the majority of the SSC's directors are the same as Bendigo Stadium Limited. Additionally, the only voting members of SSC are the board members of SSC.

Bendigo Stadium Limited
Notes to the consolidated financial statements
30 June 2023

Note 28. Economic dependency

The consolidated entity is economically dependent on the provision of electronic gaming machine entitlements. Any change would have a significant adverse effect on the consolidated entity's ability to continue to trade as a going concern.

Note 29. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 30. Reconciliation of deficit to net cash provided by operating activities

	Consolidated	
	2023	2022
	\$	\$
Deficit for the year	(251,512)	(1,130,174)
Adjustments for:		
Depreciation and amortisation	1,468,277	1,512,943
Net gain on disposal of non-current assets	(25,620)	-
Interest received	(9,452)	(41,971)
Finance costs	632,821	270,487
Change in operating assets and liabilities:		
Decrease in trade and other receivables	256,252	39,227
Increase in inventories	(58,674)	(17,870)
Increase/(decrease) in trade and other payables	362,926	(320,227)
Increase/(decrease) in employee benefits	19,952	(218,054)
Decrease in other operating liabilities	(49,235)	(38,624)
Net cash provided by operating activities	<u>2,345,735</u>	<u>55,737</u>

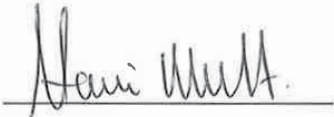
Bendigo Stadium Limited
Directors' declaration
30 June 2023

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards - Simplified Disclosures, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Director



Director

27 September 2023



CONTACT

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