



The Hon. Ros Spence MP Minister for Agriculture Level 22, 50 Londsdale Street Melbourne VIC 3000

Dear Minister,

The Melbourne Market Authority (MMA) is pleased to submit its Annual Report for the year ending 30 June 2025.

This report covers the period 1 July 2024 to 30 June 2025. The Board is committed to the effective and efficient operation of the market and to ensuring that the MMA remains responsive to its various customer groups, stakeholders, and overall operating environment.

I deliver this report to you and assure you of the MMA's commitment to working with the industry.

Yours sincerely,

Peter Tuohey Chairperson

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# **RESPONSIBLE BODY'S DECLARATION**

In accordance with the *Financial Management Act 1994* I am pleased to present the Melbourne Market Authority's Annual Report for the year ending 30 June 2025.

Peter Tuohey Chairperson

Melbourne Market Authority

23 September 2025

### **SECTION 1: YEAR IN REVIEW**

The Melbourne Market is administered by the Melbourne Market Authority (MMA), established under the *Melbourne Market Authority Act 1977 (Vic)* (the Act). The MMA is a government Statutory Authority which serves the Victorian fruit and vegetable industry along with the flower industry, through the provision of Market facilities, strategic direction for and promotion of the fresh produce industry.

The members of the Board are appointed by the Minister. The responsible Minister for the period from 1 July 2024 to 30 June 2025 was The Hon. Ros Spence MP, Minister for Agriculture.

The MMA's financial performance for the reporting period was in line with budget expectations.

#### Our vision

The Melbourne Market will be recognised as an industry leader in fresh produce distribution, committed to innovation, quality and operational excellence.

### Strategy statement

Deliver a modern, sustainable and thriving Melbourne Market, with a focus on increasing the value of the market precinct.

#### **Our values**

The MMA will approach our work and each other with a commitment to:

- PASSION: We bring our best and are passionate about what we do
- DIVERSITY: We embrace differences and treat everyone with respect
- SAFETY: We are committed to ensuring a safe and healthy work environment
- SERVICE: We listen to our customers, continually innovate and explore new opportunities
- IMPACT: We create a lasting positive impact in our communities and on the environment

### CHAIRPERSON'S AND CHIEF EXECUTIVE OFFICER'S REPORT

We respectfully acknowledge the Wurundjeri Willum people and pay our respects to their Elders, both past, present, and emerging. We acknowledge and uphold their continuing relationship to this land.

2024-25 was the second year of implementation of the Melbourne Market Authority's 2023-26 Strategic Plan. As always, our strategy is based upon the objectives and functions set out in the *Melbourne Market Authority Act 1977 (the Act)* and guided by the needs of the market users we serve.

The Annual Report provides us with the opportunity to share the ways in which the MMA, in collaboration with trusted partners, has worked to meet our commitments and targets as we strive to deliver a modern, sustainable and thriving Melbourne Market today and into the future.

Throughout this year, we have developed a master plan to maximise the utility of the land that the MMA currently controls. This project looks at how we can further develop the site to best meet the needs of our market users. Given the consistently high demand for on-site warehousing, we are pleased to share that the Board recently endorsed the first stage of this plan, which features the development of two new warehouse pads on the site's outer ring, adding an additional 10,244 sgm capacity.

There are many factors to consider when it comes to running a sustainable market. As a statutory authority under the Victorian Government, we support its vison for Victoria to achieve net zero emissions by 2045 and are committed to building and maintaining the infrastructure that this ambition calls for. Rainwater harvesting, solar energy and use of materials with low embodied energy are just a few examples. Sustainability and generosity go hand in hand, and we wish to highlight the kindness of our market community who donated more than 699 tonnes of fresh fruit and vegetables to Foodbank and FareShare/SecondBite through our partnership.

The nature of the work conducted here is not without risk, and the MMA will always strive to ensure everyone can get home safely. Our team is dedicated to delivering engaging and informative safety communications year-round via our dedicated safety sub-brand, MarketSafe, and in 2024 the MMA dedicated the entire month of October as MarketSafe Month. We wish to make a special mention to the MMA Operations team and Market Relations Officers for their dedication to safety

The market community is a diverse and vibrant one and should be a place where everyone feels safe. The Stronger Together culture change project continued throughout 2024-25 as a way of both fostering a sense of community and respect but also as a means of education and self-regulation of harmful behaviours. The MMA remains true to its values and strives to support an environment where we are all proud to work and trade.

As we entered our ninth year at Epping, a number of warehouse and store leases came up for renewal. While negotiating these new agreements wasn't without its challenges, we're pleased to have reached an outcome. We deeply appreciate the time and effort from everyone involved, especially the businesses directly engaged in the process and the wholesaler representative body. Our connection to this community means a great deal to us, and we look forward to continuing to strengthen our relationship in the years ahead.

The MMA is more than just a landlord. We are dedicated to advancing the fresh produce and flower industries alongside the businesses that trade at the market. Some of the ways we do this is via representation to local council, government and industry bodies like the Central Markets Association of Australia, or through consumer marketing efforts that aim to increase volumes through all elements of the supply chain. Throughout 2024-25, we were unwavering in our support of the fresh produce and flower industries and will continue this path into the future.

On behalf of the MMA, we want to thank the agencies, government departments, growers, wholesalers, retailers, contractors and buyers involved in helping us achieve our goals. Their ongoing engagement is instrumental in the day-to-day operations of the market and preparing for what lies ahead.

Advisory Committee members provide valuable insight and contribution on behalf of their market peers. We extend our thanks to the outgoing committee members whose term concluded in 2024. Thank you also to the new committee members and those who are continuing for another term. We look forward to working with you over the next three years.

We thank the representative body for fruit and vegetable wholesalers, Fresh State, particularly for their collaboration on the *A better choice!* program. By consulting with each other and working together, it benefits the industry and the market community.

Thank you to the Minister for Agriculture, the Hon. Ros Spence MP and our colleagues at the Department of Energy, Environment and Climate Action who we have worked closely with throughout the past year. We are grateful for the support of other parliamentary members and will continue to work with our Local Government representatives from the City of Whittlesea to ensure the best outcomes for the region and the State of Victoria.

In 2024, we farewelled Board member Dr Hermione Parsons at the conclusion of her term and want to thank her again for

her contribution. Thank you to the other Board members, Sue Friend, Angie Bradbury and Margaret Burdeu, for your continued leadership and support over the past 12 months.

And lastly, we would like to thank the MMA Executive Leadership Team, our facility management partner BGIS and all the MMA staff and contractors who have worked to help achieve our goals over the past 12 months.

To ensure the Melbourne Market remains a great place to do business, we must embrace opportunities for change, growth and transformation while remaining true to our objectives. This annual report is an occasion to both reflect and look ahead - and we agree the future is looking bright.

It is our pleasure to present the Melbourne Market Authority's 2024-25 Annual Report.



**Peter Tuohey** Chairperson Melbourne Market Authority



Mark Maskiell Chief Executive Officer Melbourne Market Authority

### **PURPOSE AND FUNCTIONS**

The MMA is a government statutory authority established under the *Melbourne Market Authority Act 1977 (the Act)*. The MMA serves the Victorian fruit and vegetable industry along with the flower industry, through the provision of market facilities, strategic direction for and promotion of the fresh produce industry.

The Act prescribes the following objectives and functions for the MMA:

#### **Objectives**

- To provide a commercially viable wholesale facility for the efficient distribution of fresh produce; and
- To optimise returns on land and assets controlled and managed by the Authority; and
- To ensure a fair and competitive environment for wholesale trading of produce.

#### **Functions**

- To control, maintain and manage the Melbourne Wholesale Fruit, Vegetable and Flower Market and the market land.
- To promote the use of the facilities at the Melbourne Wholesale Fruit, Vegetable and Flower Market.
- To provide advice and information to the Minister on matters relating to the market and its use by industry and on industry-related matters generally.
- To do all things necessary or convenient to enable the Authority to achieve its objects.
- To do all things the MMA is authorised or required to do by or under this or any other Act or law.

The Melbourne Market, a wholesale institution nearly as old as Victoria itself, is fundamental to Australia's fresh produce industry. The traditional role of Melbourne's wholesale market is to enable the people of Victoria to have daily access to the best fresh fruit, vegetables and flowers from across Australia and the world.

Set on a 67-hectare site in Epping in Melbourne's North, the market provides the critical link between growers, wholesalers, retailers, and distributors in the fresh produce and flower supply chain.

Consistent with the Victorian Government's vision of a strong, innovative, and sustainable agriculture sector, the Melbourne Market Authority aims to attract more ideas and investment, help businesses innovate and grow, capture market opportunities, and adapt to a modern trading environment.

The 2024-25 financial year saw the implementation of a new three-year Strategic Plan with a focus on three priority areas:

- 1. Deliver a modern, sustainable, thriving market.
- 2. Drive commercial success.
- 3. Be a safe, productive and vibrant place to work and trade.

### PORTFOLIO PERFORMANCE REPORTING

### Goals, measures and key initiatives

The 2023-26 Strategic Plan outlines the MMA's goals in line with its objectives under the Act:

- to provide a commercially viable wholesale facility for the efficient distribution of fresh produce;
- to optimise returns on land and assets controlled and managed by the MMA; and
- to ensure a fair and competitive environment for wholesale trading of produce.

The 2023-26 Strategic Plan is structured around three key goals, with measures and initiatives to track progress as outlined in Table 1 below. 2024-25 was the second year following this plan.

Table 1 – Agency goals, measures and key initiatives

Goal	Measures	Key initiatives
1. Deliver a modern, sustainable market	<ul> <li>Achieve zero net emissions by 2045 (in line with the Vic Gov target).</li> <li>Successful implementation of Board-approved key initiatives.</li> </ul>	<ul> <li>Continue to reduce our environmental footprint and achieve zero net emissions by 2045.</li> <li>Continue to explore a potential transition to daylight hours.</li> <li>Development of a Master Plan to optimise the future design and use of Market land.</li> <li>Review opportunities to digitise market operations.</li> </ul>
2. Drive commercial success	Maintain >90 per cent tenant occupancy.     Maintain annual visitation levels.     Deliver two initiatives to increase efficiency or boost sales of businesses operating within the market.     Participate in two activities that increase awareness of the Melbourne Market and its role in the fresh produce and flower supply chain.	<ul> <li>Maintain occupancy and maintain annual visitation levels.</li> <li>Drive financial outcomes for the businesses that use the market as a base.</li> <li>Position the Melbourne Market as a leader in the fresh produce industry.</li> </ul>
3. Be a safe, productive and vibrant place to work and trade	<ul> <li>Zero significant workplace incidents.</li> <li>75 per cent market users' satisfaction score on survey by 2025.</li> <li>80 per cent satisfaction on employee engagement survey.</li> </ul>	<ul> <li>Continually improve the safety of all people in the market precinct.</li> <li>Enhance all levels of stakeholder engagement, including market users.</li> <li>Enhance employee development and performance management.</li> <li>Increase productivity by streamlining operations for the benefit of market users.</li> </ul>

#### Goal 1: Deliver a modern, sustainable market

The Melbourne Market is a significant asset and critical link in the Victorian fresh food supply chain. This goal focuses on innovation, efficiency, and improvements in the market itself and the wider Victorian horticulture industry.

### Continue to reduce our environmental footprint and achieve zero net emissions by 2045

The MMA remains committed to reducing the environmental footprint of the Melbourne Market, including its ambition to achieve net zero emissions by 2045. The Market's 5,432 solar panels are one of the many initiatives that support this target, which in the 2024-25 financial year generated 2,510 MWh or the equivalent of what 1,236 tonnes of coal could deliver.

Waste generated at the Melbourne Market is divided into three general classes: landfill, organics and recycling. Every effort is made to support market users to reduce, redirect or recover goods that would otherwise go to waste, with the site reporting an overall recycling rate of 78.58%. This figure is 2.17% lower than the previous reporting period, which is a reflection of the expansion of reporting data and therefore anticipated.

Throughout 2024-25, the market community generously donated more than 672 tonnes of produce to food recovery programs Foodbank and FareShare/SecondBite, compared to 188 tonnes the previous year. This increase could be due to rising cost of living together with the MMA's collaboration on communications from these food charities, and the reduction in food sent to the Waste to Energy plant. The MMA supports the redirection of produce that is not fit for human consumption to the Melbourne Zoo and local farms. A further 763.27 tonnes were of fruit and vegetable waste was diverted from landfill and utilised at Yarra Valley Water's Food Waste to Energy plant, which produces an average of 22,000 kilowatt hours of electricity per day, the equivalent power demand of about 1,300 homes.

An organics dehydrator trial was conducted in the previous reporting period to investigate ways to increase waste management efficiency, and the results were examined throughout 2024. Dehydrating organic waste can reduce its volume by up to 90%, which would help to reduce costs associated with transporting waste. While there are benefits to the program, it has not been identified as a priority project in the short term.

The MMA is keenly aware that the Market's environmental footprint is more than just physical waste. Water run-off from trucks being washed can contain pollutants or chemicals. To support market users to wash responsibly, the MMA is adding a truck wash station to the extensive list of on-site support businesses, and after an expression of interest process appointed an operator committed to helping the market meet its environmental targets.

### Continue to explore a potential transition to daylight hours

A modern, sustainable market supports the long-term viability of Victoria's fresh produce industry. New technologies, in tandem with the broader societal and cultural context, have driven significant change within the fruit, vegetable, and flower supply chains, and in response, the MMA has been exploring a potential transition to daylight trade.

Consultations with advisory committees and other market community leaders continued throughout 2024-25, including the preparation of a detailed report that included a framework for the potential transition. This report highlighted the opportunities and possibilities that a change in trading hours could bring, identified the possible issues to overcome, and asked market users how the MMA could lead a transition that will have tangible benefits for most market users. Work on this important transformative project continues into 2025-26, and we look forward to developing these potential outcomes further.

### Development of a Master Plan to optimise the future design and use of Market land

The original 2023-26 Strategic Plan aimed to expand into adjacent government-owned land. Throughout 2024-25, the MMA's short-term focus was revised to optimising land within the current held lease, rather than exploring opportunities to expand into adjacent land, culminating in the development of a site master plan. Focusing on developments within market land means the MMA has greater control over projects and timing. This plan was presented for Board consideration at the end of the reporting period. The initial planned stage includes new warehousing on Pads 14 and 15, which will add another 10,244 sqm capacity to the current 93,000 sqm available on-site.

On-site warehousing has been in constant high demand over the nine years the Epping site has been in use. The MMA understands from its market users that warehousing space is becoming increasingly important to the evolving nature of many fresh fruit and vegetable businesses. As the distinction between wholesale and retail operations are broken down by new technology and the broader societal context, the MMA's master plan will ensure we continue to meet customer needs in the long term.

### **Review opportunities to digitise market operations**

The new Melbourne Market app and website were successfully launched in 2025, enhancing the market's digital footprint. Both platforms were developed with a focus on market users, with clear language and navigation to make it easier to do business – or learn how to do business – at the Melbourne Market and National Flower Centre. These updates put safety front and centre with the mobile-friendly induction and enhanced Operating Rules search. The improved trader directory empowers businesses to update their own directory profiles via the My MMA Portal, and click-to-contact functionality connects buyers with sellers within the app.

Last financial year, the MMA began a customer journey mapping project focusing on improvements to the onboarding process for new buyers. The work uncovered opportunities for more clarity for people applying for an access card, including the site induction. These improvements included updated information in automated communications, clearer instructions for the site induction and mobile optimisation of the induction through the new website and app.

As part of efforts to digitise market operations, market users may choose to use the MMA Customer Portal to manage their interactions with the MMA. At the end of the reporting period, 28% of businesses had registered for the Customer Portal, a small increase on the previous year. The MMA acknowledges that many market businesses are multi-generational, legacy operations based in traditional farming, so embracing new technology is not always a priority for our customers, so a small increase was anticipated.

An increased use of technology comes with an increased risk of cybercrime, and an organisation's first line of defence is its employees. The MMA is dedicated to strengthening the cyber security skills of its workforce to protect all market users, and its employees participate in regular, practical security awareness training. In addition, rollout began on a cloud-based unified endpoint management (UEM) platform to manage computers and servers more efficiently. The upgrade allows for better visibility in terms of security vulnerabilities and a much more manageable way for remediation if necessary. The IT department also follows a robust program of business-as-usual updates and maintenance and actively participates in internal and external auditing to substantiate compliance.

Further IT efficiencies were achieved via an integration between software platforms Salesforce and Integriti to automate access card data collection and management.

Measures	2024-25	2023-24
Achieve zero net emissions by 2045 (in line with the Vic Gov target)	On track	On track
Successful implementation of Board approved key initiatives	<b>✓</b>	<b>✓</b>

#### **Goal 2: Drive commercial success**

This goal focuses on optimising the value of the Melbourne Market as an asset of state significance and initiatives to help drive financial outcomes for the businesses that use it as a base.

### Maintain occupancy and maintain annual visitation levels

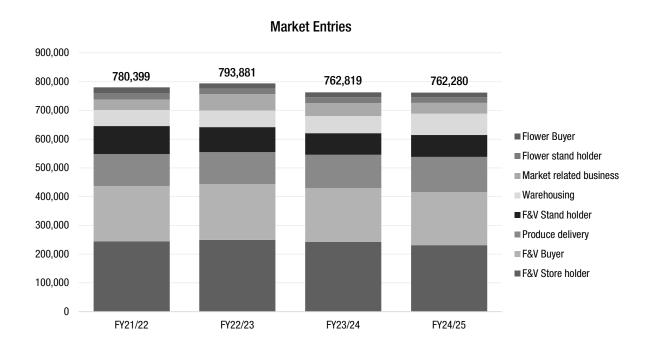
The Melbourne Market and National Flower Centre operate from a modern, purpose-built facility in Epping. The 67-hectare site offers businesses efficiencies by consolidating operations within market land, including via the 93,000 m² of warehousing available on-site. The MMA manages 18,000 m² of this space, with the remaining 75,000 m² leased from the MMA by ESR Australia & New Zealand and managed by CBRE. At the end of the reporting period, warehousing remained at 100 per cent occupancy with the MMA managing a waitlist for tenancies.

Fruit and vegetables are sold at the Melbourne Market via a Buyers' Walk store or Trading Floor stand. At the end of the reporting period, occupancy remained consistent with the previous period of 100% for stores and 82% for stands. The MMA keeps several fruit and vegetable trading stands unoccupied to accommodate growers seeking casual stands for seasonal produce, so it does not aim to reach full occupancy on the Trading Floor. The National Flower Centre finished the financial year at 97% occupancy.

Fruit and vegetable Stores have remained in high demand since the Epping site opened in 2015. To help meet this need, the MMA reviewed the market floor plan and created a central hub for market support businesses such as cafes and retail. This opened space on the Buyers' Walk to make an additional fruit and vegetable store. As of 30 June 2025, works on this project were nearing completion.

As the market entered its ninth year at Epping, a tranche of approximately 40 warehouse and fruit and vegetable store leases came to an end. New lease agreements were signed following extensive negotiations, and the MMA looks forward to continuing its working relationship with each of these businesses.

Entries to the market across the year were consistent with the previous reporting period, falling by just 0.07%. The table below illustrates entries according to business type, which have also remained steady as a percentage of total entries over the past four years.



# Position the Melbourne Market as a leader in the fresh produce industry, and drive financial outcomes for the businesses that use the market as a base

The Melbourne Market plays a critical role in the fresh produce and flower supply chains, and the MMA is active in promoting this position to drive commercial success for market businesses and the broader Victorian horticulture supply chain. Participation in industry events, positive news generation through public relations and consumer marketing campaigns are just some of the ways this is achieved.

The Melbourne Market and National Flower Centre participated in the 2025 Melbourne Food and Wine Festival by hosting a market tour. The event sold out just days after going on sale and received positive feedback from both participants and the market community.

The Melbourne Market was represented by the MMA and Fresh State at the Hort Connections 2025 trade show in Brisbane under the Australia's Fresh Produce Markets banner. The MMA is an active participant in shaping the national strategy for the national *A better choice!* (ABC) initiative, which encourages people to shop at their local independent greengrocer. At a state level, the MMA and Fresh State work together to support a Victorian program. State-based marketing included activations at the Melbourne Royal Show and Little Food Festival, PR pitching and increased local advertising to extend the local reach of national campaigns.

2024-25 was a successful year for positive stories across the Melbourne Market, National Flower Centre and *A better choice!* program. Positive editorial is valuable in demonstrating the market's significance, showcasing its diverse community and encouraging Victorians to support the businesses that buy from the market. PR efforts generated 303 stories with more than 82 million potential impressions throughout the year. Highlights include the market being featured on Australia's most-watched breakfast TV program, Sunrise, the National Flower Centre hosting an outside broadcast for ABC Radio Melbourne in the lead up to Mother's Day and the regular appearance of *A better choice!* retailers in publications like The Guardian, ABC Radio and News Corp outlets.

This year, the MMA expanded its program of support of the fresh cut flower industry under the National Flower Centre (NFC) brand. In addition to the major Valentine's Day and Mother's Day marketing campaigns, a new online-only campaign was developed that encouraged people to head to their local florist for all the moments that matter. Because the messaging is not connected to a particular date, these consumer ads can run at any time of year. As a result, the NFC had consumer advertising running from February to June 2025 and achieved a combined estimated total of over five million impressions.

Other activities targeted at increasing flower sales included a hanging installation competition entry and sponsorship of the festival-first Bloom Room activation at the Melbourne International Flower and Garden Show, with both activities showcasing the diversity and quality of blooms available at the NFC. The MMA was proactive with regards to Flower Industry Advisory Committee feedback, running a promotion for new and returning flower buyers. It also worked with the esteemed florist and NFC buyer Victoria Whitelaw to bring her eponymous School of Flowers to the market, which opened a rare opportunity for the public to experience the NFC for themselves.

The MMA continued to roll out its MarketFresh Schools program, with the support of market tenants, which teaches students about the importance of eating fresh fruits and vegetables daily as part of a healthy, balanced diet. During the 2024-25 financial year, approximately 1,700 students participated in the program. The MarketFresh Schools program has also generated interest throughout the corporate community. Following a successful session with approximately 1,000 Toyota employees in the last reporting period, MarketFresh educators were invited back to Toyota's head offices in Altona and Port Melbourne in 2025 to deliver a tailored program to Toyota employees.

Progress towards Goal 2

Measures	2024-25	2023-24
Maintain >90 per cent tenant occupancy	~	<b>✓</b>
Maintain annual visitation levels	~	X
Deliver two initiatives to increase efficiency or boost sales of businesses operating within the market	~	~
Participate in two activities that increase awareness of the Melbourne Market and its role in the fresh produce and flower supply chain	~	<b>✓</b>

#### Goal 3: Be a safe, productive and vibrant place to work and trade

Thousands of people use the Melbourne Market as a base to do business. This goal focuses on the people who make up our vibrant market community.

#### Continually improve the safety of all people on the market precinct

The MMA holds the safety of everyone on market land in the highest regard. It makes commensurate efforts to optimise the safety of the physical environment, educate market users on occupational health and safety matters and develop impactful safety communications. The MMA is dedicated to continuously improving workplace safety and culture and in 2024-25 had an aggressive target of zero reportable WorkSafe incidents market-wide to help ensure all workers get home safely.

From 1 July 2024, under the OHS Act, the list of plant that is prescribed for incident notification expanded to include forklifts. This means that notification will be required for prescribed plant and equipment if the incident immediately or imminently exposes a person to a serious risk to their health or safety. With more than 900 forklifts operating within the market, an increase in reportable incidents was anticipated, with 23 occurring throughout the year. Significant attention was and will continue to be dedicated to forklift safety, as well as all vehicles on market land.

The Melbourne Market remains a drug-and-alcohol-free site, requiring all visitors to undergo breath testing and return a blood alcohol content of 0.00 per cent before being allowed on the site. 521 random drug and alcohol tests were also conducted throughout the year to ensure compliance amongst Access Card Holders. This zero-tolerance approach contributes to the safety of all people visiting and working on this industrial site.

The MMA's dedicated safety sub-brand, MarketSafe, remained a key focus over the year. At the beginning of the 2024-25 financial year, the MMA began running a weekly MarketSafe quiz to complement internal safety campaigns and drive engagement with market users. The multiple choice quiz is included in the weekly market newsletters. To encourage self-education, all correct responders go into the running to win a gift card. The answer to the previous week's question is always explained, so even those who do not play the quiz can learn from it. Throughout the reporting period, more than 2,400 quiz responses were submitted.

Safe Work Australia recognises October as Safe Work Month, and in October 2024, the precinct's own MarketSafe month was held. Activities to re-educate and remind market users on matters relating to safety included an updated MarketSafe campaign featuring market users across billboards, posters, social media and digital communications. Activities to further engage the community included a social media competition, a BBQ with a safety demonstration from an external supplier and MMA staff walking the market floor to deliver free safety materials like posters, water bottles for hydration and forklift safety sticker checklists to all market users.

As well as communications, measures to make the market safer for everyone included parking bay line marking to improve visibility, traffic management improvements, extensive maintenance on critical infrastructure as well as a robust schedule of business-as-usual servicing across the site.

### Enhance all levels of stakeholder engagement, including market users

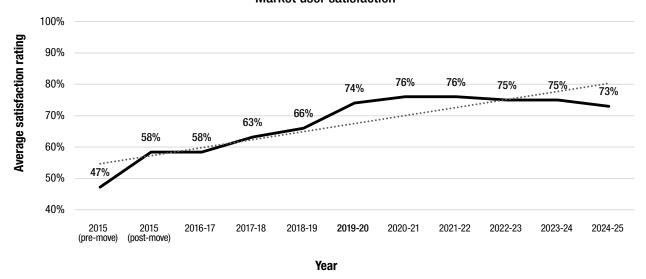
Positive engagement with all stakeholders is essential to fulfilling the MMA's values of impact, service and diversity. Within the market, the MMA is committed to fostering a sense of community to support the mental health and well-being of all market users and strengthen its relationships with them.

The MMA's cultural change program, Stronger Together, which aims to create an environment free from sexism, racism, discrimination, harassment, violence and bullying continued throughout the 2024-25 reporting period. This year's internal education campaigns were informed by market user survey results and feedback in relation to instances of sexist comments or sexual harassment. Campaign materials featured targeted messaging to educate, raise awareness, encourage the calling out of or reporting the behaviour, as well as the self-regulation of perpetrators.

Celebrating diversity and inclusion is a pillar of this program, under which the MMA recognises many seasonal and cultural events, including Lunar New Year, R U OK? Day, International Women's Day, Children in the Market, Men's Health Month, pertinent charity events, and the 40-Year Community of long-serving market users.

The latest customer satisfaction survey results were slightly below the previous year's, with a weighted average satisfaction rate of 73 per cent compared to 75 per cent at the end of 2023. The market user surveys were conducted during a tranche of rent negotiations, which may have contributed to the slight decrease. Although these results are slightly below the 75 per cent target, the MMA remains committed to listening to the market community and making positive change where possible.

#### Market user satisfaction



#### Increase productivity by streamlining operations for the benefit of market users

Providing a vibrant, efficient, and safe market supports the MMA's focus on delivery for its tenants and buyers while also growing the market community. The operations and facilities management teams are conscientious in their approach to preserving the integrity and functionality of the site and completed more than 1,880 planned work orders throughout the 2024-25 financial year. A further 2,273 reactive works were completed during the year, testament to the MMA's commitment to its values of passion, safety and service.

2024-25 saw the planned transition of all front-of-house customer service roles to the MMA, providing greater control over service delivery with a view to continuous improvement of the market user experience.

### **Enhance employee development and performance management**

Last year, the MMA implemented a new human resources information and payroll system (HRIS), and 2024-25 was the first full reporting period in which it was used. One of the benefits of this system is its precise tracking of work and leave entitlements, which also ensures compliance with the relevant legislation. The system also provides a more streamlined performance management framework that supports a consistent, equitable approach to managing staff performance and helps all workers remain in close alignment with the 2023-2026 Strategic Plan.

As a Victorian government statutory authority, MMA employees participate in the Victorian Public Sector Commission's annual People Matter Survey. It asks for employee experiences about workplace aspects, including job satisfaction, career development, wellbeing, and diversity and inclusion. The MMA values these insights and strives for a minimum 80 per cent satisfaction score as part of its Strategic Plan, which it was proud to achieve in the 2024-25 reporting period.

The survey also found that 100% of MMA employees indicated that people within the organisation treat each other respectfully, and 96% indicated that the MMA was quick to respond to opportunities to do things better. More than 95% of employees responded positively regarding employee engagement, respect and job satisfaction, which is 16-22% higher than the Comparator Group.

Progress towards Goal 3

Indicator	2024-25	2023-24
Zero significant workplace incidents	X	X
• 75 per cent market users' satisfaction score on survey by 2025	X	<b>✓</b>
80 per cent satisfaction on employee engagement survey	✓	Х

### PORTFOLIO PERFORMANCE REPORTING - FINANCIAL

### **Budget portfolio outcomes**

The budget outcomes compare the actual financial statements with the forecast financial information (initial budget estimates). They comprise comprehensive operating statements, balance sheets, cash flow statements, and statements of changes in equity.

The following budget outcomes statements are not subject to audit by the Victorian Auditor-General's Office (VAGO).

### **Five-year financial summary**

(\$ thousand)

Five year financial summary	2024-25	2023-24	2022-23	2021-22	2020-21
Total revenue	34,584	33,554	31,551	29,004	28,069
Total operating expenditure	(30,158)	(27,710)	(26,200)	(25,693)	(24,602)
Net profit before income tax & depreciation	4,426	5,844	5,351	3,311	3,467
Depreciation charge	(15,220)	(14,233)	(14,007)	(13,861)	(13,608)
Net result from transactions	(10,794)	(8,389)	(8,656)	(10,550)	(10,141)
			-	-	
Net result for the period	(10,794)	(8,363)	(8,637)	(10,556)	(10,145)
Net cash flow from operating activities	3,970	6,246	6,258	3,052	8,151
Total assets	505,819	518,701	479,103	480,506	487,095
Total liabilities	29,781	31,880	33,084	33,709	29,742

#### **Overview**

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the MMA.

The MMA recorded an operating profit before tax and depreciation of \$4.4 million for the 2024-25 financial year and had net cash inflow from operating activities of \$3.9 million.

The depreciation charge reflects usage of the Epping site for wholesale market activities. While the depreciation charge results in an accounting loss, it does not impact on MMA's ability to produce a positive cash flow from operating activities.

#### Financial performance – business review

Total revenue and income increased by 3.07% on the prior period and total expenses from transactions have increased by 8.83%.

Other operating expenses that relate mainly to repairs and maintenance conducted to ensure the site is held to a high standard represent 54% of total expenses from transactions and the net result from transactions is consistent year on year.

#### Financial position – balance sheet

Net assets decreased by \$10.8 million over the year to \$476 million, mainly due to \$5.2 million of depreciation of specialised buildings, offset by \$4.4 million in other items.

#### Cash flows

Cash balances increased by \$285 thousand during the period to \$29.2 million at date of reporting. The increase was due to cash inflows from operations of \$3.9 million which was offset with associated capital loan repayments of \$1.8 million and capital purchases of \$1.9 million.

#### Capital projects/asset investment programs

No capital projects of \$10 million or greater total estimated investment were completed during the 2024-25 financial year.

#### **Subsequent events**

Since the end of the year, the MMA is not aware of any other matter or circumstances not otherwise disclosed within this report of the Financial Statements that has significantly affected or may significantly affect the operations the MMA, the results of those operations or the state of affairs of the MMA in future financial periods.

# **SECTION 2: GOVERNANCE AND ORGANISATIONAL STRUCTURE**

# **Governance and Organisational Structure**

The Board is responsible for the overall governance, management, and strategic direction of the MMA, and for delivering accountable corporate performance in accordance with the MMA's goals and objectives.

Board Member	Memberships and attendance	Biography
Peter Tuohey	Commenced as a Board member on 18 January 2017 and was appointed Chairperson until 17 January 2020. Peter was re-appointed in January 2020 for an additional 3-year term until 17 September 2022 and again re-appointed until 25 August 2025.  Peter is a member of the MMA Finance, Audit & Risk Management Committee and Chair of the MMA Remuneration Committee.  Peter attended nine out of nine eligible Board meetings.	Peter is a fifth-generation grain, wool, and prime lamb producer. His experience in freight and logistics has seen him appointed as the Chair of the Victorian Rail Freight Working Group, Director of the Victorian Ports Corporation (Melbourne), and a member of the Ministerial Freight Advisory Council. He continues to represent the interests of farmers and Rural Communities as the Rural Assistance Commissioner and is a member of the selection panel responsible for interviewing and recommending directors for Victorian Water Corporations.  At the Victorian Farmers Federation (VFF), Peter served as President from 2012 to 2016 and as Vice President from 2009 to 2012. He was also Chair of the VFF Farm Business and Regional Development Committee from 2010 to 2013. At a national level, Peter was on the National Farmers Federation (NFF) board from 2012 to 2016 and served on its Economic Committee.
Sue Friend	Commenced as a Board member on 22 February 2016 and was appointed until 31 January 2019. Her appointment was extended in April 2019 until April 2022, with an additional extension of three months until 26 August 2022. Sue was then re-appointed until 25 August 2025.  Sue is Chair of the MMA Finance, Audit & Risk Management Committee, member of the Remuneration and Fruit and Vegetable Retailers Advisory Committees and a former member of the Wholesalers Advisory Committee.  Sue attended eight out of nine eligible Board meetings.	Sue is a chartered accountant and an experienced board director.  Sue is a Director of Sapere Research Group, where she provides accounting advice and business valuations to corporate, regulatory and legal clients.  Sue also holds various public sector roles. She is currently an independent member of Courts Council, the governing body of Court Services Victoria (CSV). Sue also chairs CSV's Audit and Risk Committee and is an independent member of the Bureau of Meteorology Audit Committee.  Sue was previously a director of Yarra Valley Water and South Gippsland Water.
Dr Hermione Parsons	Commenced as a Board member on 7 September 2021 and was appointed until 7 September 2024.  During this time, Hermione was a member of the MMA Finance, Audit and Risk Management Committee and the Growers Advisory Committee.  Hermione attended three out of three eligible Board meetings. Hermoine resigned from the board at the end of her term and the position remained vacant for the remainder of the reporting period.	Dr Hermione Parsons has extensive executive management experience in public and private sector organisations with responsibility for port landside logistics, multimodal freight infrastructure planning, competition and regulation policy, supply chain reengineering in the fresh produce industry, and industry government relations. Areas of research expertise include end-to-end supply chain strategy, managing supply chain complexity, and supply chain and logistics problem-solving in metropolitan, regional and international markets, including ASEAN.  She is currently CEO and Managing Director of the Australian Logistics Council (ALC). Previously, Hermione was a Board Member of Food Innovation Australia Ltd (FIAL—the Australian Government's food and agriculture growth centre) and a member of VicTrack Board's Freight Advisory Committee. She has served on the Australian Government's National Agriculture Labour Advisory Committee, the National Freight Data Hub Steering Committee, the National Food Traceability Program Steering Committee, and the National Food Waste Strategy Steering Committee.  She is also the pro-bono co-chair and co-founder of the Wayfinder: Supply Chain Careers for Women Initiative.  Hermione was the director and founder of the Centre for Supply Chain and Logistics at Deakin University (previously at Victoria University) and is recognised by B2Global Consulting as one of the 100 Most Influential Women in Supply Chain – Global Women SC Leaders 2021.

Angie Bradbury	Commenced as a Board member on 18 September 2022 and was appointed until 25 August 2025.  Angie is a member of the MMA Remuneration Committee, Wholesalers Advisory Committee and former member of the Retailers Advisory Committee.  Angie attended eight out of nine eligible Board meetings.	An experienced Non-Executive Director, Board Chair and leading strategy consultant, Angie has a reputation as a straightforward, direct and pragmatic corporate leader who always pushes for the better answer or solution.  Angie was the Founder and Managing Director of several leading marketing and communications agencies and is now an independent business and brand strategy consultant and board director.  Throughout her career Angie has been involved in agriculture including viticulture and horticulture. She spent eight years leading Wine Victoria and maintains strong connections across regional and rural Victoria.  Angie consults on a broad range of business challenges including the development of corporate strategy, marketing, communications and brand strategies, issues management, crisis communications and stakeholder engagement.
Margaret Burdeu	Commenced as a Board member on 18 September 2022 and was appointed until 25 August 2025.  Margaret is a member of the MMA Finance, Audit and Risk Management Committee, Fruit and Vegetable Growers Advisory Committee and Flower Market Advisory Committee.  Margaret attended eight out of nine eligible Board meetings.	In addition to being on the MMA Board, Margaret is the Deputy Chancellor of La Trobe University and Deputy Chair of Melbourne Health's Community Advisory Committee. She is passionate about fresh food as the basis of a healthy life, building organisations and regional partnerships that enable economic and social opportunity. Margaret has considerable experience in the food industry and food regulation, on not-for-profit boards, oversight of infrastructure, management of risk, including workplace health and safety, and stakeholder engagement.

### **Finance, Audit & Risk Management Committee**

The main responsibilities of the Committee are to:

- review and report independently to the Board on the annual report and all other financial information published by the MMA;
- assist the Board in reviewing the effectiveness of the MMA's internal control environment covering:
  - effectiveness and efficiency of operations;
  - reliability of financial reporting; and
  - compliance with applicable laws and regulations;
- determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors;
- maintain effective communication with external auditors;
- consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised; and
- oversee the effective operation of the risk management framework.

Members are appointed by the Board, usually for a three-year term, and are subject to the committee's terms of reference.

Name	Independent	Term	Meetings Attended	Eligible to attend
Sue Friend (Chair)	<b>✓</b>	February 2016 – August 2025	4	4
Margaret Burdeu	<b>V</b>	September 2022 – August 2025	4	4
Peter Tuohey	<b>V</b>	January 2017 – August 2025	4	4
Dr Hermione Parsons	<b>✓</b>	September 2021 – September 2024	0	0

#### **Remuneration Committee**

The main responsibilities of the Committee are to:

- ensure appropriate and prudent remuneration management in the MMA;
- set and regularly review the fixed annual remuneration level for the CEO in accordance with guidelines and approvals;
- overview the setting of remuneration levels for all senior staff upon recommendation from the CEO;
- ensure that the remuneration levels for all MMA staff are competitive, bearing in mind relative job size, market sector, organisation performance and capacity to pay;
- overview of the structure and operation of any incentive plans as per Public Entity Executive Remuneration (PEER) Policy and the Victorian Independent Remuneration Tribunal (VIRT) determinations;
- agree performance targets for the CEO as they relate to incentive plans and to ensure that the MMA receives fair performance return for expenditure (current or future); and
- overview remuneration practice across the organisation and ensure appropriate controls and systems are in place.

The Committee meets at least once per year. Special meetings may be convened if committee members consider it is necessary and with the approval of the Committee Chairperson.

Name	Independent	Term	Meetings Attended	Eligible to attend
Peter Tuohey	<b>✓</b>	January 2017 – August 2025	1	1
Angie Bradbury	<b>✓</b>	September 2022 - August 2025	1	1
Sue Friend	<b>✓</b>	February 2016 – August 2025	1	1
Margaret Burdeu	<b>V</b>	September 2022 – August 2025	1	1
Dr Hermione Parsons	<b>✓</b>	September 2021 – September 2024	0	0

#### **Audit**

RSD Audit, as a service provider for the Victorian Auditor-General, was contracted to undertake annual financial audit services during 2024-25.

HLB Mann Judd Advisory and Accounting are contracted for a 3-year period from 1st February 2024 to 31st January 2027, including providing internal audit consulting services.

## Organisational Chart as of 30 June 2025

### **BOARD MEMBERS**

Peter Tuohey Chairperson

**Sue Friend** 

**Angie Bradbury** 

Margaret Burdeu

### **CHIEF EXECUTIVE OFFICER**

Mark Maskiell

### **MANAGEMENT TEAM**

Malcolm Lum Chief Legal & Commercial Officer

Lauren Kitchener Senior Manager, Marketing & Communications

> Lauren Short Chief Financial Officer

Syed Shahed Chief Operating Officer

### **Advisory Committees**

Advisory committees are made up of key market and industry stakeholders that work with the MMA to advise on matters relating to Market operations and the fresh produce industry. Advisory Committees represent each key market stakeholder group, including, Fruit & Vegetable Wholesalers, Fruit & Vegetable Growers, Fruit & Vegetable Retailers and Flower Market tenants and buyers. The MMA also appoints working groups, such as the transport committee, to ensure the market's varied stakeholder groups have a forum to share their interests and offer advice.

Advisory Committee terms follow the calendar year, and the three-year term ended at the end of 2024. The nomination and appointment of members for the new term followed in early 2025.

Each Advisory Committee also has an MMA Board representative. Some Board representatives change committees at the beginning of each new term so they have the opportunity to hear from different stakeholder groups.

The MMA values the contribution of its advisory committees highly and seeks to implement the advice and recommendations shared by members in each quarterly meeting. These committees are essential voices who help shape the future direction and success of the market and respective industries.

### **Advisory Committees March 2022 to March 2025**

Flower Market Advisory Committee	Meetings attended	Eligible to attend
Vince Cidoni (Chair)	3	3
Dianne Templeton	3	3
Michael Pavlou	0	3
Ilayda Kaplan	3	3
George Ambatzidis	1	3
Margaret Burdeu (Board representative)	3	3

Fruit and Vegetable Wholesalers Advisory Committee	Meetings attended	Eligible to attend
Adrian Antonello (Chair)	1	3
Brett Collins	1	3
Thanh Truong	0	3
Michael Granieri	2	3
Jason Cooper	2	3
Sue Friend (Board representative)	3	3

Retailers Advisory Committee	Meetings attended	Eligible to attend
Dean Lamb (Chair)	1	3
Graham Gee	1	3
Desmond Hopwood	2	3
Andrew Sculli	2	3
Kara Maisano	2	3
Angie Bradbury (Board representative)	3	3

Growers Advisory Committee	Meetings attended	Eligible to attend
Nicholas Patsuris (Chair)	3	3
Anthony Pignataro	1	3
Vince Doria	1	3
Ricky Mazaris	1	3
Frank Attana	1	3
Dr Hermione (Board representative)	0	0
Margaret Burdeu (Board Representative)	2	3

# **Advisory Committees March 2025 to March 2028**

Flower Market Advisory Committee	Meetings attended	Eligible to attend
Dianne Templeton (chair)	1	1
Surjit Pal	1	1
Michelle Knoll	1	1
Nicole Doer-Tolhurst	1	1
Alana Gulden	1	1
Marcos Quintanilla	1	1
Margaret Burdeu (Board representative)	1	1

Fruit and Vegetable Wholesalers Advisory Committee	Meetings attended	Eligible to attend
Jack Wilson (chair)	1	1
Brett Collins	1	1
Shane Schnitzler	1	1
Giuseppe Accurso	1	1
David Ngo	0	1
Jason Mile	1	1
Angelo Usai	1	1
Jason Cooper	1	1
Angie Bradbury (current Board representative)	1	1

Retailers Advisory Committee	Meetings attended	Eligible to attend
Graham Gee (chair)	1	1
Desmond Hopwood	1	1
Kara Maisano	1	1
Domenic Mollica	1	1
Anthony Coppolino	1	1
Sue Friend (current Board representative)	1	1

Growers Advisory Committee	Meetings attended	Eligible to attend
Vince Doria (chair)	1	1
Anthony Pignataro	1	1
Khaled Roumieh	1	1
Thien Nguyen	1	1
Matt Kelsall	0	1
Anh Nguyen	1	1
Malok Jakupovski	0	1
Margaret Burdeu (current Board representative)	1	1

### Occupational health and safety

The MMA has identified safety as one of its primary goals in its 2023-26 Strategic Plan. The MMA works to provide a safe and healthy workplace for its own staff and those who work within the market and maintain occupational health and safety (OH&S) standards with ongoing improvements.

The MMA's Facility Manager, BGIS, is developing ISO 45001:2018 (International Standard) Occupational Health and Safety Management System for the Melbourne Market Site. Once developed, BGIS will apply for certification. The Management System will assist the MMA in establishing and maintaining a management system to further improve the workplace health and safety of its employees and those who work within or visit the market.

The MMA continuously improved through the implementation of its existing ISO 9001:2015-certified Quality Management System. The MMA is in the process of expanding its Quality Management System to incorporate Workplace Health and Safety and Environment, developing an Integrated Management System. Once developed, MMA will apply for expanded certifications.

The MMA has an OH&S policy outlining its commitment to a safe culture and practices that provide a healthy and safe working environment. The health and safety of all those who work for the MMA (including all employees and contractors) and that of tenants, licensees and visitors are paramount to the MMA.

As part of MMA's continuous drive for a safer workplace, the Melbourne Market is a drug-and-alcohol-free site. As such, random drug and alcohol testing continues for MMA staff, contractors, and visitors.

The MMA's existing health and wellbeing program continues to help staff create a safe, supportive, and effective workplace for employees. Throughout the reporting period, MMA staff were offered training in Bullying & Harassment - Active Bystander Training, Culture, Performance Reviews & Objectives in Employment Hero, People Matter Survey, Cyber Security Training, and Team cross-training (finance). The Employee Assistance Program (EAP), management support, the Social & Wellness Committee's engagement activities, and other initiatives continued to promote well-being and stress management.

### **OHS incidents (MMA staff)**

Description	2024-25	2023-24	2022-23
Number of notifiable reported incidents	0	0	0
Number of LTIs (Number of incidents resulting in lost time)	0	0	0
Serious Injury Rate (Number of LTIs resulting in greater than one week of lost time)	0	0	0
Total hours lost for the period	0	0	0
Average cost of all LTI claims in this period	0	0	0
Fatalities	0	0	0

Note: LTI -Lost time injury

### **SECTION 3: WORKFORCE DATA**

### Public sector values and employment principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

The MMA introduced policies and practices that are consistent with the VPSC's employment standards and provide fair treatment, career opportunities and the early resolution of workplace issues. The MMA advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how it deals with misconduct.

### **Employment and conduct principles**

The MMA is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably based on the key selection criteria and other accountabilities without discrimination.

#### Workforce data

The following table discloses the headcount and full-time staff equivalent (FTE) of all active public sector employees of the MMA employed in the last full pay period in June of the current reporting period and in the last full pay period in June of the previous reporting period (2024).

On 30 June 2024, the MMA employed 29 staff (24.7 full-time equivalent) compared to 39 staff (38 full-time equivalent) on 30 June 2025. The growth in staff is due to the restructuring of the operations function, where customer service and operations roles that were previously outsourced have been brought in-house.

All employees, except executives, are covered by the MMA Enterprise Agreement 2021.

Employees have been correctly classified in workforce data collections.

2024-25					2023-24	
Classification	Number (headcount)	FTE	Classification	Number (headcount)	FTE	
MMA Enterprise Agreement	34	33	MMA Enterprise Agreement	24	19.8	
Senior employees	5	5	Senior employees	5	4.9	
STS	1	1	STS	1	0.9	
Executives	4	4	Executives	4	4.0	
Total employees	39	38	Total employees	29	24.7	

#### Note:

- All figures reflect employment levels during the last full pay period in June of each year.
- Excluded from workforce data include: employees on leave without pay or absent on secondment, graduates, external contractors/consultants and temporary staff employed by employment agencies.
- FTE: Full Time Equivalent. STS: Senior Technical Specialist..

### **SECTION 4: OTHER DISCLOSURES**

#### **Local Jobs First**

The *Local Jobs First Act 2003*, introduced in August 2018, brings together the *Victorian Industry Participation Policy* (VIPP) and *Major Project Skills Guarantee* (MPSG) policies, which were previously administered separately.

Departments and public sector bodies are required to apply the Local Job First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria. MPSG applies to all construction projects valued at \$20 million or more.

The MPSG guidelines and VIPP guidelines will continue to apply to MPSG applicable and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018.

Throughout the 2024-25 financial year, no projects were commenced or completed where the Local Jobs First Standard applied.

#### Reporting requirements - all projects

The MMA has no ongoing contracts commenced prior to 15 August 2018 for which a VIPP Plan or Local Industry Development Plan (LIDP) was required, as the procurement activity was local by nature.

#### Reporting requirements - grants

For 2024-25, no grants were provided.

#### **Government Advertising Expenditure**

The MMA's expenditure on government campaigns throughout the 2024-25 financial year did not exceed \$100,000.

### **Consultancy Expenditure**

#### Details of consultancies (valued at \$10,000 or greater)

In 2024-25, there were 11 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2024-25 in relation to these consultancies is \$789,846 (excluding GST). Details of individual consultancies are outlined below.

(\$ dollars)

Consultant	Purpose of Consultancy	Start Date	End Date	Total approved project fee (excl. GST)	Expenditure 2024-25 (excl. GST)	Future expenditure (excl. GST)
S AJITKUMAR & OTHERS (trading as Corrs Chambers Westgarth)	Legal advisory services	Ongoing		449,740	449,740	Ongoing
RP Infrastructure Pty Ltd	Project Management Services	Jul-24	Nov-24	86,792	86,792	Nil
Robert Half Australia Pty Limited	Recruitment Services	Oct-24	Jan-25	43,703	43,703	Nil
Department of Transport and Planning	Valuations	Jan-25	Jun-25	42,950	42,950	Ongoing
Little Big Marketing Pty Ltd	Marketing and PR Consulting and Creative	Ongoing		42,600	42,600	Ongoing
Otway Lawley Consulting Pty Ltd	Strategic Project	Jul-24	Jul-24	29,880	29,880	Nil
Newsflash Media Group Pty Ltd (trading as Narrative)	Communications Strategist	Ongoing		29,450	29,450	Ongoing
SGS Economics and Planning Pty Ltd	Fresh Food Supply Mapping	Sep-24	Oct-24	18,000	18,000	Nil
Russell Kennedy	Legal advisory services	Ongoing		17,096	17,096	Ongoing
The Trustee for Compliance Lab	ISO System Development	Aug-24	Feb-25	15,040	15,040	Nil
Allens	Legal advisory services	Sep-24	Apr-25	14,595	14,595	Nil

#### Details of consultancies under \$10,000

In 2024-25, there were 42 consultancies engaged during the year, where the total fee payable to the individual consultancies was less than \$10,000. The total expenditure during 2024-25 in relation to these consultancies was \$60,363 (ex. GST).

#### Reporting requirements – expenditure on reviews and studies

For 2024-5, one review and study was undertaken that was not commercially sensitive, with a total cost of \$18,000. Details of individual reviews and studies are outlined below.

Name of the review (portfolio(s) and output(s)/ agency responsible)	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Final cost if completed (excl. GST)	Publicly available (Y&N) and URL
Fresh Food Supply Mapping	The objective of this study was to refine supply chain estimates, identify data gaps, and highlight areas where further research may be needed to quantify Melbourne Market's role in the Victorian Supply Chain.	Fruit and vegetables grown and sold throughout Victoria.	To produce a quantitative model of the Victorian fruit and vegetable supply chain	\$18,000	N
Total				\$18,000	

### Information and communication technology expenditure

Details of information and communication technology (ICT) expenditure

For the 2024-25 reporting period, the MMA had a total ICT expenditure of \$1,244,231.16 with the details shown below.

ICT expenditure	(\$)

All operational ICT expenditure		ITC expenditure re to create or enhance	, ,
Business As Usual (BAU) ICT expenditure	Non-Business As Usual (Non-BAU) ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = Operational expenditure and capital expenditure)		
921,998.55	322,232.61	97,714.85	224,517.76

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

### **Disclosure of Major Contracts**

A 'major contract' is a contract entered into during the reporting period valued at \$10 million or more.

The MMA did not award any major contracts during the 2024-25 reporting period.

### **Freedom of Information**

The *Freedom of Information Act* 1982 (Vic) (the Act) allows the public the right of access to documents held by the MMA. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by the MMA. This comprises documents both created by the MMA or supplied to the MMA by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes.

The Act allows the MMA to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to a department in-confidence and information that is confidential under another Act.

Under the Act, the FOI processing time for requests received is 30 calendar days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, a 15-day automatic extension applies. Processing time may also be extended by periods of up to 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the MMA, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

#### Making a request

FOI requests can be lodged online at www.foi.vic.gov.au. An application fee of \$33.60 applies. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

When making an FOI request, applicants should ensure requests are in writing, clearly identify what types of material/documents are being sought and be accompanied by the application fee to be a valid request.

If you are unable to make a request online, you can request documents in the possession of the MMA by writing to:

MMA Privacy and FOI Officer (Att: Chief Legal & Commercial Officer)
Melbourne Market Authority
Level 1, 55 Produce Drive
Epping VIC 3076
Info@melbournemarket.com.au

#### FOI statistics/timeliness

During 2024-25, the MMA did not receive any formal FOI applications.

#### **Further information**

Further information regarding the operation and scope of FOI can be obtained from the Act; regulations made under the Act; and Freedom of Information — Office of the Victorian Information Commissioner (https://ovic.vic.gov.au)

### Compliance with the *Building Act 1993*

The MMA owns or controls 15 government buildings located at 55 Cooper Street, Epping, and consequently it is required to include a statement on its compliance with the building and maintenance provisions of the *Building Act 1993* in relation to that building.

The MMA complied with the *Building Act 1993*, the *Building Regulations 2006* and associated statutory requirements and amendments during the reporting period. When required, a Certificate of Final Inspection, endorsed by a Registered Building Surveyor Practitioner, is obtained for new facilities or upgrades to existing facilities. These works are either undertaken directly by the MMA or BGIS as an agent of the MMA or as works to tenancies undertaken by the Tenants themselves.

The MMA requires that appropriately qualified and accredited professional service providers and contractors are engaged for all proposed works on land controlled by the MMA and that their work and services comply with current building standards. The MMA has established guidelines and authorisation protocols in place to ensure all work is monitored. Service Providers and contractors are expected to have appropriate mechanisms in place to ensure compliance with the building and maintenance provisions of the *Building Act 1993*, *Building Regulations 2018* and the *National Construction Code*.

In relation to existing buildings, MMA's Facility Manager BGIS is responsible for mandatory Essential Safety Measures inspections in accordance with relevant standards and preventative maintenance routine of infrastructure as applicable under regulation and industry best practice. These inspections then inform the works program which is delivered annually through existing maintenance contracts.

#### In 2024-25:

Number of major works projects undertaken (>\$50 000)	6 - MMA works
Number of building permits, occupancy permits, or certificate of final inspection issued in relation to buildings owned	9 - MMA works - Building Permits 3 - Tenant works - Building Permits 0 - Certificate of Occupancy 8 - MMA works - Certificates of Final Inspection 3 - Tenant works - Certificates of Final Inspection
Number of emergency orders and building orders issued in relation to buildings	0 - emergency orders 0 - building orders
Number of buildings that have been brought into conformity with building standards during the year	0 - buildings brought into conformity

### **Competitive Neutrality Policy**

Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any net advantage arising from government ownership is accounted for if it is not in the public interest. Government businesses that undertake significant business activities are required to implement competitive neutrality measures (such as setting competitive neutral prices), which accounts for any net advantage that comes from public ownership. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on removing resource allocation distortions.

The MMA continues to comply with the requirements of the Competitive Neutrality Policy against the enhanced principles as required under the Competition Principals Agreement and Competition and Infrastructure Reform Agreement.

### Compliance with the Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken

The MMA is a public body for the purposes of the *Public Interest Disclosures Act 2012* and the MMA's Board members and staff are public officers under the Act.

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

A public interest disclosure is a complaint of corrupt or improper conduct or detrimental action by a public officer or a public body. 'Improper or corrupt conduct' involves substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption. 'Detrimental action' is action taken against a person in reprisal for making a public interest disclosure.

#### **Reporting procedures**

The MMA has established procedures for the protection of persons from detrimental action in reprisal for making a public interest disclosure about the MMA, its board members, officers or employees. You can access the MMA's procedures on its website at: https://melbournemarket.com.au/policies-procedures

A person can make a public interest disclosure about the MMA or its Board members, officers or employees by contacting the Independent Broad-Based Anti-Corruption Commission (IBAC). The MMA is not able to receive public interest disclosures.

#### **Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria**

Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3000

Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001

Phone: 1300 735 135 Internet: www.ibac.vic.gov.au

Email: A secure, anonymous email disclosure process is available on IBAC's website.

#### **Disclosure of Emergency Procurement**

Emergency procurement was not activated during the 2024-25 financial year.

#### **Social Procurement**

The Social Procurement Framework governs how the Victorian Government undertakes social procurement. The framework applies to the procurement of all goods, services and construction undertaken by, or on behalf of, entities subject to the Standing Directions 2018 under the *Financial Management Act 1994*.

All MMA contracts are subject to Local Jobs First and social procurement mandates. These are enforced through supplier agreements.

During 2024-25, the MMA supported its social procurement strategy by way of:

 Incorporating social and sustainable evaluation criteria into procurement documentation (e.g. Requests for Tender) to ensure purchases align with the MMA's Social Procurement Strategy.

#### Reporting requirements – procurement complaints

For 2024-25, no procurement complaints were received.

### **Environmental Reporting**

The MMA's environmental focus can be divided into two distinct areas.

- 1. Maintain, and improve on, existing initiatives to reduce the environmental impact in the areas of energy, paper consumption, waste generation, water consumption and green procurement.
- 2. Investigate new and emerging technology that can be implemented to reduce emissions as part of the Whole of Government Pledge under the *Climate Change Act 2017*, and in line with the statewide transition to net zero emissions by 2045.

#### Greenhouse gas emissions

The MMA reports its greenhouse gas emissions broken down into emissions 'scopes' consistent with national and international reporting standards. Scope 1 emissions are from sources that the MMA owns or controls, such as the use of gas and diesel for stationary buildings and machinery and transportation. Scope 2 emissions are indirect emissions from the MMA's use of electricity from the grid, which still uses coal and gas-fired power generation.

Indicator	2022-23	2023-24	2024-25
Total scope one (direct) greenhouse gas emissions ${\rm CO_2, CH_4, N_2O}$ , other (Tonnes)		103.80	116.62
Total carbon dioxide (CO <sub>2</sub> )	121.00	103.50	108.28
Total other	435,444.00	0.00	8.34
F2, greenhouse gas emissions from stationary fuel consumption segmented	121.00	102.70	96.32
T3, greenhouse gas emissions from vehicle fleet segmented by fuel type	1.00	1.10	20.30
Fugitive emissions from refrigeration and air conditioning	435,444.00	0.00	0.00
Refrigeration leakage	435,444.00	0.00	0.00
Total scope two greenhouse gas emissions (tonnes CO <sub>2</sub> e)	5,300	2,631	3,193

#### **Electricity production and consumption**

Electricity consumption on-site increased by 7% for the reporting period. This increase can be attributed to increased site utilisation.

Indicator	2022-23	2023-24	2024-25
Total electricity consumption segmented by source (MWh)	7,450	6,841	7,346
Purchased electricity (MWh)	7,260	4,008	4,835
Self-generated (MWh)	190	2,832	2,510
On-site electricity generated segmented by usage and source (MWh)			
Consumption behind-the-meter			
Solar PV	190	2,832	2,510
On-site installed generation capacity segmented by source (MW)			
Solar PV	2.4	2.4	2.4

### Stationary fuel use

Sources of emissions from stationary fuel include natural gas and diesel used in buildings, commercial refrigeration and backup generators. The MMA collected data through billing information and fuel suppliers.

Indicator	2022-23	2023-24	2024-25
Total fuels used in buildings and machinery (MJ)	2,315,859	1,942,888	1,869,238
Buildings			
Natural gas	2,246,332	1,896,731	1,896,238
Machinery			
Diesel	69,527	4,796	0
Greenhouse gas emissions from stationary fuel consumption			
Natural gas	120.6	99.9	96.322
Diesel	115.8	91.77	0
Diesel	4.9	8.13	0

#### **Transportation**

The MMA has 9 non-road vehicles that are essential to the market's operations.

Indicator	2022-23	2023-24	2024-25
Total energy used in transportation within the Entity	8,201	18,000	178,245
Non-road vehicles	8,201	18,000	57,319
LPG	8,201	18,000	7,698

Indicator	2022-23	0/_	2023-24	%	2023-24	%
IIIUICALUI	2022-23	70	2023-24	70	2023-24	70
Number and proportion of vehicles	1	100	1	100	9	100
Non-road vehicles	1	100	1	100	3	33
Internal combustion engines	1	100	1	100	1	11
LPG	1	100	1	100	1	11

Indicator	2022-23	2023-24	2024-25
Greenhouse gas emissions from vehicle fleet	1.09	1.09	12.27
Non-road vehicles	1	1	4.04
LPG	1	1	0.47

### **Total energy use**

With the connection of the solar panel system to the grid, the Market's use of renewable energy is predicted to stabilise. As the market continues to roll out additional solar panel systems across the site and explore the use of alternative fuel sources, this will decrease the market's reliance on non-renewable energy sources and reduce emissions in line with the Victorian Government's pledge to reach net-zero emissions by 2045.

Indicator	2022-23	2023-24	2024-25
Total energy usage from fuels (MJ)	2,324,059	1,960,888	2,009,946
Total energy used from electricity (MJ)	26,820,815	24,624,000	26,445,600
Total energy used segmented into renewable and non-renewable sources (MJ)	29,144,874	26,584,888	28,455,546
Renewable	5,544,298	12,930,900	12,253,294
Non-renewable	23,600,606	13,653,988	16,202,252

### Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the MMA and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

- a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- c) details of publications produced by the entity about itself, and how these can be obtained;
- d) details of changes in prices, fees, charges, rates and levies charged by the entity;
- e) details of any major external reviews carried out on the entity;
- f) details of major research and development activities undertaken by the entity;
- g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;
- i) details of assessments and measures undertaken to improve the occupational health and safety of employees;
- j) a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;
- k) a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- I) details of all consultancies and contractors including:
  - (i) consultants/contractors engaged;
  - (ii) services provided; and
  - (iii) expenditure committed to for each engagement.

The information is available on request from:

Chief Legal & Commercial Officer Melbourne Market Authority (03) 9258 6100 info@melbournemarket.com.au This page has been left intentionally blank

### **Melbourne Market Authority Financial Management Compliance Attestation Statement**

I Mark Maskiell, certify that the Melbourne Market Authority (MMA) has no Material Compliance Deficiency with respect to the applicable Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* and Instructions.

Chief Executive Officer Melbourne Market Authority 23 September 2025

#### **Compliance with DataVic Access Policy**

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, all data tables included in this Annual Report will be available at www.data.vic.gov.au in electronic readable format.

# **FINANCIAL STATEMENTS**

### How this report is structured

The Melbourne Market Authority (MMA) has presented its audited general-purpose financial statements for the financial year ended 30 June 2025 in the following structure to provide users with the information about the MMA's stewardship of resources entrusted to it.

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### **DECLARATION IN THE FINANCIAL STATEMENTS**

The attached financial statements for the Melbourne Market Authority (MMA) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and financial position of MMA at 30 June 2025.

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

We authorise the attached financial statements for issue on 23 September 2025.

P Tuohey Chairperson

Melbourne 23 September 2025 M Maskiell Chief Executive Officer

Melbourne 23 September 2025 L Short Chief Financial Officer

Melbourne 23 September 2025



# **Independent Auditor's Report**

## To the Board of Melbourne Market Authority

#### Opinion

I have audited the financial report of Melbourne Market Authority (the authority) which comprises the:

- balance sheet as at 30 June 2025
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- declaration in the financial statements.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards - Simplified Disclosures.

# Basis for opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's responsibilities for the audit of the financial report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

# Other information

The Board is responsible for the Other Information included in the authority's Annual Report for the year ended 30 June 2025, which comprises the information in the report of operations, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the Other Information. Accordingly, I do not express any form of assurance conclusion on the Other Information.

In connection with my audit of the financial report, my responsibility is to read the Other Information when it becomes available and, in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.

## Board's responsibilities for the financial report

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

In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to
  fraud or error, design and perform audit procedures responsive to those risks, and obtain audit
  evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not
  detecting a material misstatement resulting from fraud is higher than for one resulting from
  error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the
  override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit
  procedures that are appropriate in the circumstances, but not for the purpose of expressing an
  opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the
  disclosures, and whether the financial report represents the underlying transactions and
  events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE 24 September 2025 Timothy Maxfield as delegate for the Auditor-General of Victoria

T Mapy

# Comprehensive operating statement<sup>(a)</sup>

For the financial year ended 30 June 2025

(\$ thousand)

	Notes	2025	2024
Revenue and income from transactions			
Interest income	2.2.1	1,113	956
Sale of goods and services	2.2.2	6,204	6,122
Rental income	2.2.3	27,267	26,476
Total revenue and income from transactions		34,584	33,554
Expenses from transactions			
Employee expenses	3.1.1	(4,688)	(4,203)
Depreciation	4.1.1	(15,220)	(14,233)
Interest expense	6.1	(895)	(962)
Other operating expenses	3.2	(24,575)	(22,545)
Total expenses from transactions		(45,378)	(41,943)
Net result from transactions (net operating balance)		(10,794)	(8,389)
Other economic flows included in net result			
Net gain on non-financial assets(b)		11	25
Other gains from other economic flows		-	1
Total other economic flows included in net result		11	26
Net result		(10,783)	(8,363)
Other economic flows - other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus		-	49,165
Total other economic flows - other comprehensive income		-	49,165
Comprehensive result		(10,783)	40,802

The accompanying notes form part of these financial statements.

<sup>(</sup>a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

<sup>(</sup>b) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

# Balance sheet (a)

As at 30 June 2025 (\$ thousand)

	Notes	2025	2024
Assets			
Financial assets			
Cash and deposits	6.2	29,271	28,986
Receivables	5.1	2,005	2,016
Total financial assets		31,276	31,002
Non-financial assets			
Property, plant & equipment	4.1	473,557	486,883
Intangible assets		4	12
Other non-financial assets		982	804
Total non-financial assets		474,543	487,699
Total assets		505,819	518,701
Liabilities			
Payables	5.2	10,227	10,596
Borrowings	6.1	18,768	20,578
Employee related provisions	3.1.2	786	706
Total liabilities		29,781	31,880
Net assets		476,038	486,821
Equity			
Accumulated surplus/(deficit)		79,264	90,047
Physical asset revaluation surplus		182,967	182,967
Contributed capital		213,807	213,807
Net worth		476,038	486,821

The accompanying notes form part of these financial statements.

<sup>(</sup>a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

# Cash flow statement (a)

For the financial year ended 30 June 2025

(\$ thousand)

		(+
Notes	2025	2024
Cash flows from operating activities		
Receipts		
Receipts from customers	33,575	31,043
Interest received	1,124	938
Other receipts	245	274
Total receipts	34,944	32,255
Payments		
Payments to suppliers and employees	(29,219)	(23,804)
Goods and Services Tax paid to the ATO (10)	(860)	(1,243)
Interest and other costs of finance paid	(895)	(962)
Total payments	(30,974)	(26,009)
Net cash flows from operating activities	3,970	6,246
Cash flows from investing activities		
Purchases of non-financial assets	(1,875)	(1,039)
Sale of non-financial assets	-	631
Net cash flows used in investing activities	(1,875)	(408)
Cash flows from financing activities		
Repayment of borrowings	(1,810)	(1,801)
Net cash flows used in financing activities	(1,810)	(1,801)
Net increase in cash and cash equivalents	285	4,037
Cash at the beginning of the financial year	28,986	24,949
Cash and cash equivalents at the end of the financial year 6.2	29,271	28,986
0.2	20,211	20,300

The accompanying notes form part of these financial statements.

<sup>(</sup>a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

<sup>(</sup>b) GST paid to the Australian Taxation Office is presented on a net basis.

# Statement of changes in equity (a)

For the financial year ended 30 June 2025

(\$ thousand)

				• • • • • • • • • • • • • • • • • • • •
	Physical asset revaluation surplus	Accumulated surplus	Contributed capital	Total
Balance at 30 June 2023	133,802	98,410	213,807	446,019
Net result for the year	-	(8,363)	-	(8,363)
Other Comprehensive income for the year	49,165	-	-	49,165
Balance at 30 June 2024	182,967	90,047	213,807	486,821
Balance at 1 July 2024	182,967	90,047	213,807	486,821
Net result for the year	-	(10,783)	-	(10,783)
Other Comprehensive income for the year	-	-	-	-
Balance at 30 June 2025	182,967	79,264	213,807	476,038

The accompanying notes form part of these financial statements.

Note:

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

## 1. ABOUT THIS REPORT

The Melbourne Market Authority (MMA) is a government entity of the State of Victoria, established under the *Melbourne Market Authority Act (1977)*.

Its principal address is: Melbourne Market Authority 1/55 Produce Drive Epping VIC 3076 MMA operates a wholesale fruit, vegetable and flower market based in Epping, VIC. It works to ensure efficient trade and distribution of fresh produce.

#### **Basis of preparation**

These financial statements are Tier 2 general purpose financial statements prepared in accordance with AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

Melbourne Market Authority (MMA) is a Tier 2 entity in accordance with FRD 101. These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures. MMA's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As MMA is not a 'significant entity' as defined in FRD 101, it was required to change from Tier 1 to Tier 2 reporting effective 1 July 2025.

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

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

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

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

These financial statements cover MMA as an individual reporting entity and include all the controlled activities of MMA.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

## **Compliance information**

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

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

## Land and buildings fair value

In compliance with FRD 103, in the year ended 30 June 2021, an independent valuation was performed by PricewaterhouseCoopers on behalf of the Valuer-General Victoria to determine fair value using the market approach for land and a depreciated replacement cost for buildings. The valuer had advised that the market environment in FY2021 had been impacted by the COVID-19 outbreak. Market conditions were changing daily. A managerial valuation was required as at 30 June 2023 for land only due to the cumulative VGV land indices being greater than 10 per cent increase but less than 40 per cent since the last formal revaluation at 30 June 2021. A managerial valuation adjustment was required at 30 June 2024 for buildings only due to the cumulative VGV metropolitan commercial building cost indices being greater than 10 per cent but less than 40 per cent since the last formal revaluation at 30 June 2024. A managerial valuation assessment was completed for land and buildings for the year ending 30 June 2025. No managerial valuation adjustment was required at 30 June 2025 because the compounded indices was below 10 per cent.

## 2. FUNDING DELIVERY OF OUR SERVICES

## Introduction

MMA's overall objective is to provide a commercially viable wholesale facility for the efficient distribution of fresh produce, optimise return on land and assets and ensure a fair and competitive environment for the wholesale trading of produce.

To enable MMA to fulfil its objective, it receives rental income. It also receives fees based on site usage including parking, LPG sales and other investment income.

#### **Structure**

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Income from transactions

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

(\$ thousand)

	Notes	2025	2024
Interest income	2.2.1	1,113	956
Sale of goods and services	2.2.2	6,204	6,122
Rental income	2.2.3	27,267	26,476
Total revenue and income from transactions		34,584	33,554

Revenue and income that fund delivery of the MMA's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

## 2.2 INCOME FROM TRANSACTIONS

#### 2.2.1 INTEREST INCOME

(\$ thousand)

	2025	2024
Interest from financial assets not at fair value through Profit and loss		
Interest on bank deposits	1,111	952
Other miscellaneous interest income	2	4
Total revenue and income from transactions	1,113	956

Interest income includes interest received on cash and deposits. Refer to 7.1.1 for information on interest income.

#### 2.2.2 SALE OF GOODS AND SERVICES

(\$ thousand)

	2025	2024
Sale of goods	1,937	1,925
Rendering of services	628	634
Parking income	3,639	3,563
Total revenue from sales of goods and services	6,204	6,122

The sale of goods and services included in the table above are transactions that the MMA has determined to be classified as revenue from contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers*.

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

Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have accepted at their premises.

Revenue is recognised when the goods are delivered and accepted by the customers. Invoices are usually payable within 30 days.

Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed, over time for parking income when the customer simultaneously receives and consumes the services as it is provided.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract payable (Note 5.2).

#### 2.2.3 RENTAL INCOME

(\$ thousand)

Total rental income	27,267	26,476
Other commercial rents	8,206	7,766
Flower trading stands	1,985	1,952
Wholesale stores and warehouses	13,849	13,446
Fruit and vegetable trading stands	3,227	3,312
Rental income		
	2025	2024

Rental income from trading stands, wholesale stores and warehouses and other, commercial rents is recognised as it accrues over the period that the properties are leased to a third party.

Operating leases relate to operating property owned by MMA with lease terms of between one to fifteen years, with an option to renew for a further term. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period. The risks associated with rights that the MMA retains in underlying assets are not considered to be significant, the MMA employs strategies to further minimise these risks. For example, the MMA operating rules requiring the lessee to compensate the MMA when a property has been subject to excess wear and tear during the lease term.

In the event lease incentives are given to the lessee or right to lease upfront payments are received from the lessee, the aggregate cost of incentives is recognised as a reduction of rental income and the right to lease upfront payment is recognised as revenue over the lease term, on a straight line basis unless another systematic basis is more representative of the time pattern over which the economic benefit of the leased asset is diminished.

## Leases as a Lessor

As a lessor, the MMA classifies its leases as operating leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

(\$ thousand)

Total	17,860	18,576
Longer than five years	22	91
Longer than one year but not longer than five years	11,133	5,885
Not longer than one year	6,705	12,600
Non-cancellable operating lease receivables		
	2025	2024

Leases have lease terms of 3, 5, 9, and 15 years.

## 3. THE COST OF DELIVERING SERVICES

#### Introduction

This section provides an account of the expenses incurred by MMA in delivering services. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are disclosed.

#### **Structure**

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

#### 3.1 EXPENSES INCURRED IN DELIVERY OF SERVICES

(\$ thousand)

Total expenses incurred in delivery of services		29,263	26,748
Other operating expenses	3.2	24,575	22,545
Employee benefit expenses	3.1.1	4,688	4,203
	Notes	2025	2024

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

(\$ thousand)

	2025	2024
Defined contribution superannuation expense	428	367
Termination benefits	-	32
Salaries and wages, annual leave and long service leave	4,260	3,804
Total employee expenses	4,688	4,203

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

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

MMA does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, MMA accounts for contributions to these plans as if they were defined contribution plans under AAS 119 *Employee Benefits*, The Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

#### 3.1.2 EMPLOYEE-RELATED PROVISIONS

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

(\$ thousand)

	ν.	, ,
	2025	2024
Current provisions:		
Annual leave	156	245
Long service leave	354	218
Provisions for on-costs	35	28
Total current provisions for employee benefits	545	491
Non-current provisions:		
Employee benefits	160	142
On-costs	81	73
Total provisions for employee benefits	786	706

**Wages and salaries, annual leave and sick leave:** Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because MMA does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As MMA expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the MMA does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

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

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

The components of this current LSL liability are measured at either:

- undiscounted value if the MMA expects to wholly settle within 12 months
- present value if the MMA does not expect to wholly settle within 12 months.

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

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

#### 3.2 OTHER OPERATING EXPENSES

(\$ thousand)

		• • • • • • • • • • • • • • • • • • • •
	2025	2024
Supplies and services		
Market operations	7,990	5,389
Repairs and maintenance	3,339	2,993
Fuels, rates and taxes	6,875	5,536
Marketing and media	778	822
Audit and insurance	891	1,125
Professional services	2,350	4,700
Other	2,272	1,908
Impairment of receivables	72	64
Ex-gratia expense	8	8
Total other operating expenses	24,575	22,545

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also included bad debts expense from transactions that are mutually agreed.

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

**Impairment of receivables:** Impairment of receivables as a result of mutual agreement with counterparty is deemed as expenses from transactions.

## 4. KEY ASSETS TO SUPPORT SERVICE DELIVERY

## Introduction

MMA controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to MMA to be utilised for delivery of those services.

#### Structure

4.1 Property, plant and equipment

## 4.1 PROPERTY, PLANT AND EQUIPMENT

(\$ thousand)

	Gross carrying amount		Accum depred		Net carryi	ng amount
	2025	2024	2025	2024	2025	2024
Land at fair value	58,559	58,559	-	-	58,559	58,559
Buildings at fair value	426,557	426,312	(14,825)	-	411,732	426,312
Capital works in progress	2,080	1,074	-	-	2,080	1,074
Plant, equipment and vehicles at fair value						
- Market equipment	1,011	984	(566)	(765)	445	219
- Motor vehicles	558	638	(208)	(317)	350	321
- Computer equipment	1,529	1,725	(1,161)	(1,349)	368	376
- Office plant and equipment	127	118	(104)	(96)	23	22
Net carrying amount	490,421	489,410	(16,864)	(2,527)	473,557	486,883

Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

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

#### 4.1 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

**Non-specialised land and non-specialised buildings** are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

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

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that the CSO adjustment is also equally applicable to market participants.

For the majority of the MMA's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation.

**Vehicles** are valued using the current replacement cost method. The MMA acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed in-house by the MMA who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

## Impairment of property, plant and equipment

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

#### 4.1.1 DEPRECIATION AND AMORTISATION

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under assets held for sale and land.

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

Charge for the period (\$ thousand)

Notes	2025	2024
Buildings	14,825	13,844
Market equipment	72	44
Motor Vehicles	74	53
Computer equipment	233	258
Office plant and equipment	8	9
Computer software	8	25
Total depreciation and amortisation	15,220	14,233

(years)

Asset	Useful Life
Buildings - shell structures	50 years
Buildings - fitout	25 years
Computer equipment	3 years
Motor vehicles	6 years
Market equipment	6 years
Office plant and equipment	6 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

**Indefinite life asset:** Land, which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of this asset because the service potential has not, in any material sense, been consumed during the reporting period.

# RECONCILATION OF MOVEMENTS IN CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT<sup>(a)</sup>

4.1.2

							(\$t	(\$ thousands)
	Land at fair value	Buildings	Market Equip.	Motor Vehicles	Computer Equip.	Office Plant & Equip.	Works In Progress	Total
	2025	2025	2025	2025	2025	2025	2025	2025
Opening balance	58,559	426,312	219	321	376	22	1,074	486,883
Additions	•	245	299	103	225	6	1,045	1,926
Disposals	ı	ı	(£)	(1)	'	1	ı	(2)
Transfer in/out of assets under construction	•	•	1	•	1	•	(33)	(38)
Revaluation of PPE	1	•	•	ı	•	1	1	ı
Depreciation	-	(14,825)	(72)	(74)	(233)	(8)	-	(15,212)
Closing balance	58,559	411,732	445	350	368	23	2,080	473,557

Note:

(a) Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that movements were not material (less than or equal 10 per cent) for a full revaluation as per the requirement FRD 103. The next scheduled full revaluation for this purpose group will be conducted in 2026. Refer to note 7.3 for

In 2025, a management fair value assessment was performed for Land and Specialised Building based on the movement advised in the VGV metropolitan commercial industrial indices however no revaluation was required.

In 2024, a management fair value assessment was performed for Specialised Building and a managerial revaluation was required based on the movement advised in the VGV metropolitan commercial industrial building cost indices.

## 5. OTHER ASSETS AND LIABILITIES

#### Introduction

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

#### **Structure**

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other non-financial assets

#### 5.1 RECEIVABLES

(\$ thousand)

	2025	2024
Contractual		
Rental revenue	1,898	1,809
Allowance for impairment losses of contractual receivables	(68)	(56)
Loan to third party	41	109
Accrued investment income	80	91
Statutory		
Amount owing from Victorian Government	45	63
GST input tax credit recoverable	9	-
Total receivables	2,005	2,016
Represented by		
Current receivables	1,879	1,890
Non-current receivables	126	126

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

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. MMA applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian Government represent money owing from site services provided in the ordinary course of business.

Details about the MMA's impairment policies, the MMA's exposure risk and the calculation of the loss allowance are set out in Note 4.1.

5.2 PAYABLES (\$ thousand)

	2025	2024
Contractual payables		
Supplies and services	3,486	4,128
Interest payable	148	161
Tenant bonds and retention monies	3,577	3,602
Rentals in advance	2,887	2,546
Statutory payables		
FBT payable	20	25
GST payable	-	49
Other taxes payable	109	85
Total payables	10,227	10,596
Represented by:		
Current payables	6,650	6,994
Non-current payables	3,577	3,602

#### Payables consist of:

- Contractual payables: Classified as financial instruments and measured at amortised cost. Accounts payable
  represent liabilities for goods and services provided to the MMA prior to the end of the financial year that are
  unpaid
- **Statutory payables**: Recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

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

## 5.3 OTHER NON-FINANCIAL ASSETS

(\$ thousand)

	2025	2024
Current other assets		
Prepayments	982	804
Total current other assets	982	804

Other non-financial assets include pre-payments, which represent payments in advance of receipt of goods or services or the payments made for services covering a term extending beyond the report period.

## 6. HOW WE FINANCED OUR OPERATIONS

#### Introduction

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

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

#### **Structure**

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

#### 6.1 BORROWINGS

(\$ thousand)

	2025	2024
Current borrowings		
Loans from TCV <sup>(a)</sup>	1,820	1,810
Total current borrowings	1,820	1,810
Non-current borrowings		
Loans from TCV <sup>(a)</sup>	16,948	18,768
Total non-current borrowings	16,948	18,768
Total borrowings	18,768	20,578

Notes

(a) These are unsecured loans with a weighted average interest rate of 4.3848 per cent (2024: 4.3555 per cent).

'Borrowings' refer to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria (TCV).

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost and recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised costs using the effective interest method.

## TERMS AND CONDITIONS OF BORROWINGS

(\$ thousand)

	Weighted					Maturity dates		
	average interest rate (%)	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months - 1 year	1 - 5 years	5+ years
2025								
Loans from TCV	4.3848	18,768	18,768	-	909	911	6,948	10,000
Total		18,768	18,768	-	909	911	6,948	10,000
2024								
Loans from TCV	4.3555	20,578	20,578	-	904	906	7,339	11,429
Total		20,578	20,578	-	904	906	7,339	11,429

## 6.1 BORROWINGS (CONTINUED)

Interest expense (\$ thousand)

	2025	2024
Interest on government loans	726	780
Accommodation Levy	169	182
Total interest expense	895	962

'Interest expense' includes costs incurred in connection with the borrowing of funds and includes interest on bank overdrafts and short term and long term borrowings, amortisation of discounts or premiums relating to borrowings and accommodation levy.

Interest expense is recognised in the period in which it is incurred.

MMA recognises borrowing costs immediately as an expense, even where they are directly attributable to the acquisition, construction or production of a qualifying asset.

#### 6.2 CASH FLOW INFORMATION AND BALANCES

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank. MMA's bank accounts in the Central Banking System (CBS) under the *Standing Directions 2018*.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as current borrowings on the balance sheet, as indicated in the reconciliation below.

(\$ thousand)

	2025	2024
Total cash and deposits disclosed in the balance sheet	29,271	28,986
Balance as per cash flow statement	29,271	28,986

## Note:

(a) Cash and deposits bear variable interest rate with a weighted-average 4.15% during 2024 - 2025

## 6.3 COMMITMENTS FOR EXPENDITURE

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

## 6.3.1 TOTAL COMMITMENTS PAYABLE

(\$ thousand)

Nominal amounts	Less than	1-5	5+	
2025	1 year	years	years	Total
Operational expenditure commitments payable	2,897	1,386	-	4,283
Capital expenditure commitments payable	444	-	-	444
Total commitments (inclusive of GST)	3,341	1,386	-	4,727
Less GST recoverable	(295)	(119)	-	(414)
Total commitments (exclusive of GST)	3,046	1,267	_	4,313

Nominal amounts	Less than	1-5	5+	
2024	1 year	years	years	Total
Operational expenditure commitments payable	7,444	3,895	-	11,339
Capital expenditure commitments payable	-	-	-	-
Total commitments (inclusive of GST)	7,444	3,895	-	11,339
Less GST recoverable	(677)	(354)	-	(1,031)
Total commitments (exclusive of GST)	6,767	3,541	-	10,308

## 7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

#### Introduction

It is often necessary to MMA to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for MMA, related mainly to fair value determination.

#### Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

#### 7.1 FINANCIAL INSTRUMENTS SPECIFIC DISCLOSURES

#### Introduction

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

## **Categories of financial assets**

#### Financial assets at amortised cost

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

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

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

MMA recognises the following assets in this category:

- · cash and deposits
- third party loan receivable
- receivables (excluding statutory receivables)

#### **Categories of financial liabilities**

## Financial liabilities at amortised cost

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

- payables (excluding statutory payables)
- borrowings.

## 7.1.1 FINANCIAL INSTRUMENTS - NET GAIN/(LOSS) ON FINANCIAL INSTRUMENTS BY CATEGORY

(\$ thousand)

2025	Cash and deposits	Financial assets at amortised cost(AC)	Financial liabilities at amortised cost (AC)	Total
Financial assets at amortised cost				
Cash and deposits	29,271	-	-	29,271
Receivables (a)				
Accrued investment income	-	80	-	80
Third Party Loan receivable	-	41	-	41
Rental income	-	1,830	-	1,830
Other receivables	-	-	-	-
Total financial assets at amortised cost	29,271	1,951	-	31,222
Financial liabilities at amortised cost				
Payables (a)				
Supplies and services	-	-	3,486	3,486
Tenant bonds and retention monies	-	-	3,577	3,577
Other payables	-	-	148	148
Borrowings				
Loans from TCV	-		18,768	18,768
Total financial liabilities at amortised cost	-	-	25,979	25,979

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

2024	Cash and deposits	Financial assets at amortised cost(AC)	Financial liabilities at amortised cost (AC)	Total
Financial assets at amortised cost				
Cash and deposits	28,986	-	-	28,986
Receivables (a)				
Accrued investment income	-	91	-	91
Third Party Loan receivable	-	109	-	109
Rental Income	-	1,753	-	1,753
Other receivables	-	147	-	147
Total financial assets at amortised cost	28,986	2,100	-	31,086
Financial liabilities at amortised cost	•			
Payables (a)				
Supplies and services	-	-	4,128	4,128
Tenant bonds and retention monies	-	-	3,602	3,602
Other payables	-	-	161	161
Borrowings				
Loans from TCV	-	-	20,578	20,578
Total financial liabilities at amortised cost	-	-	28,469	28,469

## 7.2 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

#### 7.2.1 Contingent assets

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

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

The MMA does not have contingent assets as at 30 June 2025 (2024:nil)

## 7.2.2 Contingent liabilities

## Non-quantifiable contingent liabilities

A number of potential obligations are non-quantifiable at this time arising from:

- indemnities provided in relation to transactions, including financial arrangements and consultancy services, as well as for directors and administrators
- deeds in respect of certain obligations
- unclaimed monies, which may be subject to future claims by the general public against the State.

## **Quantifiable contingent liabilities**

The MMA did not have contingent liabilities as at 30 June 2025 (2024: nil).

#### 7.3 FAIR VALUE DETERMINATION

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

Land, buildings, plant and equipment are carried at fair value.

#### Fair value hierarchy

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

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

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

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

#### How this section is structured

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

- valuation techniques
- details of significant assumptions used in the fair value determination.

## 7.3.1 Fair value determination: Non-financial physical assets

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities amended AASB 13 Fair Value Measurement by adding Appendix F Australian implementation guidance for not-for-profit public sector entities. Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

The last scheduled full independent valuation of all MMA's non-financial physical assets was performed by VGV in 2021. Annual fair value assessment for 30 June 2025 using VGV indices does not identify material changes in value. In accordance FRD 103, MMA will reflect Appendix F in its next scheduled formal revaluation in 2026. All annual fair value assessments thereafter will continue compliance with Appendix F.

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

#### 7.3.1 FAIR VALUE DETERMINATION: NON-FINANCIAL PHYSICAL ASSETS (CONTINUED)

**Plant and equipment (including right-of-use assets)** is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

**Vehicles (including right-of-use assets)** are valued using the current replacement cost method. MMA acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in MMA who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

**Specialised land and specialised buildings (including right-of-use assets)**: The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible.

For MMA's specialised buildings, the current replacement cost method is used, adjusting for the association depreciations.

Description of significant assumption applied to fair value measurement

2024 AND 2025	Valuation technique (a)	Significant assumption (a)	Range (weighted average) <sup>(a)</sup>
Specialised land	Market approach	Community service obligation (CSO) adjustment	50-70 per cent (60 per cent <sup>(b)</sup> )
Specialised buildings	Current replacement cost	Direct cost per square metre	\$1 000-\$1 500/m <sup>2</sup> (\$1 300)
		Useful life of specialised buildings	30-60 years (45 years)
Vehicles	Current replacement cost	Cost per unit	\$9 000-\$10 000 per unit
		Useful life of vehicles	(\$9 500 per unit) 3-5 years
			(3 years)
Plant and equipment	Current replacement cost	Cost per unit	\$3 000-\$4 000 per unit
		Useful life of plant and equipment	(\$3 500 per unit) 50-10 years (7 years)

<sup>(</sup>a) Illustrations on the valuations techniques and significant assumptions and unobservable inputs are indicative and are not be directly used without consultation with entities independent valuer.

<sup>©</sup> CSO adjustments ranging from 50 per cent to 70 per cent were applied to reduce the market approach value for MMA's specialised land, with the weighted average per cent reduction applied.

## 8. OTHER DISCLOSURES

#### Introduction

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

**Structure** 

8.1 Ex gratia expenses8.2 Responsible persons

8.3 Remuneration

8.4 Remuneration of executives

8.5 Related parties

8.6 Remuneration of auditors

8.7 Subsequent events

## 8.1 EX GRATIA EXPENSES

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

(\$ thousand)

	2025	2024
Compensation for economic loss	8	8
Total ex gratia expenses (a)	8	8

Notes:

(a) The total for ex gratia expenses is also presented in 'other operating expenses' of Note 3.2 Other operating expenses

## 8.2 RESPONSIBLE PERSONS

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

#### **Names**

The persons who held the positions of Ministers and Accountable Officer in the Authority are as follows:

Minister for Agriculture	The Hon. Ros Spence	01-Jul-2024 to 30-Jun-2025
Board Chairperson	Mr P Tuohey	01-Jul-2024 to 30-Jun-2025
Board Member	Ms S Friend	01-Jul-2024 to 30-Jun-2025
Board Member	Dr H Parsons	01-Jul-2024 to 07-Sep-2024
Board Member	Ms M Burdeu	01-Jul-2024 to 30-Jun-2025
Board Member	Ms A Bradbury	01-Jul-2024 to 30-Jun-2025
Chief Executive Officer	Mr M Maskiell	01-Jul-2024 to 30-Jun-2025

#### 8.3 REMUNERATION

Remuneration received or receivable by the Accountable Officer in connection with the management of the MMA during the reporting period was in the range of \$430,000 to \$439,999 (2024: \$410,000 to \$419,999).

#### 8.4 REMUNERATION OF EXECUTIVES

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

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

Several factors affected total remuneration payable to executives of the year. A number of employment contracts were completed and renegotiated.

(\$ thousand)

Remuneration of executive officers (including executives defined as Key Management Personnel	Total Remuneration	Total Remuneration
(KMP) disclosed in Note 8.5)	2025	2024
Total remuneration (a)	940	879
Total number of executives	4	5
Total annualised employee equivalents (b)	4	4

<sup>(</sup>a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.5).

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

#### 8.5 RELATED PARTIES

MMA is a wholly owned and controlled entity of the State of Victoria.

Related parties of MMA include:

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

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

**Key management personnel (KMP)** of MMA includes the Portfolio Ministers, the Hon. Ros Spence and members of the Senior Executive Team, which includes:

## Remuneration of key management personnel

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

(\$ thousand)

Compensation of KMP's (a)	2025	2024
Total <sup>(b)</sup>	1,411	1,579

Note:

(a) Note that KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.4).

(b) Total remuneration paid to KMP's employed as a contractor during the reporting period through an external service provider has been reported under short-term employee benefits.

## 8.5 RELATED PARTIES (CONTINUED)

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

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

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

#### 8.6 REMUNERATION OF AUDITORS

(\$ thousand)

	2025	2024
Victorian Auditor-General's Office		
Audit of financial statements	53	50
Total remuneration of auditors	53	50

#### 8.7 SUBSEQUENT EVENTS

Since the end of the year, the MMA is not aware of any other matter or circumstances not otherwise disclosed with in this report of the Financial Statements that has significantly affected or may significantly affect the operations of the MMA, the results of those operations or the state of affairs of the MMA in future financial periods.

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