



Victorian Professional Standards Council

Financial statements

For the year ended 30 June 2025

Protecting consumers by improving professional standards.

Victorian Professional Standards Council

Financial Statements for the year ended
30 June 2025

VICTORIAN PROFESSIONAL STANDARDS COUNCIL ANNUAL FINANCIAL STATEMENTS

The Victorian Professional Standards Council (the Council) 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 Council's stewardship of resources entrusted to it.

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DECLARATION IN THE FINANCIAL STATEMENTS

The attached financial statements for the Victorian Professional Standards Council (the Council) 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 the Council as at 30 June 2025.

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

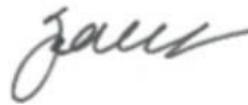
We authorise the attached financial statements for issue on 24 November 2025.



Samuel Ho
Chief Finance & Accounting Officer
Professional Standards Council, Victoria

Melbourne

26 November 2025



John Vines OAM
Chair
Professional Standards Council, Victoria

Melbourne

24 November 2025

Independent Auditor's Report

To the Victorian Professional Standards Council

Opinion	<p>I have audited the financial report of the Victorian Professional Standards Council (the Council) which comprises the:</p> <ul style="list-style-type: none"> • 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 • certification of the financial statements. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the Council 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 <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards - Simplified Disclosures.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants (including Independence Standards)</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
The Council members' responsibilities for the financial report	<p>The Council members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the <i>Financial Management Act 1994</i>, and for such internal control as the Council members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Council members are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 Council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council members
- conclude on the appropriateness of the Council members' 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 Council'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 Council 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 Council members 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
12 December 2025

Charlotte Jeffries
as delegate for the Auditor-General of Victoria

FINANCIAL STATEMENTS

Comprehensive operating statement

For the financial year ended 30 June 2025

	Notes	2025 \$	2024 \$
Continuing Operations			
Income from transactions			
Fee income	2.2	898,773	855,317
Interest	2.3	34,970	37,784
Total income from transactions		933,743	893,101
Expenses from transactions			
Supplies and services	3.1	(839,085)	(793,967)
Total expenses from transactions		(839,085)	(793,967)
Net result from transactions (net operating balance)		94,658	99,134
Comprehensive result		94,658	99,134

The accompanying notes form part of these financial statements.

Balance sheet

As at 30 June 2025

		2025 \$	2024 \$
Assets			
Financial assets			
Cash and deposits	6.1	1,153,796	561,642
Receivables	5.1	102,356	197,712
Investments and other financial assets	4.1	807,877	778,408
Total financial assets		<u>2,064,028</u>	<u>1,537,762</u>
Total assets		<u>2,064,028</u>	<u>1,537,762</u>
Liabilities			
Payables	5.2	922,982	497,886
Contract liabilities	5.2	<u>162,659</u>	<u>156,147</u>
Total liabilities	5.2	<u>1,085,641</u>	<u>654,033</u>
Net assets		<u>978,388</u>	<u>883,729</u>
Equity			
Accumulated surplus/(deficit)		<u>978,388</u>	<u>883,729</u>
Net worth		<u>978,388</u>	<u>883,729</u>

The accompanying notes form part of these financial statements.

Cash flow statement

For the financial year ended 30 June 2025

		2025	2024
		\$	\$
Cash flows from operating activities			
Receipts			
	Fees received	902,123	861,959
	Interest received	34,695	37,818
	Other income	-	-
	GST received from ATO	<u>182,697</u>	<u>76,461</u>
	Total receipts	1,119,515	976,238
Payments			
	Payments to suppliers	(497,892)	(841,503)
	Other payments	<u>-</u>	<u>(56)</u>
	Total payments	(497,892)	(841,559)
	Net cash flows from/(used in) operating activities	6.1.1 621,623	134,679
Cash flows from investing activities			
	Payments for investments	(29,469)	(32,003)
	Net cash flows from/(used in) investing activities	(29,469)	(32,003)
	Net increase/(decrease) in cash and cash equivalents	<u>592,154</u>	<u>102,676</u>
	Cash and cash equivalents at the beginning of the financial year	561,642	458,966
	Cash and cash equivalents at the end of the financial year	6.1 1,153,796	561,642

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the financial year ended 30 June 2025

	Accumulated Surplus \$	Total \$
Balance at 30 June 2023	784,595	784,595
Net result for the year	99,134	99,134
Balance at 30 June 2024	883,729	883,729
Net result for the year	94,658	94,658
Balance at 30 June 2024	978,388	978,388

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ABOUT THIS REPORT

The Professional Standards Council, Victoria (the Council) is a Statutory Agency of the State of Victoria, established under the *Professional Standards Act 2003 (Vic)*. It is administrative agency acting on behalf of the Crown.

Its principal address is:

Professional Standards Council
Level 2
St James Centre
111 Elizabeth Street
Sydney NSW 2000

A description of the nature of the Council's operations and its principal activities is included in the Professional Standards Councils' combined annual report, which does not form part of these financial statements.

Basis of accounting preparation and measurement

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

The Council 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. The Council's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As the Council is not a 'significant entity' as defined in FRD 101, it was required to change from Tier 1 to Tier 2 reporting effective from 1 July 2024.

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

Judgements, estimates and assumptions are required to be made about 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 the Council as an individual reporting entity and include all the controlled activities of the Council.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS), which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

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.

Other accounting policies

Material and other accounting policies that summarise the recognition and measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

The objectives of the Council are to promote consumer protection and excellence in professional standards by encouraging self-regulation of occupational groups through Professional Standards schemes.

(i) Professional Standards Schemes

Professional Standards schemes apply to members of occupational associations that administer professional standards schemes approved by the Councils.

Professional Standards schemes:

- Recognise those occupational associations who implement robust risk management strategies; and
- Limit occupational liability for members of occupational associations who carry professional indemnity insurance and/or business assets which comply with the association's standard of insurance and are at (or above) the level of the limitation of liability amount (cap).

(ii) The Professional Standards Councils

The Councils were constituted under state and territory professional standards legislation, with the mandate to approve Professional Standards schemes. There is a total of eight Councils, one for each Australian state and territory. Each Council consists of eleven members, who are nominated and appointed pursuant to the *Professional Standards Agreement 2011*.

(iii) The Victorian Council

The Council was established under the *Professional Standards Act 2003* (the Act). The Council is responsible for determining the limitation of liability. When doing so, the Council must consider the claims history of each association member and the need to adequately protect consumers. The Council's other functions are set out in section 46 of the Act, and are in summary:

- To advise the Minister about publication in the Gazette, amendments to, or revocation of a scheme;
- To advise occupational associations about insurance policies relating to limitation of liability;
- To encourage and assist in the improvement of occupational standards of members of occupational associations;
- To encourage and assist in the development of self-regulation of occupational associations;
- To monitor the occupational standards of members of participating occupational associations;
- To monitor the compliance by an occupational association with its risk management strategies;
- To publish advice and information about the functions of Council;
- To conduct forums, approved by the Minister, on issues of interest to members of occupational groups;
- To collect, analyse and provide the Minister with information on issues and policies about the standards of occupational groups; and
- To start proceedings in its own name for the prosecution of an offence against the Act or for injunctive or other relief for the offences.

(iv) Funding of the Council

The Council is fully funded through the following:

- A fee of \$5,000 is payable to the Council for a Professional Standards scheme application for approval, amendments or revocation;
- An annual fee of \$50 for each member of occupational associations participating in a Professional Standards scheme;
- Interest on late payment by occupational associations; and
- Interest received on bank accounts and term deposit.

2.1. Summary of Income that funds delivery of our services

	Notes	2025 \$	2024 \$
Total Income			
Fee Income	2.2	898,773	855,317
Interest	2.3	34,970	37,784
Total Income from transactions		933,743	893,101

Revenue and income that fund delivery of the Council's services are accounted for consistently with the requirements of the relevant accounting standards.

2.2. Fee Income

Fee Income	2025 \$	2024 \$
Law Institute of Victoria	351,023	317,250
Australian Property Institute Valuers (APIV) [#]	209,689	213,083
The Victorian Bar	87,200	77,950
Institute of Public Accountants (IPA)	250,861	247,034
Total Fee Income	898,773	855,317

[#] The Australian Property Institute Valuers commenced on 1 September 2021.

In accordance with *Professional Standards Regulations 2017*, annual fee income is derived from the occupational associations that have been approved by the Professional Standards Council to represent professionals in a particular occupation who are members of the association for the purpose of Professional Standards legislation. Australian Property Institute Valuers (APIV), the Victorian Bar, Law Institute of Victoria, and Institute of Public Accountants (IPA) provided annual fee income.

As limited occupational liability is provided for members of these associations throughout the year and the Council undertakes activities that significantly affect the benefits associations have been granted, annual fees income is recognised over the period of the scheme.

With the exception of the IPA and APIV schemes, these annual periods are aligned to the fiscal year. A portion of the fees received from the IPA and APIV schemes are therefore not recognised as fee income at year end, resulting in a contract liability. This contract liability is recognised as income in the subsequent financial year (note 5.2).

In accordance with *Professional Standards Regulations 2017*, application fee income is derived from the occupational associations that have applied to the Professional Standards Council to have a scheme. This fee income is recognised on receipt. The Australian Property Institute Valuers applied scheme commenced on 01 September 2021, being immediately after their New South Wales scheme expired.

2.3. Interest

Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

3. THE COST OF DELIVERING OUR SERVICES

Introduction

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

3.1 Expenses incurred in the delivery of our services

	Note	2025 \$	2024 \$
Supplies and Services	3.1.1	839,085	793,966
Total expenses incurred in delivery of services		839,085	793,966

Expenses from transactions are recognised as they are incurred and reported in the financial year to which they relate.

3.1.1 Supplies and Services

	2025 \$	2024 \$
Cost recovery by NSW Department of Customer Service	839,085	793,966
Total expenses incurred in delivery of services	839,085	793,966

Supplies and services costs are recognised as an expense in the reporting period in which they are incurred. They represent the day to day running costs incurred in normal operations.

Except for bank fees, the only expense that the Council incurs is for the provision of secretariat services by the NSW Department of Customer Service as agreed under the *Professional Standards Inter-Departmental Service Agreement*.

The Council does not employ staff and as such no employee benefits are recognised.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

The Council controls investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Council to be utilised for delivery of those outputs.

The Council has made the judgement that investments are key assets utilised to support the Council's objectives and outputs.

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

4.1. Investments and other financial assets

	2025	2024
	\$	\$
Term deposits ^(a)		
Australian dollar term deposits > three months	807,877	778,408

Notes:

(a) Term deposits under 'investments and other financial assets' class include only term deposits with maturity greater than 90 days.

5. OTHER ASSETS AND LIABILITIES

Introduction

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

5.1. Receivables

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

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes, because they do not arise from a contract. The Council 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.

	2025	2024
	\$	\$
Contractual		
Amounts owing from Associations	10,921	7,759
Accrued Investment interest	<u>7,532</u>	<u>7,257</u>
	18,453	15,016
Statutory		
GST input tax credit recoverable	<u>83,903</u>	<u>182,696</u>
Total Receivables	102,356	197,712
Represented by:		
<i>Current receivables</i>	102,356	152,454
<i>Non-current receivables</i>	-	45,258

No Contractual receivables outstanding written off during the reporting period.

2024-25 - \$0 (Nil) GST input tax credit recoverable is classified as non-current receivable (2023-24 - \$45,258)

5.2. Payables

	2025 \$	2024 \$
Contractual		
NSW Department of Customer Service	839,034	452,578
Contract liabilities	162,659	156,147
Accrued Bank fees	50	50
	1,001,743	608,775
Statutory		
GST ⁽ⁱ⁾	83,898	45,258
Total Payables	1,085,641	654,033
<i>Represented by:</i>		
<i>Current payables</i>	1,085,641	654,033
<i>Non-Current payables</i>	-	-

(i) Previous year figures have been reclassified to conform with current year presentation

Contractual Payables are classified as financial instruments and measured at amortised cost. They include:

NSW Department of Customer Service - which represents liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid; and

Contract liabilities - represents the portion of regulated annual fees received but not earned and relates to the periods of the scheme subsequent to the end of the reporting period. The Institute of Public Accountants and Australian Property Institute Valuers schemes both had unearned revenue recognised this financial year.

5.3. Maturity analysis of contractual payables

	<i>Maturity dates</i>						
	<i>Carrying amount</i>	<i>Nominal amount</i>	<i>Less than 1 month</i>	<i>1-3 months</i>	<i>3 months - 1 year</i>	<i>1- 5 years</i>	<i>5+ years</i>
	\$	\$	\$	\$	\$	\$	\$
2025							
NSW Department of Customer Service	839,034	839,034	-	839,034	-	-	-
Total	839,034	839,034	-	839,034	-	-	-
2024							
NSW Department of Customer Service	452,578	452,578	-	452,578	-	-	-
Total	452,578	452,578	-	452,578	-	-	-

Note: Maturity analysis is presented using the contractual undiscounted cash flows

6. HOW WE FINANCED OUR OPERATIONS

Introduction

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

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.

6.1. Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

	2025	2024
	\$	\$
Total cash and deposits disclosed in the balance sheet	1,153,795	561,642

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

	2025	2024
	\$	\$
Reconciliation of net result for the period		
Net result for the period	94,658	99,134
Movements in asset and liabilities:		
(Increase)/decrease in receivables	95,357	1,378
Increase/(decrease) in payables	425,097	31,862
Increase/(decrease) in contract liabilities	6,511	2,306
Net cash flows from/(used in) operating activities	621,623	134,680

6.2. Commitments for expenditure

Commitments for future expenditure comprises of operating commitments arising from contracts (there are no capital commitments). 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.

(a) Commitments (i)

	2025	2024
	\$	\$
Operating commitments (ii)		
Commitments under <i>Inter-Departmental Service Agreement</i>	-	121,493
Total Operating Commitments	-	121,493

Notes:

- (i) The figures presented are inclusive of GST.
- (ii) The commitments recorded above are estimated values for the Victorian Council's portion of known outgoings. Actual amounts are not available at this stage as Victoria's actual share is dependent upon its portion of total revenue compared to the total of all eight jurisdictions.

(b) Commitments payable(i)

	2025	2024
	\$	\$
Operating commitments payable		
Less than 1 year	-	121,493
Longer than 1 year but not longer than 5 years	-	-
5 years or more(i)	-	-
Total Commitments (inclusive of GST)	-	121,493
Less GST recoverable from the Australian Tax Office	-	11,045
Total Commitments (exclusive of GST)	-	110,448

Notes:

- (i) There are zero commitment for future financial years, as Property NSW did not support the Councils / Authority continuing the lease.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

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

This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Council related mainly to 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 the Council's activities, certain financial assets and financial liabilities arise under statute rather than a contract. 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 Council to collect the contractual cash flows, and
- > The assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

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

The Council recognises the following assets in this category:

- > Cash and deposits
- > Receivables (excluding statutory receivables); and
- > Term deposits.

Categories of financial liabilities

Financial liabilities at amortised cost

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

The Council recognises the following liabilities in this category:

- > Payables (excluding statutory payables).

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

2025	Carrying amount \$	Total interest income \$
Financial assets at amortised cost		
Cash and deposits	1,153,796	5,226
Investments	807,877	29,744
Receivables ⁽ⁱ⁾	18,453	-
Total financial assets at amortised cost	1,980,126	34,970
Financial liabilities at amortised cost		
Payables ⁽ⁱ⁾	839,034	-
Total financial liabilities at amortised cost	839,034	-

2024	Carrying amount \$	Total interest income \$
Financial assets at amortised cost		
Cash and deposits	561,642	5,866
Investments	778,408	31,917
Receivables ⁽ⁱ⁾	15,016	-
Total financial assets at amortised cost	1,355,065	37,784
Financial liabilities at amortised cost		
Payables ⁽ⁱ⁾	452,578	-
Total financial liabilities at amortised cost	452,578	-

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

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.

There were no contingent assets or liabilities at balance date 30 June 2025 (2024: Nil).

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities.

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

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

The carrying amount of financial assets and liabilities is equal to their fair value.

The Council determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

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; and
- > Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

All financial assets and liabilities are classified as level one in accordance with the fair value measurement hierarchy, as noted above.

8 OTHER DISCLOSURES

Introduction

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

8.1 Responsible persons

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

Names

The persons who held the positions of Ministers and Accountable Officers in the Council are as follows:

Attorney-General	The Hon Jaclyn Symes, MP	1 July 2024 to 18 December 2024
Attorney-General	The Hon. Sonya Kilkeny, MP	19 December 2024 to 30 June 2025
Chair	Mr. John Vines OAM	1 Jan 2025 to 30 June 2025

Remuneration

Remuneration received or receivable by the Accountable Officer (Chair) in connection with the management of the New South Wales, Western Australian, South Australian, Queensland, Tasmanian, Australian Capital Territory, Northern Territory and Victorian Councils during the reporting period was **\$50,000 – \$59,000 (2024: \$50,000 - \$59,000)**.

Remuneration of the Councils

Remuneration received or receivable by Councils members (including the Chair) for their responsibilities to New South Wales, Western Australian, South Australian, Queensland, Tasmanian, Australian Capital Territory, Northern Territory and Victorian Councils totalled **\$283,669** for the year ended **30 June 2025 (2024: \$266,063)**.

Victorian Council's membership for the year ended 30 June 2025

Chair and Council Member	Mr John Vines OAM	1 July 2024 to 30 June 2025
Council Member	Dr Pam Montgomery	1 July 2024 to 30 June 2025
Council Member	Ms Tiina-Liisa Sexton	1 July 2024 to 30 June 2025
Council Member	Ms Catherine Wood	1 July 2024 to 30 June 2025
Council Member	Ms Caroline Lamb	1 July 2024 to 31 Oct 2024
Council Member	Ms Rachel Webber	1 July 2024 to 30 June 2025
Council Member	Mr Timothy Mellor	1 July 2024 to 30 June 2025
Council Member	Mr Ross Springolo	1 July 2024 to 30 June 2025
Council Member	Mr Peter Martin	1 July 2024 to 30 June 2025
Council Member	Ms Lisa King	1 July 2024 to 30 June 2025
Council Member	Ms Jenni Millbank	1 April 2025 to 30 June 2025
Council Member	Ms Elizabeth Shearer	1 July 2024 to 30 June 2025

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the Councils, or on behalf of the Councils, in exchange for services rendered, and is disclosed in the following categories:

- > **Short term employee benefits** which is made up of salary; and
- > **Post-employment benefits** which is superannuation entitlements where income is greater than \$450 before tax in a calendar month (as per relevant legislation). Note, members are not eligible for employee provisions such as recreational leave and long service leave.

The number of members of the Councils with remuneration that fell within the following categories were:

Remuneration of the Councils	2025	2024
Short term employee benefits	\$255,061	\$239,836
Post-employment benefits	\$28,608	\$26,227
Total remuneration	\$283,669	\$266,063
Total number of members	12	14

8.2 Related parties

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

Related parties of the Council 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); and
- > all cabinet ministers and their close family members.

All related party transactions have been entered into on an arm's length basis. The Council did not have any government-related entity transactions.

Key management personnel of the Council include the **Portfolio Minister, as mentioned in note 8.1**, and the Council Members, and:

- > the Chief Finance and Accounting Officer, Mr Samuel Ho

Remuneration of key management personnel

The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

Compensation to Council Members is detailed in section 8.1.

The Chief Finance and Accounting Officer is not an employee of the Council and does not receive any compensation from the Council.

Transactions and balances with key management personnel and other related parties

There were no related party transactions that involved the Council's 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.

8.3 Remuneration of auditors

Victorian Auditor-General's Office	2025	2024
	\$	\$
Audit of the financial statements	26,630	21,000

8.4 Subsequent Events

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

8.5 Australian Accounting Standards issued that are not yet effective

New and revised accounting standards have been issued but are not effective for the 2024-25 reporting period. These accounting standards have not been applied to the Model Financial Statements. The Council is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued *AASB 2020-21 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* to defer the application by one year to periods beginning on or after 1 January 2023. The Council will not early adopt the Standard. The Council is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on the Council's reporting.

- *AASB 17 Insurance Contracts.*
- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.*
- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.*
- *AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.*
- *AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards.*
- *AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.*

8.6 Glossary of technical terms

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

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

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Financial asset is any asset that is:

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

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability is any liability that is:

- (a) a contractual obligation:
 - to deliver cash or another financial asset to another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements comprise:

- (a) a balance sheet as at the end of the period;
- (b) a comprehensive operating statement for the period;
- (c) a statement of changes in equity for the period;
- (d) a cash flow statement for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 Presentation of Financial Statements; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

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

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

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

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

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Scheme requires occupational associations to improve their professional standards and protect consumers by implementing robust risk management strategies and adhering to professional indemnity insurance standards. It rewards such practices by limiting the

occupational liability of members of occupational associations.

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

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

8.7 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

..	zero, or rounded to zero
(xxx.x)	negative numbers
200x	year period
200x 0x	year period

The financial statements and notes are presented based on the illustration for a government department in the 2024-25 Model Report for Victorian Government Departments. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the Department's annual reports.

Appendix 1 Disclosure index

The Council was granted a full exemption from the Standing Directions for the 2017–18 compliance year and successive compliance years. As part of the approval of the exemption, the Council operates under an alternate governance process and reports under the Department of Justice and Community Safety Portfolio Entity Financial Management Compliance Framework 2020.

Professional Standards Councils

Professional Standards Authority

pscinfo@psc.gov.au

psc.gov.au



Justice
and Community
Safety

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