

Victorian Council of Social Service

ABN: 23 005 014 988

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For the Year Ended 30 June 2025

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Victorian Council of Social Service

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Directors' Report 30 June 2025

The directors present their report on Victorian Council of Social Service for the financial year ended 30 June 2025.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed / Resigned
Damian Ferrie	President	Resigned 30 June 2025
Jill Gallagher	Deputy President	
Vicki Sutton	Treasurer, Member of the Finance Audit and Risk Committee until 27 November 2024	Resigned 27 November 2024
Stefan Gruenert	Member of the Nominations Committee (Chair until 18 February 2025)	
Chris Christoforou	Member of the Finance, Audit and Risk Committee	
Sue White	President since 1 July 2025, Member of the Nominations Committee (Chair since 18 February 2025), Member of the Finance, Audit and Risk Committee until 18 February 2025	
Ruth Wong	Member of the Finance, Audit and Risk Committee (Chair since 18 February 2025)	
Simon Miller	Member of the Nominations Committee since 18 February 2025	
Sarah Hardy	Member of the Finance, Audit and Risk Committee since 18 February 2025	

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

Principal objectives

The Victorian Council of Social Service (VCOSS) is a premier social advocacy body in Victoria and peak body for the state's social and community sector. VCOSS' purpose is to relieve poverty and distress experiences by people in need and reduce and eventually eliminate social and economic disadvantage of people in need in Victoria. VCOSS does this by

- Supporting organisations with a similar purpose
- Conducting and supporting activities seeking to achieve a similar purpose
- Conducting research, raising awareness, connecting, advocating, and working with others in furtherance of VCOSS' purpose

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Directors' Report

30 June 2025

Principal objectives

- Promoting cooperation and enabling information sharing and mutual support between organisations seeking to further this purpose.

VCOSS Constitution

The Constitution of the Victorian Council of Social Service was replaced by special resolution of members at the annual general meeting on 27 November 2024. The constitutional changes introduced a refreshed structure and contemporary drafting style, and updated a number of provisions including on member and director eligibility, objects, and meetings via technology.

VCOSS Strategic Plan

The VCOSS Strategic Plan 2021-2024 focuses on VCOSS's vision of "a Victoria free from poverty and disadvantage".

The Strategic Plan seeks to further this vision through a holistic, strengths-based approach focusing on four pillars:

- Advocacy and leadership
- Coalitions for change
- Thriving communities
- Inclusive and sustainable growth

During this financial year, VCOSS continued to work to the Strategic Plan 2021-2024. The CEO and the senior leadership team operationalised the plan, with strategies and actions monitored and reported to the Board of Directors through regular CEO reports and more broadly to key stakeholders and members in the annual report.

In addition, over the course of the 2024-25 financial year, VCOSS developed a new four-year strategy. This process involved consultations with VCOSS members, funders and other stakeholders, as well as multiple workshops with the VCOSS board, executives and staff team. The new Strategy 2025-28 was endorsed by the VCOSS Board in July 2025 and is expected to be publicly launched in September 2025.

Members' guarantee

Victorian Council of Social Service is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$20 subject to the provisions of the company's constitution.

At 30 June 2025 the collective liability of members was \$ 4,900

Company secretary

Juanita Pope held the position of Company Secretary for the entirety of the financial year.

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Directors' Report 30 June 2025

Meetings of directors

During the financial year, 13 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Finance, Audit and Risk Committee		Nominations Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Damian Ferrie	7	7	-	-	1	1
Jill Gallagher AO	7	4	-	-	1	-
Vicki Sutton	5	5	1	1	-	-
Stefan Gruenert	7	7	-	-	2	2
Chris Christoforou	7	7	4	4	-	-
Sue White	7	6	2	2	2	2
Ruth Wong	7	5	4	4	-	-
Simon Miller	7	5	-	-	1	1
Sarah Hardy	7	7	2	2	-	-

Information on directors

Damian Ferrie

VCOSS President

Qualifications

Bachelor of Theology, Graduate Diploma in Conflict Resolution, Master of Applied Science (Social Ecology), ANZSOG Executive Fellows Program, Graduate of several leadership programs at Judge Business School Cambridge, MAICD

Experience

Board member since 2018 and VCOSS President since 31 May 2021. Resigned at the end of the financial year on 30 June 2025.

Deputy Chair North Western Melbourne PHN

Damian Ferrie has held executive leadership roles in health, housing and Urban Renewal within the public and not-for-profit sectors. His career has been focused on tackling social, economic and health equity.

Until early 2024, Damian was the CEO of Better Health Network, a community health organisation in the Southeastern Region of Melbourne. Most recently he is an advisor to a number of for-purpose organisations who are planning mergers and acquisitions.

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Directors' Report 30 June 2025

Information on directors

Jill Gallagher AO

Qualifications

Experience

VCOSS Deputy President

Archaeology (La Trobe University);
Management/Leadership programs.

Board member since 2021, and VCOSS Deputy President since 9 December 2022.

Jill Gallagher AO is a proud Gunditjmara woman from Western Victoria and is an accomplished strategic leader, championing the needs and self-determined outcomes of First Nations communities in Victoria.

Jill has spent more than 27 years advancing Aboriginal health and wellbeing through her work with VACCHO and has over 30 years of experience in leadership roles.

As a respected Aboriginal leader who has dedicated her life to advocating for Community, Jill has been inducted into the Victorian Honour Roll of Women (2009), awarded the Order of Australia (2013), and inducted into the Victorian Aboriginal Honour Roll (2015). In 2023 she received an honorary doctorate, Doctor of Laws, honoris causa, from the University of Melbourne.

From 2017 to 2019, Jill served as Victoria's first Treaty Advancement Commissioner and led the establishment of the First Peoples' Assembly of Victoria.

Vicki Sutton

Qualifications

Experience

VCOSS Treasurer and Chair of the Finance, Audit and Risk Committee

BA Accounting; Graduate Diploma Psychology; Masters in Applied Finance; Graduate of the Australian Institute of Company Directors; Fellow CPA.

Board member since 2017. Resigned at the 2024 AGM on 27 November 2024.

Vicki has been Chief Executive Officer of Melbourne City Mission MCM since 2016. MCM provides a broad range of community services including disability, homelessness, family services, justice, education, early years and community palliative care. Vicki has a breadth of experience spanning commercial and for purpose organisations in senior executive roles supporting transformational change in complex and challenging environments.

Vicki is an experienced board director and has previously served on the board of ACOSS.

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Directors' Report

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Information on directors

Stefan Gruenert

Qualifications

Doctorate in Psychology (Counselling); Strategic Perspectives in NonProfit Management (Harvard Business School); Diploma in Community Services (Drug & Alcohol); BA (Hons).

Experience

Board Member since 2019

Stefan is the Chief Executive Officer of Odyssey Victoria, current Director and past President of the Victorian Alcohol and other Drug Association. Former Board Director of the Alcohol and other Drugs Council of Australia.

Stefan is a registered psychologist with more than 25 years of experience in the drug and alcohol sector as a clinician, researcher, and manager.

Stefan regularly provides advice to government, sits on numerous advisory committees and has contributed to International Drug Policy (United Nations in Vienna, 2008). Co authored several journal articles, resources and books for workers around parenting, family violence and addictions.

Chris Christoforou

Qualifications

Master of Youth Services Management, Graduate Diploma in Education (Secondary), Bachelor of Arts.

Experience

Board member since May 2021, and member of the Finance Audit and Risk Committee.

Chris is Chief Executive Officer of the Victoria Alcohol & Drug Association, the peak body for the alcohol & other drug sector in Victoria. He was formerly Director Operations at the Yoorrook Justice Commission and prior to that Executive Officer of the Ethnic Communities' Council of Victoria. Chris is a current Board member of ACOSS, a member of the Victorian Government's Anti Racism Taskforce and serves on the Community Services Panel for the Winston Churchill Trust.

Sue White

Qualifications

President since 1 July 2025

Experience

RN Master Public Health Monash, Graduate AICD.

Board member since May 2021, and member of the Finance Audit and Risk Committee (until 18 February 2025) and Nominations Committee.

Chief Executive Officer of Queen Elizabeth Centre. Sue has high levels of skill and experience in leadership and governance across the community, health and not for profit sectors. Her career has been fully focused on understanding and supporting communities experiencing disadvantage – including senior roles in health, homelessness, community services and international development.

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Directors' Report 30 June 2025

Information on directors

Ruth Wong

Chair of the Finance Audit and Risk Committee since 18 February 2025

Qualifications

BA Accounting & Finance, Chartered Accountant Australia and New Zealand.

Experience

Board member since February 2023, and member of the Finance Audit and Risk Committee.

Ruth specialises in financial accounting with a significant part of her career spent in external audit. She has experience with a wide range of organisations of various sizes including for-profit and not-for-profit. Ruth has a focus on strong financial management and strategic thinking to provide trusted advice to both executive leadership teams and boards.

Simon Miller

Qualifications

Bachelor of Laws (Murdoch University) and Master of Public & International Law (University of Melbourne).

Experience

Board member since May 2024.

Simon Miller is General Counsel and Company Secretary for Brotherhood of St Laurence and has oversight of BSL's legal, compliance and governance matters. He is an experienced advisor with 25 years' experience as a legal practitioner including 15 years with World Vision Save the Children before joining BSL in 2022.

Sarah Hardy

Qualifications

Graduate of the Australian Institute of Company Directors and the Executive Colloquium at Cranlana Centre for Ethical Leadership. Post graduate study from Melbourne University, Harvard University, John F. Kennedy School of Government and Stanford University's Graduate School of Business.

Experience

Board member since May 2024, member of Finance, Audit and Risk Committee.

Sarah is an experienced chief executive officer, senior executive and board member with a demonstrated history of working in philanthropy, local government and the non-profit sectors for over 33 years. Her strong business acumen includes established skills in governance, finance, strategy and risk, grantmaking, cultural change, communication and reputation and crisis management, fundraising and executive leadership. She is particularly interested in ethics, responsible investing and exploring an organisation's social license to operate. With a particular interest in regional and rural Australia, mental health and education, and placed-based initiatives, in 2010 Sarah co-founded the national not-for profit, Youth Live4Life.

Sarah is also a Director of Community Foundations Australia and a board member of Southside Community Foundation.

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Directors' Report

30 June 2025

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2025 has been received and can be found on page 8 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

President:

Sue White

Deputy President:

Jill Gallagher

Dated 16 September 2025

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Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Directors of Victorian Council of Social Service

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

ACCRU MELBOURNE (AUDIT) PTY LTD



A N SAMADI
Director

16 September 2025

Victorian Council of Social Service

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2025

		2025	2024
	Note	\$	\$
Revenue	3	4,167,825	4,470,755
Employee benefits expense		(1,908,684)	(1,956,158)
Occupancy expenses		(289,086)	(280,752)
Publication expenses		(2,494)	(4,238)
Investment expenses		(47,240)	(56,668)
Other operating and administration expenses		(481,009)	(395,952)
Project expenses		(1,420,519)	(1,723,063)
Surplus from operating activities		18,793	53,924
Interest - investment	3	18,975	18,110
Surplus for the year		37,768	72,034
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Net fair value movements for financial assets		427,237	684,573
Realised gains/(losses) on disposal of financial assets		120,829	(35,654)
Other comprehensive income for the year		548,066	648,919
Total comprehensive income for the year		585,834	720,953

The accompanying notes form part of these financial statements.

Victorian Council of Social Service

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Statement of Financial Position

As At 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,739,581	3,060,328
Trade and other receivables	6	252,678	144,134
TOTAL CURRENT ASSETS		2,992,259	3,204,462
NON-CURRENT ASSETS			
Financial assets	7	6,347,215	5,675,029
Property, plant and equipment	8	32,828	40,283
TOTAL NON-CURRENT ASSETS		6,380,043	5,715,312
TOTAL ASSETS		9,372,302	8,919,774
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	255,406	360,868
Short-term provisions	11	196,818	196,818
Employee benefits	13	266,666	292,057
Other liabilities	12	1,013,000	993,271
TOTAL CURRENT LIABILITIES		1,731,890	1,843,014
NON-CURRENT LIABILITIES			
Employee benefits	13	16,396	38,578
TOTAL NON-CURRENT LIABILITIES		16,396	38,578
TOTAL LIABILITIES		1,748,286	1,881,592
NET ASSETS		7,624,016	7,038,182
EQUITY			
Reserves	14	2,076,517	1,630,305
Retained earnings		5,547,499	5,407,877
TOTAL EQUITY		7,624,016	7,038,182

The accompanying notes form part of these financial statements.

Statement of Changes in Equity For the Year Ended 30 June 2025

2025

	Retained Earnings	Bequest Reserve	Financial Asset Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2024	5,407,877	402,959	1,227,346	7,038,182
Surplus for the year	37,768	-	-	37,768
Transfer of bequest income to reserve	(18,975)	18,975	-	-
Net fair value movements for financial assets	-	-	427,237	427,237
Realised gains/(losses) on disposal of financial assets	120,829	-	-	120,829
Balance at 30 June 2025	5,547,499	421,934	1,654,583	7,624,016

2024

	Retained Earnings	Bequest Reserve	Financial Asset Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2023	5,389,607	384,849	542,773	6,317,229
Surplus for the year	72,034	-	-	72,034
Transfer of bequest income to reserve	(18,110)	18,110	-	-
Net fair value movements for financial assets	-	-	684,573	684,573
Realised gains/(losses) on disposal of financial assets	(35,654)	-	-	(35,654)
Balance at 30 June 2024	5,407,877	402,959	1,227,346	7,038,182

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Statement of Cash Flows For the Year Ended 30 June 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from government grants and community services	4,184,999	4,604,809
Payments to suppliers and employees	(4,668,008)	(4,885,971)
Dividends received	187,160	164,084
Interest received	95,380	95,223
Interest received related to bequest reserve	18,975	18,110
Net cash provided by/(used in) operating activities	<u>(181,494)</u>	<u>(3,745)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(15,133)	(28,550)
Net purchase of financial assets	(124,120)	(97,867)
Net cash used by investing activities	<u>(139,253)</u>	<u>(126,417)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	(320,747)	(130,162)
Cash and cash equivalents at beginning of year	3,060,328	3,190,490
Cash and cash equivalents at end of financial year	5 <u>2,739,581</u>	<u>3,060,328</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 30 June 2025

The financial report covers Victorian Council of Social Service as an individual entity. Victorian Council of Social Service is a not-for-profit Company, registered and domiciled in Australia.

Comparatives are consistent with prior years, unless otherwise stated.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

1 Material Accounting Policy Information

(a) Revenue

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue from contracts with customers

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Grant revenue (including grants related to projects) is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If performance obligations are attached to grant which must be fulfilled, the recognition of the grant revenue as revenue will be deferred until the fulfillment of those performance obligations.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Donations and bequests are recognised as revenue when received unless they require fulfilment of performance obligations, where they are carried forward as income in advance in the statement of financial position and recognised as revenue upon fulfilment of the performance obligations either at a point in time or over a period of time.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax.

(b) Income Tax

The Company is exempt from income tax in accordance with endorsement by the Australian Taxation Office under Division 50 Subdivision 50-B of the Income Tax Assessment Act 1997.

Notes to the Financial Statements For the Year Ended 30 June 2025

1 Material Accounting Policy Information

(c) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	10% - 50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(d) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated. Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

(e) Provisions

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Material Accounting Policy Information

(f) Employee benefits

Short-term employee benefits

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related services, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other Long-term employee benefits

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by referenced to market yields at the end of the reporting period on high quality government bonds that have maturity dates that approximate the term of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss.

2 Critical Accounting Estimates and Judgments

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - revenue recognition

When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition in accordance with AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-for-profit Entities.

Grant revenue

Management assesses the nature of each funding arrangement to determine whether the entity has entered into a contract with a customer (AASB 15) or has received a contribution without sufficiently specific performance obligations (AASB 1058).

For funding recognised under AASB 15, management considers whether program outcomes and deliverables specified in agreements constitute distinct and enforceable performance obligations. Where obligations are not sufficiently specific, revenue is recognised under AASB 1058 when the funds are received or receivable.

Where enforceable and specific obligations exist, revenue is recognised over time as the entity satisfies those obligations, typically measured with reference to costs incurred, milestones achieved or outputs delivered. Judgement is required in selecting an appropriate measure of progress that best reflects the transfer of services to beneficiaries.

Notes to the Financial Statements

For the Year Ended 30 June 2025

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained. A provision for make good has been recognised as VCOSS has a present obligation to restore their office premises. Judgements made by management include:

- The scope of restoration required under the lease agreement
- Timing of settlement, which is planned for FY26
- Future cost assumptions, including labour, materials, and contractor rates at the time of expected restoration

Due to the nature of these estimates, there is a risk that actual outflows will differ from those currently provided for. Changes in assumptions could result in material adjustments to the provision.

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Notes to the Financial Statements For the Year Ended 30 June 2025

3 Revenue

	2025	2024
	\$	\$
Operating revenue		
- Member subscriptions	734,579	690,896
- Interest income	95,380	95,223
- Dividend income	187,160	164,084
- Government operational funding	1,648,076	1,310,812
- Project revenue	1,443,782	2,176,248
- Other revenue from services	58,848	33,492
Total operating revenue	4,167,825	4,470,755
Bequest revenue		
- Interest income	18,975	18,110

4 Result for the Year

The result for the year includes the following specific expenses:

Employment expenses		
Core operational management	1,908,684	1,956,158
Project employment expenses	1,224,749	1,308,218
Total employment expenses	3,133,433	3,264,376
Depreciation - plant & equipment	22,588	14,602
Auditors remuneration for audit of financial statements	18,500	18,000

5 Cash and Cash Equivalents

Cash at bank and on hand	492,109	921,306
Deposits at call	2,247,472	2,139,022
	2,739,581	3,060,328

6 Trade and Other Receivables

CURRENT		
Trade receivables	148,287	71,713
Prepayments	69,305	36,984
Accrued income	35,086	35,437
	252,678	144,134

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

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Notes to the Financial Statements For the Year Ended 30 June 2025

7 Financial assets

Equity securities designated as at FVOCI

	2025	2024
	\$	\$
NON-CURRENT		
Equity investments portfolio	<u>6,347,215</u>	<u>5,675,029</u>

8 Property, plant and equipment

Plant and equipment		
At cost	137,673	196,714
Accumulated depreciation	<u>(104,845)</u>	<u>(156,431)</u>
Total plant and equipment	<u>32,828</u>	<u>40,283</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Total
	\$	\$
Year ended 30 June 2025		
Balance at the beginning of year	40,283	40,283
Additions	15,133	15,133
Depreciation expense	<u>(22,588)</u>	<u>(22,588)</u>
Balance at the end of the year	<u>32,828</u>	<u>32,828</u>

9 Leases

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

Expenses relating to short-term leases	(292,255)	(267,552)
Expenses relating to leases of low-value assets	<u>3,169</u>	<u>(13,199)</u>
	<u>(289,086)</u>	<u>(280,751)</u>

The Company's office premise was under a month by month arrangement as at 30 June 2025. The Company has elected to apply the short-term lease exemption allowed by AASB16.

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Notes to the Financial Statements For the Year Ended 30 June 2025

10 Trade and Other Payables

	2025	2024
	\$	\$
Current		
Trade payables	66,597	73,847
GST payable	63,352	111,642
Sundry payables and accrued expenses	125,457	175,379
	<u>255,406</u>	<u>360,868</u>

11 Provisions

CURRENT		
Lease related provisions	196,818	196,818

12 Other Liabilities

CURRENT		
Contract obligations	727,023	720,487
Subscriptions received in advance	285,977	272,784
	<u>1,013,000</u>	<u>993,271</u>

13 Employee Benefits

Current liabilities		
Long service leave	73,326	102,939
Annual leave	193,340	189,118
	<u>266,666</u>	<u>292,057</u>
Non-current liabilities		
Long service leave	16,396	38,578

14 Reserves

Balances of reserves for the year are shown in the Statement of Changes in Equity.

Bequest Reserve

During the 2006-2007 financial year, the company had received a bequest of \$245,329 from the estate of a deceased member. As stipulated in the donor's will, the bequest is to be used for research purposes.

It is therefore not available for general use by the company and accordingly a reserve has been established. The funds received under the bequest have been invested and the interest earned has also been allocated to the reserve account.

During the year, none (2024: \$ Nil) of the reserve was utilised for research purposes.

Victorian Council of Social Service

ABN: 23 005 014 988

Notes to the Financial Statements For the Year Ended 30 June 2025

15 Contracted Commitments

	2025	2024
	\$	\$
Minimum lease payments under non-cancellable leases:		
- not later than one year	153,542	-
- between one year and five years	1,278,531	-
- later than five years	1,321,907	-
	<u>2,753,980</u>	<u>-</u>

As at 30 June 2025, the Company has entered into a lease agreement for office accommodation commencing FY26.

16 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company was \$ 477,568 (2024: \$ 579,327).

The Chief Executive Officer shares the authority and responsibility for planning, directing and controlling the activities of the company with senior management team.

17 Contingencies

Office accommodation is leased from 128 Exhibition Street Pty Ltd. If the company does not comply with any of its obligations under these leases, the property owner may call on bank guarantees established in relation to the leases, without notice to the company.

As at 30 June 2025, the bank guarantees aggregate to \$50,000 (2024: \$ 50,000).

18 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 16.

The company has determined there are no other related parties.

19 Events after the end of the Reporting Period

The financial report was authorised for issue on 16 September 2025 by the Board.

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

20 Statutory Information

The registered office and principal place of business of the company is:

VCOSS

Level 8, 128 Exhibition Street

Melbourne Vic 3000

Victorian Council of Social Service

ABN: 23 005 014 988

Directors' Report

30 June 2025

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2025 has been received and can be found on page 8 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

President:
Sue White

Deputy President:
Jill Gallagher

Dated 16 September 2025

Victorian Council of Social Service

Independent Audit Report to the members of Victorian Council of Social Service

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Victorian Council of Social Service (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the responsible entities' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Australian Accounting Standards - Simplified Disclosures and Australian Charities and Not-for-profits Commission Act 2012, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended; and
- (ii) complying with Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2022 and the Australian Accounting Standards - Simplified Disclosures.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the Directors' report for the year ended 30 June 2025.

Our opinion on the financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration. Our opinion on the financial report does not cover the other information and accordingly we do not express and form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



ACCRU MELBOURNE (AUDIT) PTY LTD



A N SAMADI
Director

16 September 2025