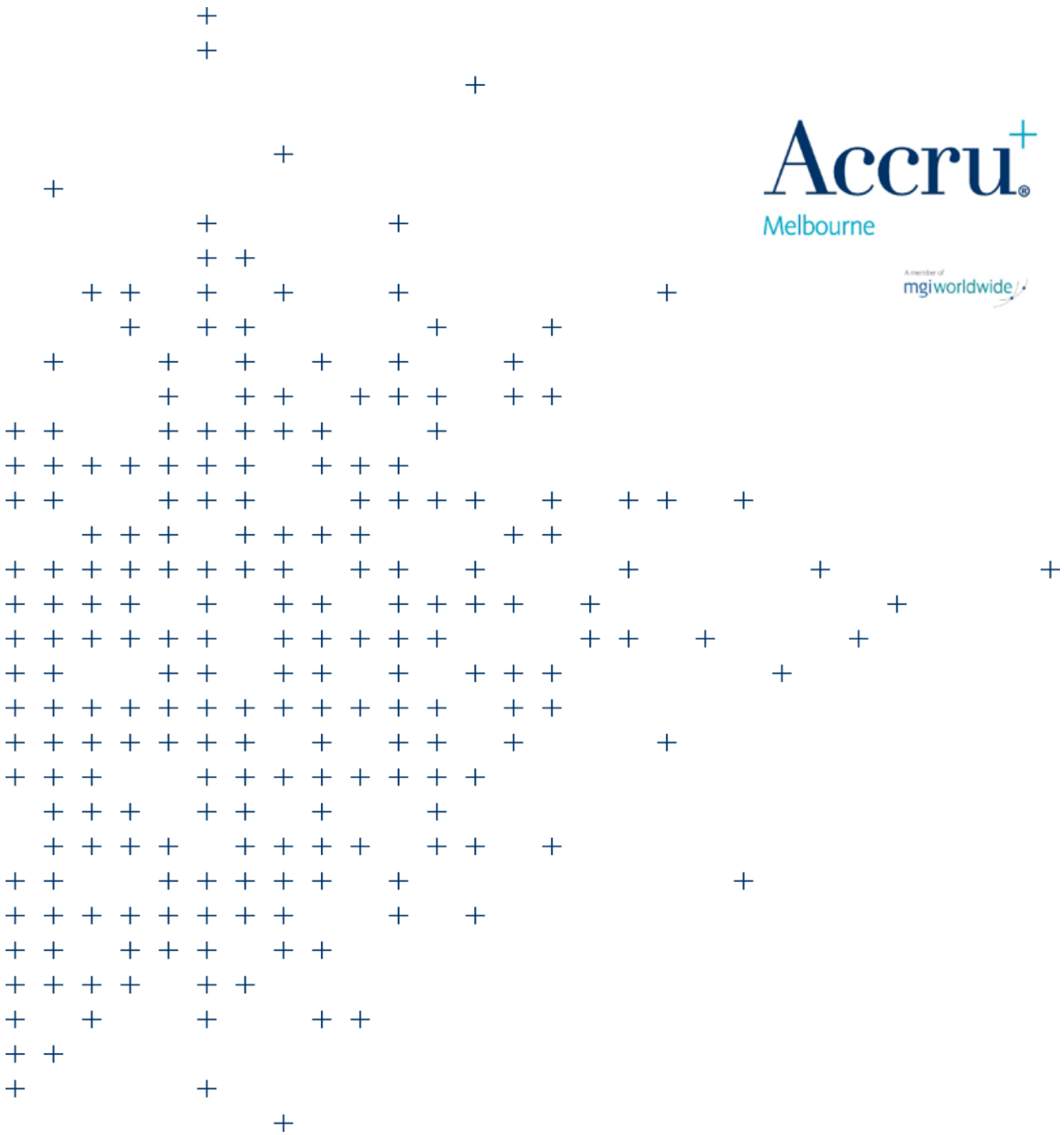
VICTORIAN COUNCIL OF SOCIAL SERVICE
ABN 23 005 014 988

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026



Victorian Council of Social Service

ABN: 23 005 014 988

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Victorian Council of Social Service

ABN: 23 005 014 988

Directors' Report
30 June 2026

The directors present their report on Victorian Council of Social Service for the financial year ended 30 June 2026.

Directors

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

Names	Position	Appointed / Resigned
Sue White	President since 1 July 2025, Member of the Nominations Committee (Chair until 15 July 2025)	
Jill Gallagher	Deputy President	
Stefan Gruenert	Member of the Nominations Committee (Chair until 18 February 2025)	
Chris Christoforou	Member of the Finance, Audit and Risk Committee	
Ruth Wong	Member of the Finance, Audit and Risk Committee until 14 July 2026 (Chair until 9 June 2026)	Resigned 14 July 2026
Simon Miller	Member of the Nominations Committee since 18 February 2025 (Chair since 15 July 2025)	
Sarah Hardy	Member of the Finance, Audit and Risk Committee since 18 February 2025	
Tricia Quibell	Member of the Nominations Committee since 21 April 2026	Elected 20 November 2025
Andrew McDonald	Member of the Finance, Audit and Risk Committee since 21 April 2026 (Chair since 9 June 2026)	Appointed 21 April 2026

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

VCOSS Strategic Plan

The VCOSS Strategic Plan 2025-2028 focuses on VCOSS's mission to end poverty and disadvantage in Victoria.

Directors' Report
30 June 2026

VCOSS Strategic Plan

The Strategic Plan seeks to further this vision through a holistic, strengths-based approach focusing on three strategic outcomes:

- Shift the system
- Communities in control
- An impactful VCOSS

During this financial year, VCOSS began working to the newly launched Strategic Plan 20252028. The CEO and the executive 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.

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 2026 the collective liability of members was $ 4,100

Company secretary

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

Victorian Council of Social Service

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Directors' Report
30 June 2026

Meetings of directors

During the financial year, 15 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
Sue White	5	5	-	-	4	4
Jill Gallagher AO	5	3	-	-	-	-
Stefan Gruenert	5	4	-	-	4	3
Chris Christoforou	5	5	6	4	-	-
Ruth Wong	5	4	6	6	-	-
Simon Miller	5	5	-	-	4	3
Sarah Hardy	5	4	6	6	-	-
Tricia Quibell	3	3	-	-	-	-
Andrew McDonald	-	-	2	2	-	-

Information on directors

Sue White — VCOSS President since 1 July 2025

Qualifications — RN Master Public Health Monash, Graduate AICD.

Experience — 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.

Victorian Council of Social Service

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Directors' Report
30 June 2026

Information on directors

Jill Gallagher AO	VCOSS Deputy President since 2022
Qualifications	Archaeology (La Trobe University); Management/Leadership programs.
Experience	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.
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, and member of the Nominations Committee. 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.

Victorian Council of Social Service

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Directors' Report
30 June 2026

Information on directors

Ruth Wong	Chair of the Finance Audit and Risk Committee until 9 June 2026
Qualifications	BA Accounting & Finance, Chartered Accountant Australia and New Zealand.
Experience	Board member since February 2023 until 14 July 2026, and member of the Finance Audit and Risk Committee until 14 July 2026. 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	Chair of the Nominations Committee since 15 July 2025
Qualifications	Bachelor of Laws (Murdoch University) and Master of Public & International Law (University of Melbourne).
Experience	Board member since May 2024, and member of the Nominations Committee. 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 the 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 2026

Information on directors

Tricia Quibell

Qualifications	Bachelor of Behavioural Sciences Graduate Diploma of Project Management Diploma of Quality Auditing Member, Australian Institute of Company Directors (AICD)
Experience	Board member since November 2025, and member of the Nominations Committee. Tricia was appointed Chief Executive Officer of Primary Care Connect, a registered Community Health Service based in Shepparton, in December 2022. Prior to her appointment as CEO, she served as Executive Manager, Organisational Development. She has more than 30 years of experience working in and supporting regional communities across the City of Greater Shepparton, Moira, Strathbogie, Mitchell and Murrindindi Shires. Her career has spanned the health, education and community services sectors, including both clinical and leadership roles within not-for-profit organisations such as Berry Street, The Bridge Youth Services, GV FamilyCare and Goulburn Valley Centre Against Sexual Assault (GVCASA). She has also held positions within Victorian Government departments, including the Department of Families, Fairness and Housing (DFFH) and the Department of Education and Training (DET). Tricia has contributed to a range of local community committees and boards of management, including her local LLEN. She has served on the Board of NCN Health for six years, including four years as Board Chair. She has extensive experience living and working in rural and regional communities and has been actively involved in the VCOSS Climate Network and Disaster Resilience Network, contributing to discussions on issues affecting regional communities.

Andrew McDonald

	Chair of the Finance Audit and Risk Committee since 9 June 2026
Qualifications	Master of Professional Accounting, University of Southern Queensland Bachelor of Economics, Monash University Member, CPA Australia Graduate, Australian Institute of Company Directors (GAICD)
Experience	Board member since 21 April 2026, and member of the Finance, Audit and Risk Committee. Andrew McDonald is a finance and governance professional with more than 30 years of experience across the not-for-profit, health and government sectors. He served for 14 years as Chief Operating Officer, Chief Financial Officer and Company Secretary of the Grattan Institute, where he oversaw the organisation's financial, governance and operational functions during a period of significant growth and development. Prior to joining the Grattan Institute, Andrew held senior finance and executive roles across the Victorian public health system and state government, including Chief Finance Officer at the Department of Sustainability and Environment.

Victorian Council of Social Service

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Directors' Report
30 June 2026

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 2026 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: ..... Director: .....

Sue White Andrew McDonald

Dated 17 September 2026

Victorian Council of Social Service

ABN: 23 005 014 988

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 2026, 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

17 September 2026

Victorian Council of Social Service

ABN: 23 005 014 988

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2026

	Note	2026 $	2025 $
Revenue	3	**4,305,760**	3,885,285
Other income	3	**276,299**	301,515
Employee benefits expense		**(1,715,631)**	(1,908,684)
Occupancy expenses		**(167,770)**	(289,086)
Publication expenses		**(3,185)**	(2,494)
Investment expenses		**(60,061)**	(47,240)
Other operating and administration expenses		**(586,895)**	(481,009)
Project expenses		**(1,882,153)**	(1,420,519)
Finance costs		**(50,499)**	-
Surplus for the year		**115,865**	37,768
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Net fair value movements for financial assets		**(331,068)**	427,237
Realised gains/(losses) on disposal of financial assets		**55,474**	120,829
Other comprehensive income for the year		**(275,594)**	548,066
Total comprehensive income/(loss) for the year		**(159,729)**	585,834

The accompanying notes form part of these financial statements.

Victorian Council of Social Service

ABN: 23 005 014 988

Statement of Financial Position
As At 30 June 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**1,809,140**	3,241,099
Trade and other receivables	6	**226,456**	252,678
TOTAL CURRENT ASSETS		**2,035,596**	3,493,777
NON-CURRENT ASSETS			
Right-of-use assets	9	**1,415,189**	-
Financial assets	7	**6,752,753**	5,845,697
Property, plant and equipment	8	**33,095**	32,828
TOTAL NON-CURRENT ASSETS		**8,201,037**	5,878,525
TOTAL ASSETS		**10,236,633**	9,372,302
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**276,637**	255,406
Short-term provisions	11	**-**	196,818
Employee benefits	13	**244,354**	266,666
Other liabilities	12	**765,189**	1,013,000
Lease liabilities	9	**87,587**	-
TOTAL CURRENT LIABILITIES		**1,373,767**	1,731,890
NON-CURRENT LIABILITIES			
Employee benefits	13	**29,835**	16,396
Long-term provisions	11	**40,000**	-
Lease liabilities	9	**1,328,744**	-
TOTAL NON-CURRENT LIABILITIES		**1,398,579**	16,396
TOTAL LIABILITIES		**2,772,346**	1,748,286
NET ASSETS		**7,464,287**	7,624,016
EQUITY			
Reserves	14	**1,759,906**	2,076,517
Retained earnings		**5,704,381**	5,547,499
TOTAL EQUITY		**7,464,287**	7,624,016

The accompanying notes form part of these financial statements.

Victorian Council of Social Service
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Statement of Changes in Equity
For the Year Ended 30 June 2026

2026

	Retained Earnings	Bequest Reserve	Financial Asset Reserve	Total
	$	$	$	$
Balance at 1 July 2025	**5,547,499**	**421,934**	**1,654,583**	**7,624,016**
Surplus for the year	**115,865**	**-**	**-**	**115,865**
Transfer of bequest income to reserve	**(14,457)**	**14,457**	**-**	**-**
Net fair value movements for financial assets	**-**	**-**	**(331,068)**	**(331,068)**
Realised gains/(losses) on disposal of financial assets	**-**	**-**	**55,474**	**55,474**
Transfer of realised gains/(losses) on disposal of financial assets	**55,474**	**-**	**(55,474)**	**-**
Balance at 30 June 2026	**5,704,381**	**436,391**	**1,323,515**	**7,464,287**

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
Transfer of 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

The accompanying notes form part of these financial statements.

Victorian Council of Social Service

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Statement of Cash Flows
For the Year Ended 30 June 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from government grants, community services, member subscriptions and other service revenue		**4,497,976**	4,184,999
Payments to suppliers and employees		**(4,838,809)**	(4,668,008)
Dividends received		**227,867**	187,160
Interest received		**30,975**	95,380
Interest received related to bequest reserve		**14,457**	18,975
Interest paid on lease liabilities		**(50,499)**	-
Net cash provided by/(used in) operating activities	20	**(118,033)**	(181,494)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for property, plant and equipment		**(31,333)**	(15,133)
Net purchase of financial assets		**(1,182,650)**	(124,120)
Net cash used by investing activities		**(1,213,983)**	(139,253)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of lease liabilities		**(99,943)**	-
Net cash used by financing activities		**(99,943)**	-
Net increase/(decrease) in cash and cash equivalents held		**(1,431,959)**	(320,747)
Cash and cash equivalents at beginning of year		**3,241,099**	3,561,846
Cash and cash equivalents at end of financial year	5	**1,809,140**	3,241,099

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2026

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

Comparatives are consistent with prior years, except as stated below:

During the preparation of the financial statements for the year ended 30 June 2026, management reviewed the presentation and classification of certain balances and transactions included within the comparative information for the year ended 30 June 2025. As a result, certain comparative amounts have been reclassified to achieve consistency with the current year presentation and to better reflect the nature of the underlying assets, liabilities, income and expenses. The principal reclassifications relate to the presentation of cash and cash equivalents and financial assets within the statement of financial position, the classification of revenue and other income within the statement of profit or loss and other comprehensive income, and corresponding amendments to comparative cash flow information. Accordingly, cash and cash equivalents at 30 June 2025 have been reclassified from $2,739,581 to $3,241,099, financial assets have been reclassified from $6,347,215 to $5,845,697, and opening cash and cash equivalents disclosed in the statement of cash flows have been amended from $3,060,328 to $3,561,846. Revenue previously reported for the year ended 30 June 2025 has also been re-presented between revenue and other income categories. These reclassifications have no impact on the previously reported surplus for the year, total comprehensive income or net assets.

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 from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred

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

Notes to the Financial Statements
For the Year Ended 30 June 2026

1 Material Accounting Policy Information

(a) Revenue

Specific revenue streams
fulfilled, the recognition of the grant revenue as revenue will be deferred until the fulfillment of those performance obligations.

Revenue in the scope of AASB 1058 is recognised on receipt unless it relates to a capital grant which satisfies certain criteria, in this case the grant is recognised as the asset is acquired or constructed.

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.

(c) Leases

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

The Company has chosen not to apply AASB 16 to leases of intangible assets.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model, depreciated over the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Notes to the Financial Statements
For the Year Ended 30 June 2026

1 Material Accounting Policy Information

(c) Leases

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(d) 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.

(e) 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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

1 Material Accounting Policy Information

(f) 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.

(g) 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.

(h) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument’s category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the ‘finance income’ or ‘finance costs’ line item respectively.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Notes to the Financial Statements
For the Year Ended 30 June 2026

1 Material Accounting Policy Information

Financial assets

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Fair value through other comprehensive income

Equity instruments

The Company has a number of strategic investments in listed and unlisted entities over which are they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

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.

Key estimates - revenue recognition

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.

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

- 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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

3 Revenue from contracts with customers and other income

	2026 $	2025 $
Revenue from contracts with customers		
- Member subscriptions	**717,165**	734,579
- Government operational funding	**1,683,687**	1,648,076
- Project revenue	**1,848,733**	1,443,782
- Other revenue from services	**56,175**	58,848
Total revenue from contracts with customers	**4,305,760**	3,885,285
Other income		
- Bequest interest income	**14,457**	18,975
- Dividend income	**227,867**	187,160
- Donation income	**3,000**	-
- Interest income	**30,975**	95,380
	276,299	301,515

Disaggregation of revenue from contracts with customers

The disaggregation of revenue from contracts with customers is as follows:

- Revenue recognised at a point in time	**1,371,838**	**1,118,851**
- Revenue recognised over time	**2,933,922**	**2,766,434**
Revenue from contracts with customers	**4,305,760**	**3,885,285**

4 Result for the Year

The result for the year includes the following specific expenses:

Employment expenses		
Core operational management	**1,715,631**	1,908,684
Project employment expenses	**1,622,958**	1,224,749
Total employment expenses	**3,338,589**	3,133,433
Loss on disposal of property, plant and equipment	**6,512**	-
Depreciation - right of use assets	**101,085**	-
Depreciation - plant & equipment	**24,554**	22,588
Auditors remuneration for audit of financial statements	**15,500**	18,500

5 Cash and Cash Equivalents

Cash at bank and on hand	**545,295**	492,109
Deposits at call	**808,500**	2,247,472
Cash and cash equivalents - investment portfolio	**455,345**	501,518
	1,809,140	3,241,099

Notes to the Financial Statements
For the Year Ended 30 June 2026

6 Trade and Other Receivables

	2026	2025
	$	$
CURRENT		
Trade receivables	**168,664**	148,287
Prepayments	**45,187**	69,305
Accrued income	**12,605**	35,086
	226,456	252,678

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

7 Financial assets

Financial instruments designated at FVOCI

NON-CURRENT		
Equity instruments	**4,556,354**	4,181,841
Debt instruments	**2,196,399**	1,663,856
Total	**6,752,753**	5,845,697

8 Property, plant and equipment

Plant and equipment		
At cost	**81,569**	137,673
Accumulated depreciation	**(48,474)**	(104,845)
Total plant and equipment	**33,095**	32,828

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 2026		
Balance at the beginning of year	**32,828**	**32,828**
Additions	**31,333**	**31,333**
Disposals	**(6,512)**	**(6,512)**
Depreciation expense	**(24,554)**	**(24,554)**
Balance at the end of the year	**33,095**	**33,095**

Notes to the Financial Statements
For the Year Ended 30 June 2026

9 Leases

Right-of-use assets

	Buildings	Total
	$	$
Year ended 30 June 2026		
Balance at beginning of year	-	-
Depreciation charge	(101,085)	(101,085)
Additions to right-of-use assets	1,516,274	1,516,274
Balance at end of year	1,415,189	1,415,189

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	$	$	$	$	$
2026					
Lease liabilities	170,230	961,355	751,518	1,883,103	1,416,331

	2026	2025
	$	$
Lease liabilities - current	87,587	-
Lease liabilities - non current	1,328,744	-
	1,416,331	-

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:

Interest expense on lease liabilities	(50,499)	-
Expenses relating to short-term leases	(102,278)	(274,605)
Depreciation of right-of-use assets	(101,085)	-
Expenses relating to leases, including outgoings	(65,492)	(14,481)
	(319,354)	(289,086)

Notes to the Financial Statements
For the Year Ended 30 June 2026

10 Trade and Other Payables

	2026	2025
	$	$
Current		
Trade payables	**78,047**	66,597
GST payable	**89,970**	63,352
Sundry payables and accrued expenses	**108,620**	125,457
	276,637	255,406

11 Provisions

CURRENT		
Provision for lease make good	**-**	196,818
	-	196,818
NON-CURRENT	**-**	-
Provision for lease make good	**40,000**	-
	40,000	-

12 Other Liabilities

CURRENT		
Contract liabilities	**494,601**	727,023
Subscriptions received in advance	**270,588**	285,977
	765,189	1,013,000

Revenue recognised during the year that was included in the contract liability balance at 1 July 2025 amounts to $727,023.

13 Employee Benefits

Current liabilities		
Long service leave	**38,848**	73,326
Annual leave	**205,506**	193,340
	244,354	266,666
Non-current liabilities		
Long service leave	**29,835**	16,396

Notes to the Financial Statements
For the Year Ended 30 June 2026

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 (2025: $ Nil) of the reserve was utilised for research purposes.

15 Contracted Commitments

	2026 $	2025 $
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
	-	2,753,980

Upon the commencement of the lease agreement for office accommodation in FY26, contracted commitments are now recognised as Lease Liabilities under AASB 16, within Note 9. Due to the variability of the annual outgoings amount that is committed to, these have not been capitalised within the lease liability.

16 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company was $ 468,174 (2025: $ 477,568).

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

17 Fair Value Measurement

Fair value hierarchy

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

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The investment portfolio comprises listed securities and bond investments that are measured at fair value using quoted market prices in active markets and are therefore classified as Level 1 within the fair value hierarchy.

Notes to the Financial Statements
For the Year Ended 30 June 2026

18 Contingencies

Office accommodation is leased from Perpetual Trustee Company Limited (2025: 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 2026, the bank guarantees aggregate to $145,286 (2025: $ 50,000). Included within cash and cash equivalents is restricted cash of $95,286, comprising of term deposits held as security for the bank guarantee issued by VCOSS.

19 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.

20 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2026	2025
	$	$
Profit for the year	**115,865**	37,768
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	**125,639**	22,588
- net (gain)/loss on disposal of property, plant and equipment	**6,512**	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**26,222**	(108,544)
- increase/(decrease) in contract liabilities	**(247,811)**	19,729
- increase/(decrease) in trade and other payables	**21,231**	(105,462)
- increase/(decrease) in provisions	**(156,818)**	-
- increase/(decrease) in employee benefits	**(8,873)**	(47,573)
Cashflows from operations	**(118,033)**	(181,494)

Notes to the Financial Statements
For the Year Ended 30 June 2026

21 Events after the end of the Reporting Period

The financial report was authorised for issue on 17 September 2026 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.

22 Statutory Information

The registered office and principal place of business of the company is:
VCOSS
Level 15, 150 Lonsdale Street
Melbourne Vic 3000

Victorian Council of Social Service

ABN: 23 005 014 988

Responsible Entities' Declaration

The directors of the entity are the responsible persons and the responsible persons declare that:

1. The financial statements and notes, as set out on pages 9 - 25, are in accordance with the *Australian Charities and Not-for profits Commission Act 2012* and:

   (a) comply with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2022*; and

   (b) give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the entity.

2. In the responsible persons' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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

President .....
Sue White

Director .....
Andrew McDonald

Dated 17 September 2026

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 2026, 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 2026 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 if this auditor's report is included in the Directors' report for the year ended 30 June 2026.

Our opinion on the financial report comprises the statement of financial position as at 30 June 2026, 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.

Accru Melbourne (Audit) Pty Ltd ABN 65 169 392 134, Accru Melbourne is an autonomous and separately accountable member of Accru and MGI Worldwide. Liability limited by a scheme approved under Professional Standards Legislation.

In preparing the financial report, management is responsible for assessing 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

17 September 2026