

SAFE TRANSPORT VICTORIA

Annual Report 2023-24



Contents

Contents	3
Chief Executive's Report	4
Our Ministers	6
Portfolio	7
About Safe Transport Victoria	8
Our people	10
Our ways of working	16
Our impact	22
Declaration	30
Appendices	32
Appendix 1: Output performance measures	34
Appendix 2: Financial summary and review	36
Appendix 3: People and workplace	38
Appendix 4: Governance and compliance	48
Appendix 5: Disclosure index	55
Appendix 6: Additional information available upon request	57
Appendix 7: Acronyms	58
Financial Statements	60

We acknowledge First Peoples throughout Victoria for their strength and resilience in practising the world's oldest living culture.

As we work towards our vision of thriving places and connected communities, we pay respect to Elders past and present, whose wisdom and knowledge have preserved spiritual and cultural traditions.

We also acknowledge that Aboriginal self-determination is a human right, enshrined in the United Nations Declaration on the Rights of Indigenous Peoples, and recognise the hard work of many generations of First Peoples who have fought for these rights to be recognised.



Chief Executive's report

I am pleased to present our annual report for FY 2023-24, a year distinctly marked by transformational change at Safe Transport Victoria (ST Vic). As we navigate the constantly evolving landscape of transport safety, our organisation has undergone significant structural and strategic shifts that have redefined our service delivery and impact.

This year has been pivotal. Following the integration of Commercial Passenger Vehicles Victoria (CPVV) and Transport Safety Victoria (TSV) into a unified body in 2022-23, we embarked on an extensive organisational redesign. This transformative shift extends beyond structural changes, affirming our commitment to ensuring safe journeys for every Victorian, every time.

The essence of our organisational redesign has been to create a more integrated and adaptive framework that aligns with our vision of being a modern safety regulator. This new structure has enabled us to foster a more cohesive approach across all modes of transport, enhancing our ability to be proactive and responsive to the diverse needs of the sectors we regulate. By removing model silos and creating cross-skilled functional teams, we have enhanced our agility and fostered a culture more attuned to innovation and collaborative problem-solving.

Key to our redesigned framework has been the introduction of new skills and teams that directly address emerging needs and strategic insights. Notably, the addition of dedicated behavioural science roles is a transformative step, stemming from our successful early adoption of behavioural science techniques in 2023.



"Looking ahead, we are set to build upon the substantial gains of our initial years, transforming into an even more dynamic, responsive, and forward-thinking regulator."

Tammy O'Connor, Chief Executive

We've significantly bolstered our education teams, adding roles specifically focused on campaign and program development. This enhancement is pivotal to our strategy, as evidenced by our evolved presence at events such as the Formula 1 Australian Grand Prix. This year, our engagement was markedly more impactful, featuring a more interactive and engaging display for racegoers. These innovations are illustrative of our commitment to continuous improvement and adaptability in meeting the safety needs of the public.

Our shift to a multi-modal approach has been crucial, enabling us to streamline operations, optimise resource allocation, and ensure consistency across various transport sectors. This approach has not only improved the practicalities of regulation but has also deepened our engagement with the community and industry stakeholders. A prime example of this is the Jet Ski Summer Safety program. Spearheaded by ST Vic in collaboration with other agencies, this initiative embodies our renewed regulatory approach. By promoting behavioural awareness and reinforcing compliance through targeted enforcement during peak summer periods, we have significantly elevated safety for jet ski users and other waterway enthusiasts. This program not only created awareness around jet ski safety, but also showcased the efficacy of our evolved operational strategies.

While we have made considerable progress this past year, it is merely the beginning of a more extensive journey. The foundations we have established through our organisational redesign, coupled with strategic initiatives and an ongoing commitment to learning, have poised us to meet future challenges robustly. The integration of advanced ICT solutions and data-driven strategies will continue to propel us towards regulatory excellence.

Looking ahead, we are set to build upon the substantial gains of our initial years, transforming into an even more dynamic, responsive, and forward-thinking regulator. We are excited about the upcoming financial year as we expand and implement innovative initiatives such as our Gender Equality Action Plan and the Wheelchair Accessible Vehicle (WAV) Safety program. These projects highlight our proactive approach to inclusion and our commitment to safety across all transport modes.

As we advance, we do so united in our vision of a safer future, ensuring that our community does not just survive but thrives in safety and connectivity. I'd like to thank our employees, industry stakeholders, portfolio Ministers and partners in other government agencies for making this success possible.

Tammy O'Connor
Chief Executive

Our Ministers

ST Vic provided support and advice to three Ministers (as at 30 June 2024) in their listed portfolios.



Hon Gabrielle Williams
Minister for Public
and Active Transport



Hon Melissa Horne
Minister for Ports
and Freight
Minister for Roads
and Road Safety



Hon Steve Dimopoulos
Minister for Outdoor
Recreation



Portfolio

ST Vic is part of Victoria's transport and planning portfolio, led by the Department of Transport and Planning (DTP).

DTP delivers an integrated approach to Victoria's transport and planning system to support inclusive, prosperous and sustainable community outcomes. DTP enables more liveable communities across Victoria through the realisation of local economic and community opportunities.

ST Vic's initiatives are also key contributors to the Outdoor Recreation portfolio, led by the Department of Jobs, Skills, Industry and Regions (DJSIR). DJSIR is focused on growing Victoria's prosperity, by helping businesses and industries to thrive; and building vibrant communities and regions. DJSIR and ST Vic collaborate to enhance coordination, inclusivity, and opportunities in maritime recreational initiatives for all Victorians.



Our vision
Safe journeys, every time.

Our purpose

Working with industry and community to achieve safe transport outcomes.

This short simple phrase guides and unites us. It reminds us to:

- Keep safety front and centre for all people using and operating transport, whether they are on our roads or on the water.
- Work with our partners so that we can achieve more and enhance our contribution to the community.

Our values

In addition to the Victorian Public Sector values, ST Vic has cultural values to guide how staff work to help deliver our vision. The cultural values support our staff to speak up, solve challenges and use shared language to work together.

-  **Think big**
Reimagine what's possible.
-  **Take accountability**
Drive it, deliver it, own it.
-  **Work as one**
Share openly, question respectfully, build together.
-  **Create impact**
Empowered to pursue our purpose.

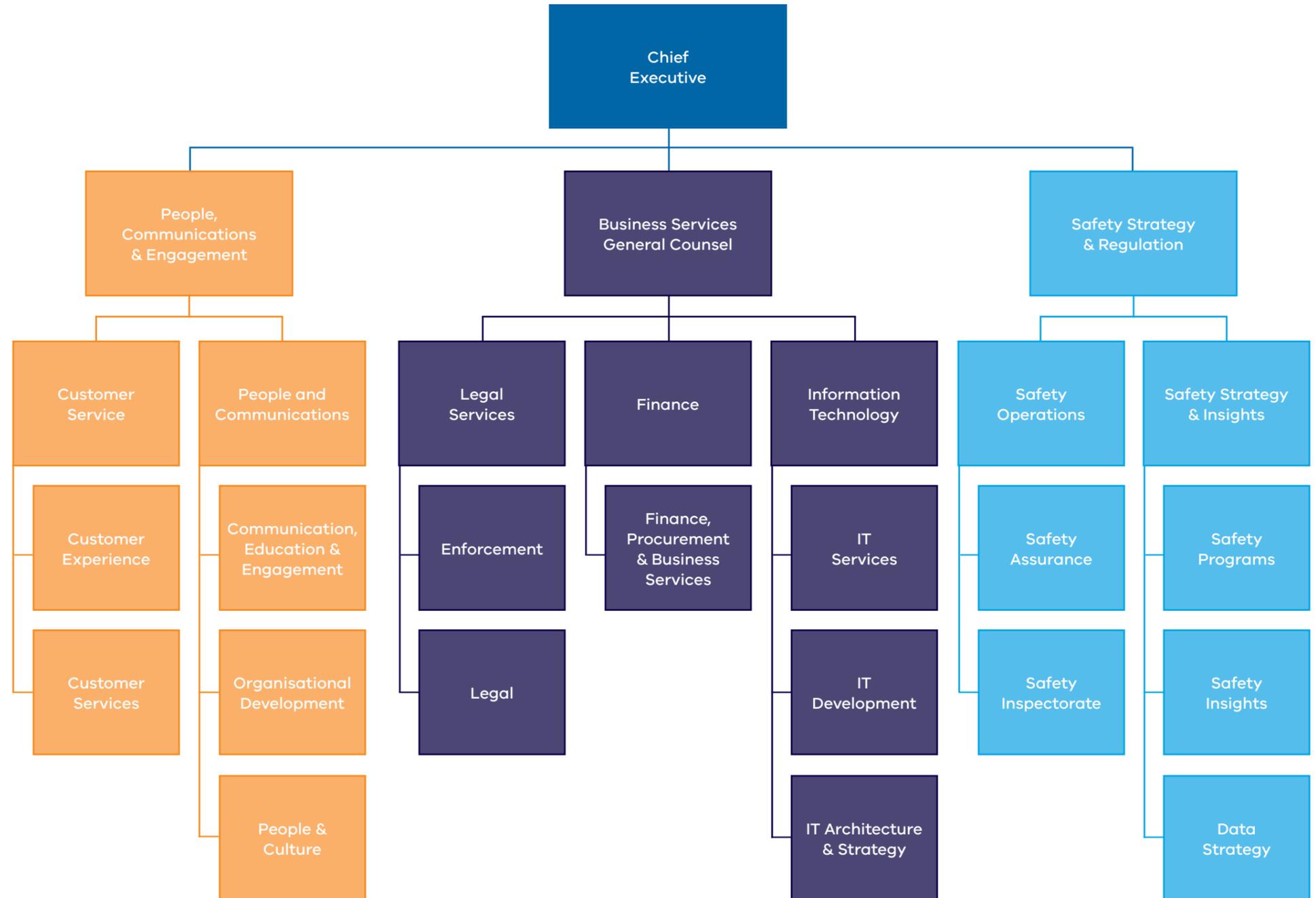
Our people

A diverse and connected workforce that is empowered, innovative and adaptable.

Organisational design

We continue to evolve following the foundational merger on 1 July 2022, which unified TSV and CPVV.

Across 2023-24, our focus shifted towards implementing a multi-modal approach, supported by an organisational redesign aimed at enhancing our operational effectiveness and responsiveness. This redesign is central to our strategy and involves refining our internal processes to better meet the dynamic needs of the transport sectors we regulate.



Learning and development

Boosting skills for better outcomes

Our commitment to learning and development is essential for ensuring a skilled workforce capable of delivering transport safety outcomes for all Victorians. In 2023, we conducted a comprehensive learning and development survey and performed a gap analysis to identify areas where our team could further enhance their skills.

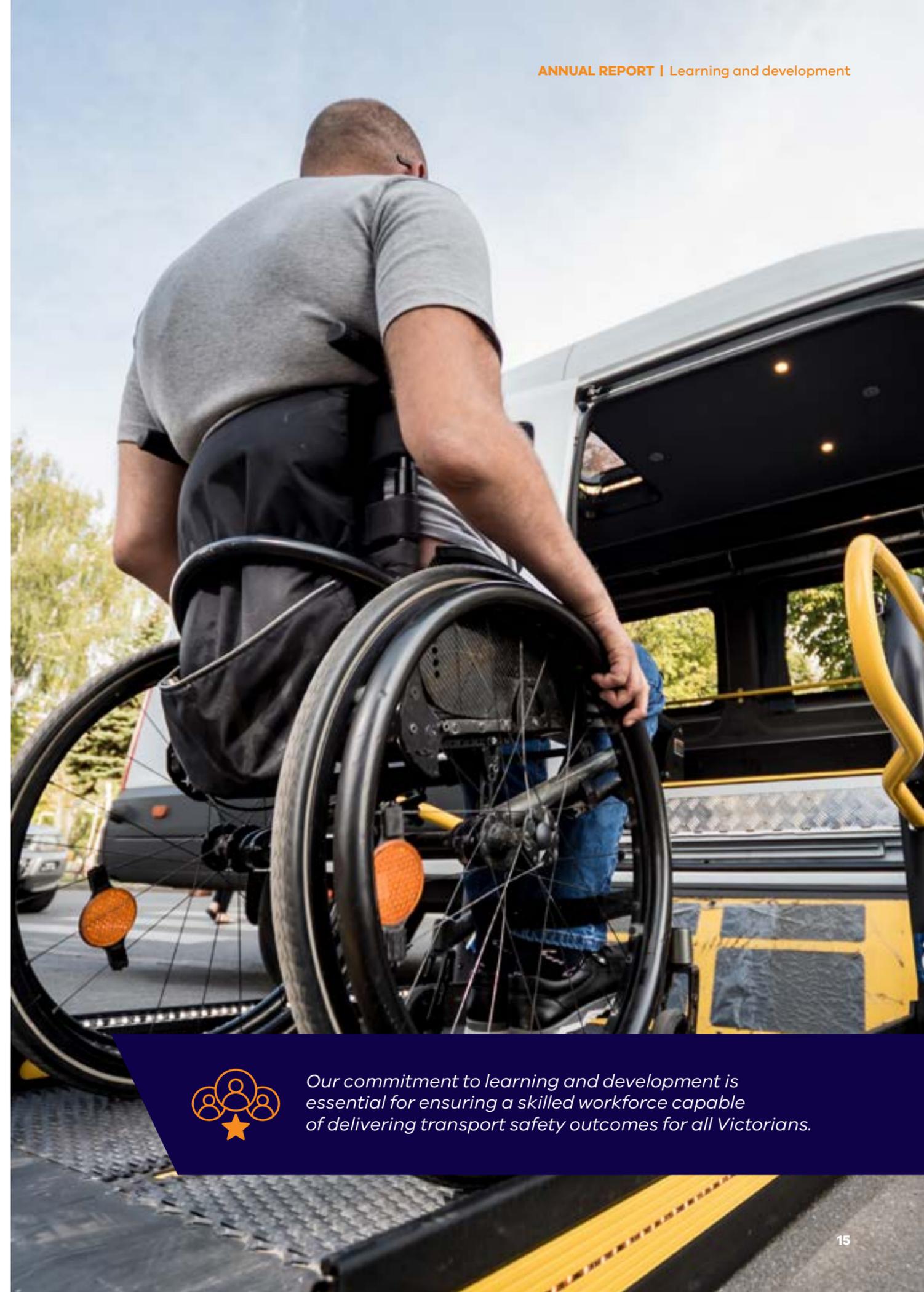
Investing in our people's capability development enables them to perform efficiently and stay updated with innovative knowledge. A skilled workforce is essential for achieving our safety regulation goals and implementing best practices. By focusing on continuous learning and skill enhancement, we address current gaps, anticipate future needs, and foster a culture of proactive improvement. This ensures we can adapt to emerging challenges in the transport sector, supporting the safety and wellbeing of the Victorian community.

Diversity, Equity and Inclusion Program

We are committed to reflecting the community we serve and embracing everyone regardless of sexual orientation, gender, cultural background, neurodiversity or disability. A strong Diversity, Equity and Inclusion Program enables us to best serve the Victorian community and communicate effectively with industry and community. To support this commitment, all employees undertook diversity, equity and inclusion education.

Gender Equality Action Plan

As part of our commitment to diversity, equity and inclusion, we seek to provide equal opportunities and outcomes for all genders. That is why, ahead of the obligation timeframe in 2025, we have proactively developed our first Gender Equality Action Plan (GEAP). Our 2024-25 GEAP is informed by data and developed in collaboration with employees of different genders and at all levels, from across the organisation.



Our commitment to learning and development is essential for ensuring a skilled workforce capable of delivering transport safety outcomes for all Victorians.



Our ways of working

An intelligence-led, risk-based, outcomes-focused regulator equipped to deliver.

A consolidated, multi modal structure

In 2023-24, we embedded our consolidated, multi-modal structure, to enhance organisational efficiency through integrating operations and optimising resource allocation according to risk. This consolidation has generated efficiencies and enabled investment in safety capabilities through the establishment of new roles and team structures, such as dedicated behavioral scientists, education teams and organisational development.

Reporting and policy implementation

The Monitoring, Compliance and Enforcement Policy

Central to our multi-modal structure has been the implementation of our Monitoring, Compliance and Enforcement Policy. The policy details our approach to fulfilling our regulatory responsibilities, meeting community expectations and fostering effective collaboration with the maritime, commercial passenger vehicle (CPV) and bus sectors over the next three years through efficient, proportionate and cost-effective methods for monitoring compliance and enforcing regulations.

2022-23 Fare Monitoring Report

The 2022-23 Fare Monitoring Report provides a comprehensive analysis of CPV fare trends and economic performance in Victoria during the 2022-23 financial year. Analysing data from 53 million CPV trips, the Report highlights stable average costs per km (\$2.58) and per minute (\$1.56), despite fluctuations during the reporting year. Importantly, the Report confirms no evidence of market power misuse since the CPV industry reforms of 2017.

Influencing safety outcomes

Multi-faceted strategic safety program - "Cool your Jets"

During the 2023-24 Summer, a refreshed approach to personal watercraft (commonly known as jet ski) safety was implemented through a multi-faceted program, urging riders to "cool your jets". This initiative increased engagement with the Victorian community and targeted compliance and enforcement activities. Backed by joint-agency operations across the maritime sector, the program aimed to modify the behaviour of jet ski riders who exceed speed limits, endangering swimmers and recreational boaters.

Traditional and innovative communication methods were piloted to extend the reach of safety messaging via social media and online platforms. Compliance efforts were targeted on major waterways during peak periods, coordinated with Victoria Police and informed by engagement with local communities and partners such as Life Saving Victoria, as well as real-time intelligence.

Behavioural science-informed approach

Embedding our behavioural science approach has enhanced our effectiveness by uncovering the root causes of unsafe behaviours. This scientific approach has enabled the development of evidence-based campaigns and activations that have resonated with audiences and seek to embed long-term behaviour change. Insights drawn from first-person research, psychology and sociology have informed our approach of examining the formation and modification of habits.

Co-regulatory partnerships

Collaboration with other regulatory and enforcement agencies has been essential to our operations. Joint agency operations have focused on CPV, maritime and bus compliance, including driver safety accreditation and vehicle and vessel registration. Victoria Police-led joint operations at major shopping centres targeted CPV roadworthiness. In the maritime sector, partnerships with Victoria Police, Parks Victoria, Ports Victoria and the Victorian Fisheries Authority included vessel inspections and authorising officers from these agencies in maritime safety. At the Victoria-New South Wales border, cooperation with New South Wales Maritime ensured vessels entering Victoria were licensed correctly. These joint initiatives strengthened regulatory oversight across sectors and enhanced safety measures.

Using our digital platforms to enhance safety outcomes

Amalgamating our data platforms

Enhancing our role as an intelligence-led regulator involves refining our data management processes, including collection, storage, analysis and application. In 2023-24, we established new Data Strategy and Safety Insights teams to manage these enhancements. These teams are tasked with deepening our understanding of data and its application in our work and facilitating integration with broader transport data platforms for comprehensive trend analysis.

Additionally, we have formed a team of safety specialists dedicated to designing and implementing programs that address safety risks in the bus, maritime, and CPV industries. This initiative strengthens our capabilities in safety education, data analytics, and program delivery, thereby enhancing our decision-making processes, driving targeted safety awareness, and supporting evidence-based interventions.

Creating a new website

We launched our new consolidated website (www.safetransport.vic.gov.au) in September 2023.

Our aim was not just to create a single site for our new entity, but to overhaul the user experience. We streamlined navigation and improved functionality to ensure that visitors can find what they need efficiently and effectively, tailoring the digital experience to the industries we regulate.

The new design makes it easier to access information, reduces routine inquiries and allows our team to focus on resolving more complex issues, boosting overall productivity.



Website statistics

(new ST Vic website in operation from 12 September 2023)

Page Views	4.136 million
Users	613,512
Sessions	1.22 million
Average time on website	3.25 minutes
Top page: / Visits: 'Marine Licence Practice Test 2'	1.11 million

Social media statistics 2023-24

 **Maritime Facebook**
Reach: 640,005
New followers: 270

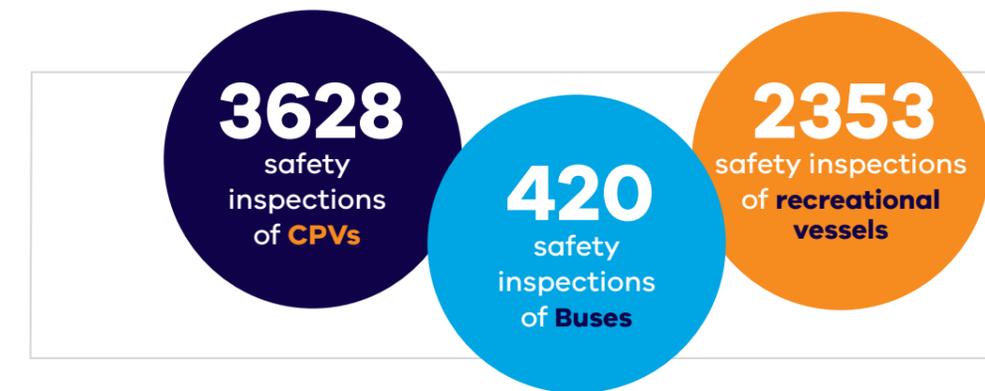
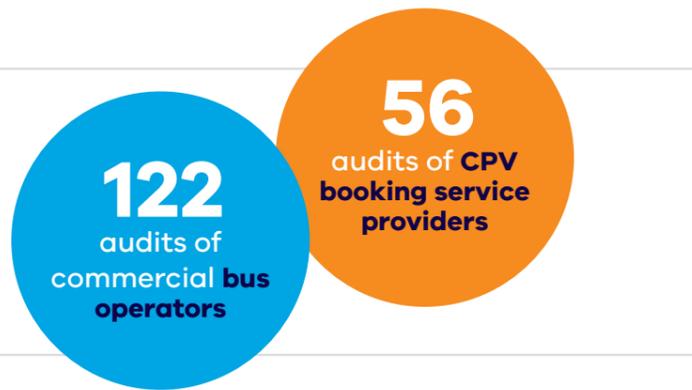
CPV and Bus Facebook
Reach: 589,917
New followers: 331

 **ST Vic Instagram**
Reach: 265,931
New followers: 189



Our impact

A safe transport system that inspires confidence.



Safety compliance and operations

Embedding our multi-modal structure allowed us to take a more consistent approach across the three transport modes we regulate, enhancing our ability to be proactive and responsive to the needs of each.

We maintained our focus on key risks and the achievement of positive safety outcomes throughout 2023-24, promoting behavioural awareness and reinforcing compliance through targeted, field-based operations and safety systems audits.

Activities at major events

We aligned our regulatory presence with peak service periods for CPVs and buses at high-visibility events such as the Formula 1 Australian Grand Prix, Australian Open, Spring Racing Carnival, Taylor Swift’s Melbourne concert series and larger AFL matches. Across Melbourne’s 2023-24 major events calendar, our activities supporting safer journeys included CPV, WAV and bus safety and compliance inspections.

Static sites

Static site operations were delivered to assess vehicle and driver compliance. These operations focused on locations with high CPV and bus traffic and with notable risks to road-user safety. Key operation sites included the Twelve Apostles, Great Ocean Road, Yarra Valley and music festivals. Joint agency efforts also targeted Mt Hotham Alpine Resort during winter, and there were regular vehicle roadworthiness and bus accreditation assessments undertaken at Melbourne Airport.

Touting

Throughout 2023-24, we maintained a proactive approach to preventing CPV touting, maintaining a regular and visible presence at Melbourne Airport terminals especially during school holidays and peak travel periods. Touting is making unsolicited offers of CPV transport services (either verbally or via written signs). Our efforts involved collaboration with stakeholders and industry partners to discourage this illegal activity.

Enforcement

During 2023-24, ST Vic enhanced its investigative capability and effectiveness. By integrating advanced technologies into the way we work, including AI, and uplifting our enforcement approach, we targeted illegal conduct and streamlined investigative processes and procedures.

Ports and shipping

In 2023-24, we refreshed our approach to ports and shipping safety by strengthening engagement with key stakeholders, in particular Harbour Masters and Port Managers. This effort aimed to ensure a more coordinated approach to reducing safety risks in port waters. We also began formal consultation on a revised marine pilotage determination to modernise how marine pilots operate in Victoria’s commercial ports

Recreational boating safety

Funding from the Better Boating Fund supported implementation of the Victorian Recreational Boating Strategy Action Plan, prioritising safety for boat users. Activities supporting safer on-water journeys included:

- installing Boating Vic cameras at new coastal high-risk sites
- auditing events with high boating risks
- upgrading significant navigational aids
- trialing AI camera technology in new bay and inland locations
- delivering safety seminars and events with community, fishing and yacht clubs to promote safe boating practices.



We delivered safety seminars and events with community, fishing and yacht clubs to promote safe boating practices



Safety campaigns and activations

Our safety campaigns and activations are informed by behavioural science. By leveraging behavioral science and data in our communications and engagements, we aim to create long-term behaviour change and ultimately ensure better safety outcomes. This also means that our programs and resources are targeted to those audiences with the highest risk factors.

Maritime Back to Basics

Data shows that motor and equipment failure and low fuel levels are common contributors to maritime incidents. Our Back to Basics program focused on educating boaters on preparation and maintenance of their boats and included educational programs and pre-season and mid-season checklists to run through the most important safety points. We had over 675,000 impressions on social media and 85,000 video views.

The Best Rest

We ran The Best Rest industry communications program to help CPV and bus drivers better understand the risks of fatigue. The program reached over 320,000 people and included in-person engagement events with drivers held during National Road Safety Week and World Mental Health Day to help reinforce fatigue messaging.

Get On Board With Kindness

We engaged directly with more than 10,000 passengers at the Formula 1 Australian Grand Prix, Melbourne Cup and AFL Grand Final through the Get On Board With Kindness campaign, to reduce instances of poor passenger behaviour directed to CPV and bus drivers and encourage passengers to treat drivers with kindness.

Cool Your Jets

Our Cool Your Jets behavioural awareness program had almost 1.9 million digital impressions over the 2023-24 summer period. The program targeted personal watercraft users, reminding them of speed and distance requirements and the best ways to ride safely and ensure a safe environment for other water users.

Drive With Heart

Ensuring CPV and bus drivers accept fares for passengers with assistance animals is essential for inclusivity and compliance with the law. Our Drive With Heart program aimed to reduce instances of fare refusal for passengers with assistance animals by raising driver awareness, educating drivers on relevant laws, fostering empathy, promoting compliance with anti-discrimination laws and supporting drivers. Launched in March 2024, the campaign reached almost 300,000 people and included videos, podcasts and stakeholder engagement.



Our Cool Your Jets behavioural awareness program had almost 1.9 million digital impressions over the 2023-24 summer period

Excellence through customer service operations

In 2023-24, we laid the groundwork for a multi-modal service excellence model. Our organisational redesign allowed us to streamline operations and optimise processes. While the benefits of this transformation are yet to be fully realised, we have already implemented several immediate improvements that have enhanced customer experience.

Permissioning processes

We have undertaken a comprehensive review and alignment of the regulatory processes involved in granting operational licenses and approvals for transport operators across all modes.

By adopting best practices and facilitating knowledge sharing within the team, we aimed to modernise and standardise these critical regulatory functions. This strategic alignment not only enhances efficiency but also ensures that our processes remain accessible and informed by the latest industry standards.

Customer service training

In 2024, we launched our Impact Training Program, a comprehensive six-week series designed to elevate our customer service standards and prepare us for future challenges.

The program focused on three key areas:

- **Effective Communication:** Improving clarity and empathy in interactions with stakeholders, ensuring productive exchanges and accurate information sharing.
- **Adopting a Growth Mindset:** Encouraging staff to view challenges as opportunities for development, fostering resilience and continuous learning.
- **Forming a Customer-Centric Approach:** Training our team to prioritize the needs and experiences of our customers, aligning our services with their expectations and requirements.

Customer touchpoints

Tailored Communications

We delivered personalised communications across a range of audience groups spanning the bus, CPV and maritime industries.

Our email marketing efforts have shown significant results across different sectors. For the CPV sector, the BSP target communications achieved an average open rate of 48%, while the driver-targeted communications saw an average open rate of 50%. In the maritime industry, the "Ship Shape" campaign achieved an average open rate of 49%. Similarly, the "Bus Safety Matters" initiative in the bus sector reached an average open rate of 47%.

These high engagement rates reflect the effectiveness of our tailored communication strategies in reaching and resonating with our diverse audiences, when compared to industry average open rates of typically 17-28%.

We have an omni channel customer service team set up to answer our customer questions in their channel of choice. The volumes of queries we manage are:

 **117,354**
Customers using our portal

 **171,646**
Customers calling us

 **57,200**
Customers emailing us

 **94,520**
Industry permissions we have authorised to allow our customers to operate



Declaration

Annual Report 2023-24

In accordance with the Financial Management Act 1994, I am pleased to present Safe Transport Victoria's Annual Report for the year ending 30 June 2024.

Tammy O'Connor
Chief Executive
Safe Transport Victoria
01 August 2024



Appendices

Appendix 1: Output performance measures 2023-24

Our performance against service delivery and performance targets included in the Victorian Government's 2023-24 Budget Paper 3 are set out here:

Performance measures	Unit of measure	Actual 2023-24	Target 2023-24	Performance variation %	Result
Completed driver accreditation applications processed <i>*Due to continued reduced demand across the year.</i>	number	33,715	43,000	-21.60%	(3)
Multi Purpose Taxi Program: number of trips subsidised <i>*Due to reduced demand for conventional trips in the Multi Purpose Taxi Program.</i>	number (000)	4,955	6,178	-19.80%	(3)
Multi Purpose Taxi Program: number of wheelchair and scooter lifting fees paid <i>*The result is higher than the target due to higher-than-expected demand for subsidised wheelchair trips.</i>	number (000)	1,695	1,437	18.00%	(1)
Average wait time for conventional commercial passenger vehicles booked to arrive during daytime periods of demand <i>*Due to outside market forces which caused higher observed wait times.</i>	minutes	5.5	4.8	14.6%	(3)
Average wait time for wheelchair accessible commercial passenger vehicles booked to arrive during daytime periods of demand	minutes	9.9	10.1	-2%	(1)
Calls to the ST Vic call centre resolved at the first point of contact <i>*Due to continued improvements in rostering and cross-functional training for staff members.</i>	per cent	89.00	80	11.30%	(1)
Commercial passenger vehicle industry participants conform to key safety requirements <i>*Due to the increasing safety maturity of the industry and our collaborative approach to safety education</i>	per cent	86	75	14.70%	(1)
Commercial passenger vehicles met safety standards	per cent	86	85	+1.2%	(1)
Overall satisfaction with level of commercial passenger vehicle regulatory service provided by ST Vic <i>*Due to higher application volumes resulting in longer wait times.</i>	per cent	67	80	-16.30%	(3)
Commercial passenger vehicle service complaints and intelligence reports investigated and closed within 45 days	per cent	90	92	-2.20%	(2)
Multi Purpose Taxi Program: applications assessed and completed within 14 days	per cent	99	97	2.10%	(1)

Performance measures	Unit of measure	Actual 2023-24	Target 2023-24	Performance variation %	Result
Road vehicle and driver regulation: new and renewed driving instructor authority applications processed within 20 days. <i>*Due to a higher volume of applications</i>	per cent	46	90	-48.90%	(3)
Valid driver accreditation applications determined within 20 business days in accordance with statutory requirements	per cent	84	85	-1.20%	(2)
Risk-based vessel inspections undertaken to determine compliance with state marine safety law	number	524	500	4.80%	(1)
Accredited state maritime training providers audited in accordance with risk-based annual audit plan	number	21	21	0.00%	(1)
Safety audits of bus safety duty holders conducted in accordance with risk-based plan	per cent	100	100	0.00%	(1)
Compliance inspections of commercial maritime duty holders other than vessel owners and operators audited in accordance with legislative requirements and timelines	per cent	100	100	0.00%	(1)
Prosecutions that meet model litigant guidelines and court procedures and requirements <i>*Due to all prosecutions meeting model litigant guidelines and court requirements.</i>	per cent	100	95	5.30%	(1)
Risk assessment of managed and unmanaged Victorian waterways with high levels of boating activity and competing use	number	30	30	0.00%	(1)
Applications for bus operator accreditation processed on time in accordance with Bus Safety Act 2009 requirements	per cent	99	100	-1.00%	(2)

Notes:

Performance target achieved or exceeded = (1)

Performance target not achieved – within 5 per cent variance = (2)

Performance target not achieved – exceeds 5 per cent variance = (3)

*Reason for target achieved/not achieved

Appendix 2: Financial summary and review

Financial summary

The financial statements presented later in this report are prepared in accordance with the Financial Management Act 1994 and applicable Australian Accounting Standards (AAS).

Financial result for the year ended 30 June extract	2023-24 \$000	2022-23 \$000
Income from government	172,640	162,577
Total income from transactions	172,972	162,764
Total expenses from operations	170,237	156,786
Net result from transactions	2,735	5,978
Net cash flow from/ (used in) operating activities	(4,752)	10,176
Total assets	27,292	27,329
Total liabilities	11,217	14,170
Net assets	16,075	13,159

Overview

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

Financial performance

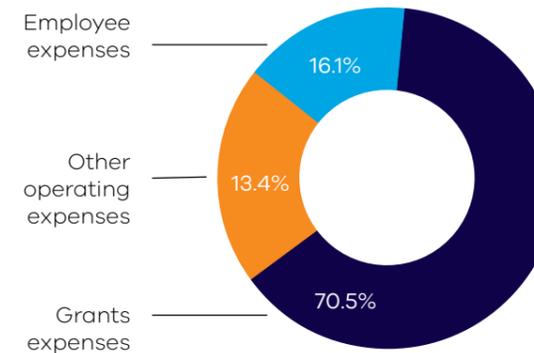
In 2023-24, the net result from transactions was a surplus of \$2.7 million. This is mainly due to a timing difference between funds received and payment of expenses, partially offset by unfunded non-cash items, such as depreciation and amortisation. The funding received from DTP does not fund ST Vic for depreciation and amortisation as these are considered to be non-controllable transactions, which has a cumulative impact on the accumulated equity balance in future financial years.

ST Vic's budget is primarily funded from government grants received from DTP for the delivery of outputs and associated ST Vic transport regulator initiatives. The increase in income in 2023-24 is mainly due to an increase in grant receivables.

Total expenses in 2023-24 totaled \$170.2 million. Of this expenditure:

- \$119.9 million was for grant payments comprising \$114.1 million for MPTP related subsidies and \$5.9 million for contributions made to National transport regulators on behalf of the State, and
- \$50.3 million was for administration of regulatory services.

The increase in expenses in 2023-24 as compared to the previous financial year is mainly due to higher MPTP subsidy payments from an increase in the subsidy cost and in the number of trips taken by MPTP members.



Transactions on behalf of Victorian Government and other government agencies

ST Vic administers the collection of certain registration fees and other fees on behalf of the Victorian Government and state government agencies. Regulatory fees collected by ST Vic include commercial passenger vehicles, maritime and bus licensing, accreditation, registration and other fees payable under related safety legislation, except for maritime licence monies which are collected by VicRoads and reported in the administered statements of the Department of Transport and Planning. These amounts are not recognised as ST Vic's income but are paid to Victorian Government's Consolidated Fund or other government agencies.

Financial position - balance sheet

Total assets of \$27.3 million mainly comprise cash and receivables balances reflecting the timing cash drawn down from DTP and of payment of expenses accrued at not yet paid at 30 June 2024, and the receipt of funding to be applied to activities in 2024-25.

Total liabilities decreased by \$3.0 million due to a reduction in employee related provisions reflecting the new organisational structure and a decrease in lease liabilities resulting from a reduction in ST Vic's fleet of vehicles.

Total equity balance of \$16.1 million includes \$7.2 million contributed capital representing the assets and liabilities that have transferred to ST Vic on 1 July 2022 due to a Machinery of Government (MoG) change per the Transfer Orders.

Cash flows

Total cash on hand at the end of the 2023-24 financial year was \$6.9 million. This included cash outflows of \$4.8 million from operating activities, cash outflows of \$0.1 million from investing activities and cash outflows from financing activities of \$0.2 million.

Net cash outflow from operating activities was \$4.8 million in 2023-24. This represents a \$14.9 million decrease compared to 2022-23, mainly due to a timing difference in the receipt of grant revenue and in the payment of expenditure.

Grants Program

ST Vic administers a wheelchair accessible vehicle (WAV) subsidy scheme which aims to:

- maintain and improve the availability of WAVs for people with disability living in country, urban and regional areas
- make the operation of WAVs more cost effective for the providers of commercial passenger vehicle services. The following grants were approved for payment in 2023-24

Grants program	2023-24 \$000
Benalla Taxi Service Pty Ltd	40,000
Geelong Radio Cabs Ltd	120,000
Warrnambool Radio Taxis	40,000
Total	200,000

Subsequent Events

The Victorian Public Service (VPS) enterprise agreement was approved on 12 August 2024. The related expenses and liabilities will be recognised as part of 2024-25 financial report. Further details are provided in Note 9.7 of the Financial Statements.

Appendix 3: People and workplace

Public sector values and employment principles

We continue to live our values by creating and maintaining a workplace that embraces diversity, mandates and promotes workplace safety, supports flexible work arrangements, provides our people with professional development opportunities, and offers recognition and reward in response to individual and team achievements.

This year, we continued to promote high standards of ethical behaviour in line with government policies outlined in the Code of Conduct for Victorian Public Sector Employees 2015 and the Victorian Public Service Enterprise Agreement 2020. And we embedded our values in everyday practice as well as across policies and procedures.

Embedding ST Vic's values

The ST Vic values have been optimised and integrated into everything we do from the beginning, through our recruitment practices, learning and development programs, policies and procedures, strategy development and corporate communications. This year we also introduced a mandatory performance goal to build collaboration through our value of Work as One.

These values embody our unwavering commitment to ensuring transport safety, fostering an engaged mindset among our team members, and continuously striving to enhance the way we work. They serve as guiding principles that permeate every aspect of our organisation, uniting us in a shared vision for excellence and driving us towards achieving our collective goals.



Think big

Reimagine what's possible.



Take accountability

Drive it, deliver it, own it.



Work as one

Share openly, question respectfully, build together.



Create impact

Empowered to pursue our purpose.



We continue to live our values by creating and maintaining a workplace that embraces diversity and mandates and promotes workplace safety

Diversity and inclusion

We believe our workforce should reflect the diversity of the Victorian community and the industries that we regulate. Our rich and diverse workforce brings unique life experiences and innovative perspectives that help us build stronger connections with the community we serve.

Our work towards equality in the workplace continues to focus on increasing our representation of women, culturally and linguistically diverse (CALD) communities, people with disability, and Aboriginal and Torres Strait Islander peoples, and creating a workplace that values and celebrates LGBTIQ+ people.

Gender Equality Act 2020

The *Gender Equality Act 2020* came into effect on 31 March 2021. The Act requires the Victorian public sector, local councils and universities to take positive action towards achieving workplace gender equality.

As part of our commitment to the objectives of the *Gender Equality Act 2020*, in June 2024 we launched our first Gender Equality Action Plan (GEAP) 2024-2025 including a Gender Impact Assessment and workplace gender audit, signifying ST Vic's dedication to fostering an inclusive and equitable workplace.

Transport portfolio Aboriginal Self-Determination Plan

As part of the transport portfolio, we are aspiring to enable Victorians from all walks of life to have safe, simple and connected journeys. Aboriginal Victorians and their communities are a critical part of this collective aspiration.

One way we are undertaking this is by supporting the Scholarship Program coordinated through DTP. **ST Vic contributed \$20k to support both secondary and TAFE scholarships to First Peoples students.**

ST Vic and other entities across the portfolio aim to combine their skills and expertise to support the development and implementation of self-determined transport solutions that meet the local needs and aspirations of Victorian Aboriginal communities. Under the plan, we aim to strengthen Aboriginal participation across our workforce, with the goal of achieving a 2 per cent Aboriginal employment target and 1 per cent Aboriginal procurement target.

Occupational health and safety

The health, safety and wellbeing of every employee, contractor and visitor remained a priority as we continued to work in hybrid ways in 2023-24. Our people were protected from potential physical or psychological harm or injury, as far as practicable.

We have established a new Health, Safety, and Wellbeing Committee, comprising management and health and safety representatives elected from designated work groups that reflect the areas of our merged organisation. This committee serves as the central forum for discussing and managing occupational health and safety issues, bringing together senior leaders and representatives from across the organisation. The HSW Committee has addressed such issues as the operability and safety of one of ST Vic's education trailers, the requirements for our Safety Inspectorate's operational uniform and equipment, as well as a review of fire warden coverage.



We continue to promote and implement inclusive practices for employment of people with disability or accessibility needs

ST Vic's Accessibility Action Plan 2021–25

The *Disability Act 2006* reaffirms and strengthens the rights of people with disability and recognises that this requires support across government and within the community.

We continue to promote and implement inclusive practices for employment of people with disability or accessibility needs by creating accessible work environments in line with our Accessibility Action Plan.

ST Vic communicates to all potential candidates that employment opportunities at our organisation are open to all. We offer reasonable adjustments in our recruitment processes and in employment.

We also actively use data from anonymous employee surveys to inform our employee engagement strategies for people with disability or accessibility needs.

Workforce inclusion policy

The following table provides information on the number of active employees during the last full pay period in June 2024. Excluded are those on leave without pay or absent on secondment, external contractors and consultants, and temporary workers employed by employment agencies.

We value staff with non-binary gender identities at all levels from VPS officers to executives. We acknowledge that due to historic and current barriers to disclosure of non-binary gender identities, staff may not choose to disclose this information. The following table outlines our progress in 2023-24.

2023-24			
Type of active employee	Self-described	Male	Female
The Accountable Officer and Executives	0	6	4
Other	1	67	81

Active employee description 2023-24

53%

Proportion of women in workforce

45

Average age of employees

The following table discloses the total number of executive officers by gender and class employed during 2023-24

Employment class	All		Male		Female	
	Number	Variation	Number	Variation	Numbers	Variation
SES3	1	n/a	0	n/a	1	n/a
SES2	3	n/a	2	n/a	1	n/a
SES1	6	n/a	4	n/a	2	n/a
Total	10	n/a	6	n/a	4	n/a

The following table provides a reconciliation of executive numbers including separations (executives who left during the year) between the report on operations and section 9.4, Remuneration of executives, in the Financial Statements.

2023-24	
Executives (Financial Statements section 9.4)	10
Separations	-1
Total executive numbers at 30 June	10

The following definitions are applied to workforce classifications:

Classification	Definition
Executives	A person, other than a statutory office holder or an accountable officer, who is employed as an executive under part 3 of the <i>Public Administration Act 2004</i> (Financial Reporting Direction 15D, section 5.2).
Other	Other employees who are not classified as executives

Performance against OH&S management measures

Measures	KPI	2023-24
Incidents	Number of incidents	9
	Rate per 100FTE	5.6
Claims	Number of standard claims	0
	Rate per 100 FTE	0.0
	Number of lost time claims	0
	Rate per 100 FTE	0
	Number of claims exceeding 13 weeks	0
	Rate per 100 FTE	0
Fatalities	Number	0
Claims costs	Average cost per standardised claim	NA
Return to work	Percentage of claims with 'Return to work' plan <30 days	NA
Management commitment	Evidence of policy statement, OH&S objectives, OH&S plans signed by CEO	Complete
Consultation and participation	Evidence of agreed structure of designated work groups, health and safety representatives and issue resolution procedures	Complete
Risk management	Percentage of internal audits/ inspections conducted as planned	100%
	Percentage of issues actioned as identified in an internal audit/inspection	100%
Training	Percentage of health and safety representatives trained	100%

Based on actual FTE of 149 as at 30 June 2024

The following table discloses the headcount and full-time staff equivalent (FTE) of all ST Vic employees, employed in the last full pay period in June 2024.

Details of employment levels in June 2024

Employment Characteristics	June 2024			
	Ongoing		Fixed Term & Casual	
	Employee (Headcount)	FTE	Employee (Headcount)	FTE
Gender				
Male	65	64	8	8
Female	76	69	9	7
Self-described	1	1	0	0
Total	142	134	17	15
Age				
Under 25	4	4	0	0
25-34	23	22	6	4
35-44	42	37	3	3
45-54	38	38	5	5
55-64	30	29	3	3
Over 64	5	4	0	0
Classification				
VPS1	0	0	0	0
VPS2	0	0	0	0
VPS3	38	33	2	2
VPS4	43	41	2	1
VPS5	45	44	1	1
VPS6	14	14	2	1
STS VPS7	2	2	0	0
Executives	0	0	10	10
Other	0	0	0	0

Appendix 4: Governance and compliance

About ST Vic

ST Vic is an entity constituted by a single member, that person being its Chief Executive. Currently, the Chief Executive position is held by Tammy O'Connor, who was appointed to the role upon the establishment of ST Vic on 1 July 2022.

Through the exercise of its powers and the performance of its functions, ST Vic contributes to an integrated transport system in Victoria, led by DTP and its responsible Ministers.

ST Vic is a 'transport body' under the Transport Integration Act 2010 (TIA). As such, ST Vic must have regard for the 'transport system objectives' and the 'decision-making principles' set out in Part 2 of the TIA when exercising its powers, performing its functions and making decisions. These are displayed in the following table:

The transport system objectives provide for:

- Social and economic inclusion
- Economic prosperity
- Environmental sustainability
- Integration of transport and land use
- Efficiency, coordination, and reliability
- Safety, health, and wellbeing

The decision-making principles provide for:

- Integrated decision making
- Triple bottom line assessment
- Equity
- Transport system user perspective
- The precautionary principle
- Stakeholder engagement and community participation
- Transparency

Nature and range of services

ST Vic regulates the CPV, bus and maritime industries in accordance with various acts, regulations and other legislative instruments including the:

- *Transport Integration Act 2010.*
- *Commercial Passenger Vehicle Industry Act 2017.*
- *Commercial Passenger Vehicle Industry Regulations 2018.*
- *Transport (Compliance and Miscellaneous) Act 1983.*
- *Road Safety Act 1986.*
- *Road Safety (Driving Instructors) Regulations 2020.*
- *Bus Safety Act 2009.*
- *Bus Safety Regulations 2020.*
- *Transport (Safety Schemes Compliance and Enforcement) Act 2014.*
- *Marine Safety Act 2010.*
- *Marine Safety Regulations 2023.*

Objectives, functions and powers

ST Vic's primary objectives are set out in section 115E of the TIA. The TIA is available at legislation.vic.gov.au.

ST Vic's objectives are to regulate the commercial passenger vehicle, bus and maritime industries in a manner that:

- Promotes the provision of commercial passenger vehicle services that are customer responsive, safe, competitive, efficient and accessible.
- Is consistent with the vision statement and the transport system objectives of the Transport Integration Act 2010.
- Seeks the highest bus safety and marine safety standards that are reasonably practicable, and consistent with the vision statement and transport system objectives.

ST Vic's primary functions and powers are set out in Part 5 of the TIA, Division 1 of Part 8.1 of the Marine Safety Act 2010, the Bus Safety Act 2009 (including the powers of the 'Safety Director'), and the Commercial Passenger Vehicle Industry Act 2017 (powers of the 'regulator').

Executive leadership team (ELT)

The ST Vic ELT comprises the Chief Executive and Executive Directors who report to the Chief Executive.

The ELT is responsible for the day-to-day operation of ST Vic in accordance with the law, the decisions of the Chief Executive and government policies.

The ELT's primary responsibilities are to drive capability and performance throughout the organisation and ensure that day-to-day decisions are consistent with the purpose, strategic objectives and values of ST Vic.

ST Vic committees

Audit and Risk Committee

Members of the Audit and Risk Committee (ARC), as at 30 June 2024, were Steve Schinck (Chairperson), Vicky Hudson and Shaun Condron.

The ARC oversees and advises ST Vic on matters of accountability and internal controls affecting ST Vic's operations regarding financial and risk management. As such, it assists ST Vic in fulfilling its corporate governance and oversight responsibilities regarding:

- Financial and regulatory compliance and reporting.
- Accounting policies.
- Risk management.
- Internal control.
- Internal and external audit.
- Financial and risk management policies and practices.

ARC meeting attendance

Committee member	Number of meetings eligible to attend	Meetings attended
Steve Schinck (Chairperson) (1 July 2023 to 30 June 2024)	5	5
Vicky Hudson (1 July 2023 to 30 June 2024)	5	5
Shaun Condron (1 July 2023 to 30 June 2024)	5	3

Compliance statements

Freedom of Information

The *Freedom of Information Act 1982* (Vic) (FOI Act) provides the public with a general right to access documents held by ST Vic subject to limited exceptions and exemptions.

For the 2023-24 financial year, ST Vic received 36 Freedom of Information applications. All requests were received from the general public. Of the total requests received by ST Vic, 17 were finalised, 16 were transferred to other government departments and agencies and three are currently in progress.

Requests for access to documents held by ST Vic made under the FOI Act may be made in writing and submitted to the address below:

Freedom of Information Officer
Safe Transport Victoria
GPO Box 1716 Melbourne VIC 3000

Alternatively, FOI requests may be emailed to: foi@safetransport.vic.gov.au

FOI requests can also be made online through the OVIC website at: <https://ovic.vic.gov.au/freedom-of-information/for-the-public/make-your-request-online/>.

Requests should be made in writing and should identify as clearly as possible which specific documents are being requested. Requests should be accompanied by the appropriate application fee (which was \$31.80 for the 2023-24 financial year). The application fee may be waived if payment of the fee would cause hardship to the applicant.

Access charges, such as photocopying and retrieval charges, may also apply once documents have been processed and a decision on access has been made.

In accordance with the FOI Act's objective to make government information available to the public promptly and inexpensively, in some circumstances, ST Vic enables the administrative release of certain information to the public outside the FOI process where it is practicable and legal to do so.

Visit www.ovic.vic.gov.au for further information regarding Freedom of Information.

Compliance with the Building Act

ST Vic did not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

National Competition Policy

Under the National Competition Policy, the guiding principle is that legislation, including future legislative proposals, should not restrict competition unless it can be demonstrated that:

- The benefits of the restriction to the community, as a whole, outweigh the costs.
- The objectives of the legislation can only be achieved by restricting competition.

ST Vic complied with the requirements of the National Competition Policy during 2023-24.

Competitive neutrality seeks to enable fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses may experience that arise solely from their government ownership must be removed if they are not in the public interest.

Government businesses are required to cost and price these services as if they were privately owned and, thus, be fully cost-reflective. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

Compliance with the Public Interest Disclosures Act

The *Public Interest Disclosures Act 2012* (PID Act), (formerly known as the *Protected Disclosure Act 2012*), encourages and assists people in making disclosures of improper conduct by public officers and public bodies and detrimental action taken in reprisal against a person making a disclosure. The PID Act provides protection to people who make disclosures in accordance with the PID Act and establishes a system for the matters disclosed to be investigated and any rectifying action to be taken.

ST Vic does not tolerate improper conduct by employees, or the taking of reprisal against those who disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources or conduct involving a substantial risk to public health and safety or the environment.

ST Vic takes all reasonable steps to protect people who make such disclosures from any detrimental action taken in reprisal. It also affords natural justice to persons who are the subject of a disclosure to the extent legally possible.

Disclosures of improper conduct or detrimental action by ST Vic or any of its employees or officers can be made directly to ST Vic via its Public Interest Coordinator for consideration and assessment as to whether the matter should be provided to the Independent Broad-based Anti-corruption Commission (IBAC) for its assessment and consideration.

In accordance with section 58 of the PID Act, ST Vic has prepared written procedures for the protection of persons from detrimental action taken in reprisal for making a public interest disclosure.

Disclosures about other public entities and staff should generally be made to IBAC:

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

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

Refer to the Independent Broad-based Anti-corruption Commission website at www.ibac.vic.gov.au for the secure email disclosure process, which also provides for anonymous disclosures.

Implementation of the Local Jobs First Policy

The *Local Jobs First Act 2003* (formerly known as the *Victorian Industry Participation Policy Act 2003*) requires departments and public sector bodies to report on the implementation of the Local Jobs First Policy. Departments and public sector bodies are required to apply the Local Jobs First Policy in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for state-wide projects, or \$1 million or more for procurement activities in regional Victoria, as well as to any projects that have been declared by the Minister to be a Standard or Strategic Project under the *Local Jobs First Act 2003*.

During 2023-24, ST Vic had no contracts to which the Local Jobs First Policy applied.

Compliance with the Carers Recognition Act 2012

ST Vic has taken all practical measures to comply with its obligations under the Act. These include considering the care relationships principles set out in the Act when setting policies and providing services, for example, reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act.

Social Procurement Framework

In 2018, the Victorian Government launched the Social Procurement Framework (SPF) to enable government buyers and suppliers to deliver social, economic and environmental outcomes that benefit the Victorian community, economy and environment.

Social procurement occurs when organisations use their buying power to generate social value above and beyond the value of the goods, services or construction being procured.

The SPF applies to the procurement of all goods, services and construction undertaken by, or on behalf of, the Government, and is defined by 10 objectives:

1. Opportunities for Victorian Aboriginal people.
2. Opportunities for Victorians with disability.
3. Women’s equality and safety.
4. Opportunities for disadvantaged Victorians.
5. Supporting safe and fair workplaces.
6. Sustainable Victorian social and Aboriginal business sectors.
7. Sustainable Victorian regions.
8. Environmentally sustainable outputs.
9. Environmentally sustainable business practices.
10. Implementation of the climate change policy objectives.

In 2023-24, ST Vic undertook several activities to support the SPF:

- Continued to make progress against initiatives set out in its Accessibility Action Plan 2021-25.
- Undertook activities in furtherance of its success measures relating to actions outlined in the transport portfolio Aboriginal self-determination plan.
- Contributed to VPS-wide social procurement policy submissions and initiatives, where required.

Government advertising, information and communication technology expenditure, consultancies and major contracts

Government advertising

There were no government advertising campaigns that had a total media spend of \$100,000 or greater (GST exclusive) during 2023-24 (2022-23: nil).

Consultancies

In 2023-24, there were two (2) consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure during 2023-2024 in relation to these consultancies is \$55,000 (excluding GST). Details of individual consultancies are outlined in the table below.

Consultant	Purpose of consultancy	Start date	End date	Expenditure 2023-24 (excl GST)
Ernst & Young	To review the current state of cost recovery activities and make recommendations on future options.	6 May 2024	14 July 2024	\$55,000

Review and studies expenditure

During 2023-24, ST Vic undertook no reviews or studies that incurred reportable expenditure.

Details of Information and Communication Technology expenditure

For the 2023-24 reporting period, ST Vic had a total Information and Communication Technology (ICT) expenditure of \$5,596,792, with the details outlined below.

Business as usual (BAU) ICT expenditure	Non business as usual (Non BAU) ICT expenditure (i)	Operational expenditure	Capital expenditure
\$'000	\$'000	\$'000	\$'000
4,199	1,398	5,597	

Note: (i) Total equals operating and capital expenditure

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

Disclosure of major contracts

ST Vic did not enter into contracts greater than \$10 million in value during 2023-24 (2022-23: nil).

Office-based environmental impacts

In 2023-24, ST Vic had an agreement in place with the Accommodation, Carpool and Library Services (ACLS) (formerly Shared Service Provider) for the Department of Government Services for the provision of occupancy and facilities management services relating to ST Vic's head office premises at 1 Spring Street, Melbourne and its secondary site located at 10 Mareno Road, Tullamarine.

Data on environmental impacts is included in the Department of Government Services' annual report.

Fleet vehicles

ST Vic has a Service Level Agreement in place with VicFleet for the provision of fleet services. Presently, ST Vic's car fleet comprises 29 vehicles. All vehicles are petrol-driven.

Employee travel

Employee travel to work 2023-24	Train	Tram	Car	Walk/Run	Other
Percentage of employees regularly using public transport, cycling, walking to and from work, or working from home (>75% of work attendance days)	n/a	n/a	n/a	n/a	n/a

Employee travel to work 2023-24	Train	Tram	Car	Walk/Run	Other
Percentage of employees regularly using public transport, cycling, walking to and from work, or working from home (>75% of work attendance days)[9]	n/a	n/a	n/a	n/a	n/a

Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure where services compete or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service. ST Vic, where applicable, continues to comply with the requirements of the Competitive Neutrality Policy.

Appendix 5: Disclosure index

Our Annual Report 2023-24 was prepared in accordance with all relevant Victorian legislation and pronouncements. This index was prepared to facilitate identification of ST Vic's compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
Standing Directions & Financial Reporting Directions		
Report of operations		
Charter and purpose		
FRD 22H	Manner of establishment and the relevant Ministers	6-7
FRD 22H	Purpose, functions, powers and duties	9, 48
FRD 22H	Key initiatives and projects	10 – 29
FRD 22H	Nature and range of services provided	48
Management and structure		
FRD 22	Organisational structure	12-13
Financial and other information		
FRD 8D	Performance against output performance measures	46
FRD 10A	Disclosure index	55-56
FRD 12B	Disclosure of major contracts	54
FRD 15E	Executive officer disclosures	45
FRD 22H	Employment and conduct principles	38 – 44
FRD 22H	Occupational health and safety	41
FRD 22H	Summary of the financial results for the year	36 – 37
FRD 22H	Significant changes in financial position during the year	36 – 37
FRD 22H	Major changes or factors affecting performance	36-37
FRD 22H	Subsequent events	98
FRD 22H	Application and operation of Freedom of Information Act 1982	50
FRD 22H	Compliance with building and maintenance provisions of Building Act 1993	50
FRD 22H	Statement on National Competition Policy	50
FRD 22H	Application and operation of the Public Interest Disclosures Act 2012	51
FRD 22H	Application and operation of the Carers Recognition Act 2012	51
FRD 22H	Details of consultancies over \$10 000	53
FRD 22H	Details of consultancies under \$10 000	53
FRD 22H	Disclosure of government advertising expenditure	53
FRD 22H	Disclosure of ICT expenditure	53
FRD 22H	Statement of availability of other information	57
FRD 24D	Reporting of office based environmental impacts	54

Legislation	Requirement	Page reference
FRD 25D	Local Jobs First	51
FRD 29C	Workforce data disclosures	47
SD 5.2	Specific requirements under Standing Direction 5.2	65
Compliance attestation and declaration		
SD 5.4.1	Attestation for compliance with Ministerial Standing Direction	N/A
SD 5.2.3	Declaration in report of operations	30
Financial statements		
Declaration		
SD 5.2.2	Declaration in financial statements	102
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	66
SD 5.2.1(a)	Compliance with Standing Directions	65
SD 5.2.1(b)	Compliance with Model Financial Report	66
Other disclosures as required by FRDs in notes to the financial statements (a)		
FRD 11A	Disclosure of ex gratia expenses	95
FRD 21C	Disclosures of responsible persons, executive officers and other personnel	95 – 96
FRD 103H	Non-financial physical assets	94
FRD 110A	Cash flow statements	87
FRD 112D	Defined benefit superannuation obligations	74
FRD 13	Disclosure of parliamentary appropriations	73

Note: (a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.

Legislation

Freedom of Information Act 1982
 Building Act 1993
 Public Interest Disclosures Act 2012
 Carers Recognition Act 2012
 Disability Act 2006
 Local Jobs Act 2003
 Financial Management Act 1994

A financial reporting direction, FRD 30D 'Standard requirements for the publication of annual reports', outlines specification requirements for annual reports including for their design, use of colour and images, standard sizing, paper stocks and other publishing requirements. All departments and government agencies defined as public bodies must comply with the requirements of this FRD. FRD 30D can be found on the Department of Treasury and Finance website www.dtf.vic.gov.au under Financial Reporting Directions.

Appendix 6: Additional information available upon request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by ST Vic and are available upon request, subject to the provisions of the Freedom of Information Act 1982.

- Accreditation of CPV drivers, CPV driver agreements, registration of commercial passenger vehicles and booking service providers, and licence holders in bus and maritime industries, including application forms and accompanying information received from applicants and other agencies, such as Victoria Police, VicRoads, medical practitioners or the courts.
- Action plans.
- Annual reports.
- Correspondence – corporate and Ministerial, or emails and letters.
- Financial statements/records – grants, remunerations and salaries, procurement materials.
- Meeting records, minutes and agendas.
- Multi Purpose Taxi Program applications.
- Operational and compliance programs.
- Policies, procedures, guidelines and specifications.
- Administrative materials
- Compliance materials
- Instructional materials
- Program materials
- Project materials
- Training and educational materials
- Registers – compliance and operational.
- Stakeholder surveys.
- Wheelchair Accessible Commercial Passenger Vehicle Subsidy Scheme applications and accompanying documents.

Appendix 7: Acronyms

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
AMSA	Australian Maritime Safety Authority
ARC	Audit and Risk Committee
BSP	Booking Service Provider
CALD	Culturally and Linguistically Diverse
CE	Chief Executive
CPVV	Commercial Passenger Vehicles Victoria
CPV	Commercial Passenger Vehicle
DTF	Department of Treasury and Finance
DJSIR	Department of Jobs, Skills, Industry and Regions
FRD	Financial Reporting Direction
FTE	Full Time Equivalent
GST	Goods and Services Tax
MP	Member of Parliament
MPTP	Multi Purpose Taxi Program
OH&S	Occupational Health and Safety
TSV	Transport Safety Victoria
VIPP	Victorian Industry Participation Policy
VPS	Victorian Public Sector
VTMS	Victorian Taxi Management System
WAV	Wheelchair Accessible Vehicle





Financial statements

SAFE TRANSPORT VICTORIA

Financial Statements

for the year ended 30 June 2024

Safe Transport Victoria is a government agency of the State of Victoria.
For queries in relation to our financial statements please call 1800 638 802.

Report Structure

Safe Transport Victoria (ST Vic) has presented its audited general purpose financial statements for the financial year ended 30 June 2024 in the following structure to provide users with information about ST Vic's stewardship of the resources entrusted to it.

Certifications

Chief Executive and Chief Finance Officer's declaration
Victorian Auditor-General's Report

Financial Statements

Comprehensive Operating Statement
Balance Sheet
Cash Flow Statement
Statement of Changes in Equity

Notes to the Financial Statements

1. About this report	72
The basis on which the financial statements have been prepared and compliance with reporting regulations	
2. Funding for our services	73
Revenue recognised from grants and other sources	
2.1 Income from transactions	73
3. The cost of delivering services	74
Operating expenses of ST Vic	
3.1 Expenses incurred in delivery of services	74
3.2 Grant and other transfers	77
3.3 Administration and information technology	77
3.4 Other operating expenses	77
4. Administered (non-controlled) items and restructuring of administrative arrangements	78
ST Vic's administered (non-controlled) items and information on restructuring of administrative arrangements	
4.1 Administered items	78
4.2 Restructuring of administrative arrangements	79
5. Key assets available to support output delivery	80
Plant and equipment intangible assets and other financial assets	
5.1 Plant and equipment	81
5.2 Intangible assets	82
6. Other assets and liabilities	83
Working capital balances, and other key assets and liabilities	
6.1 Receivables	83
6.2 Payables	83
6.3 Other provisions	84
7. How we financed our operations	85
Borrowings, cash flow information, leases and assets pledged as security	
7.1 Borrowings	85
7.2 Leases	86
7.3 Cash flow information and balances	87
7.4 Commitments for expenditure	88
7.5 Assets pledged as security	88

8. Risks, contingencies and valuation judgements	89
Financial risk management, contingent assets and liabilities as well as fair value	
8.1 Financial instruments specific disclosures	89
8.2 Contingent assets and contingent liabilities	92
8.3 Fair value determination	93
9. Other disclosures	95
9.1 Ex-gratia payments	95
9.2 Responsible persons	95
9.3 Remuneration of executives	95
9.4 Related parties	96
9.5 Remuneration of auditors	97
9.6 Australian Accounting Standards issued that are not yet effective	97
9.7 Subsequent events	98
9.8 Glossary of technical terms	98
9.9 Style Conventions	101

Chief Executive and Chief Finance Officer's Declaration

The attached financial statements for Safe Transport Victoria have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and financial position of Safe Transport Victoria at 30 June 2024.

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

We authorise the attached financial statements for issue on 8 October 2024.



Tammy O'Connor
Chief Executive
 Safe Transport Victoria
 Melbourne
 Date 8 October 2024



Lola Makdissi
Chief Finance Officer
 Safe Transport Victoria
 Melbourne
 Date 8 October 2024

Independent Auditor's Report

To the Chief Executive of Safe Transport Victoria

Opinion I have audited the financial report of Safe Transport Victoria (the entity) which comprises the:

- balance sheet as at 30 June 2024
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- chief executive and chief finance officer's declaration.

In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

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

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the entity in accordance with 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 my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Chief Executive's responsibilities for the financial report The Chief Executive of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Chief Executive determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

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

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

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

MELBOURNE
9 October 2024



Simone Bohan
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

for the financial year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income from transactions			
Grants	2.1.1	172,640	162,577
Interest	2.1.2	332	187
Total income from transactions		172,972	162,764
Expenses from transactions			
Employee expenses	3.1.1	(27,469)	(26,457)
Depreciation and amortisation	5.1.1	(762)	(967)
Grants and other transfers	3.2	(119,943)	(103,112)
Administration and information technology	3.3	(12,122)	(13,147)
Other operating expenses	3.4	(9,941)	(13,103)
Total expenses from transactions		(170,237)	(156,786)
Net result from transactions (net operating balance)		2,735	5,978
Other economic flows included in net result			
Net (loss)/gain on non-financial assets		180	7
Total other economic flows included in net result		180	7
Net result		2,915	5,985
Comprehensive Result		2,915	5,985

The above statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
ASSETS			
Financial assets			
Cash and deposits	7.3	6,912	11,943
Receivables	6.1	17,175	11,699
Total financial assets		24,087	23,642
Non-financial assets			
Prepayments		257	248
Plant and equipment	5.1	1,793	1,938
Intangible assets	5.2	1,155	1,501
Total non-financial assets		3,205	3,687
TOTAL ASSETS		27,292	27,329
LIABILITIES			
Payables	6.2	6,380	7,411
Borrowings	7.1	452	641
Employee related provisions	3.1.2	3,665	5,421
Other provisions	6.3	720	697
Total liabilities		11,217	14,170
NET ASSETS		16,075	13,159
EQUITY			
Contributed capital		7,174	7,174
Accumulated surplus/(deficit)		8,901	5,985
Net worth		16,075	13,159

The above statement should be read in conjunction with the accompanying notes.

Cash Flow Statement

for the financial year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts			
Proceeds from grant contributions by Victorian Government		167,171	165,028
Goods and Services Tax recovered from ATO ⁽ⁱ⁾		13,928	10,745
Interest received		332	187
Total receipts		181,431	175,960
Payments			
Payments to suppliers and employees		(66,230)	(62,660)
Payments of grants and other transfers		(119,943)	(103,112)
Interest paid		(10)	(12)
Total payments		(186,183)	(165,784)
Net cash flows from/ (used in) operating activities	7.3.1	(4,752)	10,176
Cash flows from investing activities			
Payments for intangible assets		-	(542)
Payments for property, plant and equipment		(293)	(190)
Proceeds from sale of property, plant and equipment		200	31
Net cash flows used in investing activities		(93)	(701)
Cash flows from financing activities			
Cash received from activities transferred in – machinery of government changes		-	2,736
Repayment of lease liabilities		(186)	(268)
Net cash flows used in financing activities		(186)	2,468
Net (decrease)/increase in cash and cash equivalents		(5,031)	11,943
Cash and cash equivalents at beginning of the financial year		11,943	-
Cash and cash equivalents at end of the financial year	7.3	6,912	11,943

(i) Goods and Services Tax recovered from the ATO is presented on a net basis.

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the financial year ended 30 June 2024

	Contributions by owner \$'000	Accumulated surplus/(deficit) \$'000	Total \$'000
Balance at 1 July 2022	-	-	-
Net result for the year	-	5,985	5,985
Capital contributions	7,174	-	7,174
Balance at 30 June 2023	7,174	5,985	13,159
Balance at 1 July 2023	7,174	5,985	13,159
Net result for the year	-	2,916	2,916
Capital contributions	-	-	-
Balance at 30 June 2024	7,174	8,901	16,075

The above statement should be read in conjunction with the accompanying notes.

1. ABOUT THIS REPORT

ST Vic is an independent statutory authority established on 1 July 2022 by way of a Transport Restructuring Order and an associated Transfer Order (Transfer Orders) issued under the *Transport Integration Act 2010 (Vic) (TI Act)*.

Its principal address is 1 Spring Street, Melbourne VIC 3000.

A description of the nature of ST Vic's operations and its principal activities are included in the report of operations which does not form part of the financial statements.

Basis of preparation

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

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

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

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital.

Transfers of net assets arising from administrative restructurings (such as the Transfer Orders) are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

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

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

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

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

Compliance information

These general-purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (FMA) and applicable AASs, which include Interpretations, issues by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

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

2. FUNDING OF OUR SERVICES

Introduction

ST Vic's objectives are to deliver an integrated, sustainable and safe transport system, with better safety outcomes consistent with the vision statement and transport system objectives in the *Transport Integration Act 2010*. ST Vic's focus is on regulating the industry to promote customer-responsive, safe, competitive and accessible transport services.

ST Vic is predominantly funded by accrual based Parliamentary appropriations for the provision of outputs. These appropriations are received by the Department of Transport and Planning (DTP) and on-forwarded to ST Vic in the form of operating government grants and capital contributions.

Structure

2.1 Income from transactions

2.1 Income from transactions

2.1.1 Grants

	2024 \$'000	2023 \$'000
Grants from appropriations	161,624	151,291
Better Boating Fund grant	11,016	11,286
Total grants	172,640	162,577

ST Vic has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when ST Vic has an unconditional right to receive cash which usually coincides with receipt of cash.

Grants from appropriations are provided by DTP to fund the operations and recognised as they are received or receivable. The operating government grant contributions are recognised as operating revenue and capital contributions as equity.

Better Boating Fund grant is provided by government to support the delivery of the Victorian Recreational Boating Strategy and is recognised as revenue when it is received or receivable. The Better Boating Fund was established in 2021 and is funded through revenue collected from marine licences and vessel registration. Management of the Better Boating Fund Trust transferred from DTP to the Department of Jobs, Skills, Industry and Regions as part of a restructure of administrative arrangements effective 1 January 2023.

2.1.2 Interest

Interest income includes interest received on cash at bank. Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

3. COST OF DELIVERY OF OUR SERVICES

Introduction

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

Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Grants and other transfers
- 3.3 Administration and information technology
- 3.4 Other operating expenses

3.1 Expenses incurred in delivery of services

	Note	2024 \$'000	2023 \$'000
Employee expenses	3.1.1	27,469	26,457
Grant and other transfers	3.2	119,943	103,112
Administration and information technology	3.3	12,122	13,147
Other operating expenses	3.4	9,941	13,103
Total expenses incurred in delivery of services		169,475	155,819

3.1.1 Employee expenses in the comprehensive operating statement

	2024 \$'000	2023 \$'000
Salaries and wages	17,323	20,309
Annual leave and long service leave expense	2,023	2,123
Superannuation	2,089	2,386
Termination benefits	3,815	75
Other on-costs (fringe benefits tax, payroll tax and work cover levy)	2,219	1,564
Total employee expenses	27,469	26,457

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

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. ST Vic does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, Department of Treasury and Finance discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as a sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment.

Termination benefits are recognised when ST Vic is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

3.1.2 Employee benefits in the balance sheet

A provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered to the reporting date.

	2024 \$'000	2023 \$'000
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months ⁽ⁱ⁾	648	1,130
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	744	871
Long service leave		
Unconditional and expected to settle within 12 months ⁽ⁱ⁾	215	282
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	931	1,625
Provisions for on-costs		
Unconditional and expected to settle within 12 months ⁽ⁱ⁾	168	253
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	332	450
Total current provisions for employee benefits	3,038	4,611
Non-current provisions:		
Long Service Leave	521	687
On-costs	106	123
Total non-current provisions for employee benefits	627	810
Total provisions for employee benefits	3,665	5,421

Notes:

(i) The amounts disclosed are nominal amounts.

(ii) The amounts disclosed are discounted to present values

Reconciliation of movement in on-cost provision

	2024 \$'000
Opening balance	826
Additional provisions recognised	48
Reductions arising from payments	(265)
Effect of changes in the discount rate	(3)
Closing balance	606

Wages and salaries, annual leave and sick leave

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

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

Liability for annual leave is recognised in the provision for employee benefits as 'current liabilities' because ST Vic does not have an unconditional right to defer settlements of these liabilities. Depending on the expectation of the timing of settlement, annual leave is measured at:

- undiscounted value if ST Vic expects to wholly settle within 12 months; or
- present value if ST Vic does not expect to wholly settle within 12 months.

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

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where ST Vic does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value if ST Vic expects to wholly settle within 12 months; and
- present value if ST Vic does not expect to wholly settle within 12 months.

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

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

On-costs

Provision for on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

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

3.1.3 Superannuation contributions

Employees of ST Vic are entitled to receive superannuation benefits and ST Vic contributes to both defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary.

	2024	2023
	\$'000	\$'000
Defined benefits plans: ⁽ⁱ⁾		
State Superannuation Fund	-	8
Total defined benefit plans	-	8
Defined contribution plans:		
VicSuper	1,053	1,137
Other	1,022	1,042
Total defined contribution plans	2,075	2,179
Total superannuation plans	2,075	2,187

Note:

- (i) The bases for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

3.2 Grants and other transfers

	2024	2023
	\$'000	\$'000
Multi Purpose Taxi Program (MPTP)	114,074	97,263
Other grants	5,869	5,849
Total grants and other transfers	119,943	103,112

Grants and other transfers to third parties are recognised as an expense in the reporting period in which they are paid or payable.

The MPTP grants are subsidised taxi fares for Victorians with severe and permanent disability who also experience financial hardship. These expenses relate to costs associated with the subsidy and lifting fee.

The other grants include contributions made to National transport regulators on behalf of the State.

3.3 Administration and information technology

Administration and information technology expenses represent day-to-day running costs incurred in normal operations, maintaining the information technology environment and also includes processing charges associated with the MPTP scheme.

3.4 Other operating expenses

Other operating expenses constitute expenditures for contractors and consultants, accommodation, insurance, legal and other ad-hoc costs incurred in normal operations.

ST Vic engages specialist contractors and consultants in implementing and maintaining IT systems, providing analysis and advice on technical, economic and regulatory matters on an as-needs basis.

Accommodation includes rental expense and other associated costs such as parking, utilities and repairs and maintenance.

	2024	2023
	\$'000	\$'000
Accommodation	2,443	2,502
Contractors and consultants	7,038	9,133
Other operating expenses	460	1,468
Total other operating expenses	9,941	13,103

4. ADMINISTERED (NON-CONTROLLED) ITEMS AND RESTRUCTURING OF ADMINISTRATIVE ARRANGEMENTS

Introduction

This section provides information on items administered and a restructuring of administrative arrangements in connection with the activities of ST Vic.

Structure

- 4.1 Administered items
- 4.2 Restructuring of administrative arrangements

4.1 Administered items

Administered items includes the collection of regulatory fees on behalf of the State and payments of these fees into the Consolidated Fund. ST Vic does not gain control over assets arising from regulatory fees, consequently income is not recognised in ST Vic's financial statements.

Regulatory fees collected by ST Vic include commercial passenger vehicles, maritime and bus licencing, accreditation, registration and other fees payable under related safety legislation, except for maritime licence monies which are collected by VicRoads and reported in the administered statements of DTP.

Except as otherwise disclosed, administered income is recognised either when an accreditation or registration monies are received (commercial passenger vehicle fees) or when the invoice is issued (bus and maritime fees). Both controlled and administered items of ST Vic are consolidated into the financial statements of the State.

	2024 \$'000	2023 \$'000
Administered income from transactions		
Regulatory fees	11,129	8,279
Interest income	337	160
Total administered income from transactions	11,466	8,439
Administered expenses from transactions		
Other expenses	(57)	(43)
Revenue remitted back to the State ⁽ⁱ⁾	(10,078)	(7,073)
Total administered expenses from transactions	(10,135)	(7,116)
Administered net result	1,331	1,323
Administered financial assets		
Cash and deposits	3,508	2,503
Receivables	462	135
Total administered financial assets	3,970	2,638
Administered financial liabilities		
Other payables	(12)	(11)
Total administered financial liabilities	(12)	(11)
Total administered net assets	3,958	2,627

Note:

- (i) The difference between total administered income and revenue remitted back to the State is due to a timing difference between when revenue is collected and when it is remitted back to the State.

4.2 Restructuring of administrative arrangements

On 25 February 2022, the Victorian Government announced the creation of ST Vic to lead and manage safety regulations across key transport sectors, unifying the expertise of current regulators to increase safety and make it easier for Victorians to access information and services related to commercial passenger vehicles, buses and waterway vessels. This includes registrations and accreditation for marine, bus and commercial passenger vehicles.

ST Vic was subsequently established way of a Transport Restructuring Order and an associated Transfer Order (Transfer Orders) issued under the *Transport Integration Act 2010 (Vic) (TI Act)*. The Transfer Orders terminate the powers and functions of Commercial Passenger Vehicles Victoria and Transport Safety Victoria transferring all property, rights and liabilities to ST Vic from 1 July 2022.

The table below shows assets and liabilities that have transferred to ST Vic on 1 July 2022 due to a Machinery of Government (MoG) change per the Transfer Orders.

	2023 \$'000
Assets	
Cash	2,736
Receivables	14,152
Prepayments	199
Plant and equipment	2,056
Intangibles	1,541
Liabilities	
Employee benefits	(6,956)
Payables	(5,067)
Borrowings	(808)
Other Provisions	(679)
Net assets	7,174

In accordance with *FRD119 Transfer through contributed capital*, the transfer of the assets and liabilities are a direct adjustment to equity and are designated as 'distribution from owners'. This transfer took effect from 1 July 2022.

	2023 \$'000
Equity	
Contributed capital	7,174
Distribution from owners via equity	7,174

5. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

ST Vic controls plant, equipment, vehicles and intangible assets, that are utilised in fulfilling its objectives and conducting its activities.

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 8.3 in connection with how those fair values were determined.

Structure

- 5.1 Total plant and equipment
- 5.2 Intangible assets

5.1 Total plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Plant and equipment	1,401	1,132	(589)	(420)	812	712
Vehicles (ROU Assets)	1,159	1,492	(683)	(825)	476	667
Infrastructure assets	719	719	(214)	(160)	505	559
Total	3,279	3,343	(1,486)	(1,405)	1,793	1,938

Items of plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

The fair value of plant and equipment is normally determined by reference to the asset's current replacement cost. For plant and equipment, existing depreciated historical cost is generally a reasonable proxy for current replacement cost because of the short lives of the assets concerned.

5.1.1 Depreciation and amortisation

	2024	2023
	\$'000	\$'000
Depreciation		
Right-of-use assets (vehicles)	194	230
Plant and equipment	169	107
Infrastructure	53	48
Total depreciation	416	385
Amortisation		
Intangible assets	346	582
Total amortisation	346	582
Total depreciation and amortisation	762	967

All plant and equipment, vehicles infrastructure and intangible produced assets that have a finite useful life are depreciated. Depreciation is calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Right-of-use assets (vehicles) are depreciated on a straight-line basis to their residual value (cost less estimated projected market value) over the period of the lease. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term.

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

The following are typical estimated useful lives for the different asset classes for current and prior years.

Asset	Useful life
Plant and equipment:	
- Computer equipment	1-4 years
- Plant and equipment	4-10 years
- Infrastructure assets	4-30 years
Right-of-use assets	
- Vehicles	3 years or 60,000kms whichever occurs first
Intangible produced assets:	
- Capitalised software development	3-8 years

Depreciation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

5.1.2 Impairment of plant and equipment

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

5.1.3 Reconciliation of movements in carrying values of plant and equipment

	Infrastructure assets		Plant and equipment		Vehicles		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	559	-	712	-	667	-	1,938	-
Additions	-	10	293	181	3	99	296	290
Disposals	(1)	-	(24)	-	-	(24)	(25)	(24)
Transfers	-	-	-	-	-	-	-	-
Depreciation	(53)	(48)	(169)	(107)	(194)	(230)	(416)	(385)
Machinery of government transfer in	-	597	-	638	-	822	-	2,057
Closing balance	505	559	812	712	476	667	1,793	1,938

5.1.4 Right-of-use assets (vehicles)

Initial measurement

ST Vic recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

Subsequent measurement

ST Vic depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation and is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

5.2 Intangible assets

	Capitalised software development		Work in progress (Software)		Total	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross carrying amount						
Opening balance	33,601	-	-	-	33,601	-
Additions	-	542	-	-	-	542
Disposals	-	-	-	-	-	-
Transfers between classes	-	-	-	-	-	-
Machinery of government transfer in	-	1,541	-	-	-	1,541
Closing balance	33,601	2,083	-	-	33,601	2,083
Accumulated amortisation						
Opening balance	(32,100)	-	-	-	(32,100)	-
Amortisation expense	(346)	(582)	-	-	(346)	(582)
Closing balance	(32,446)	(582)	-	-	(32,446)	(582)
Net book value at end of financial year	1,155	1,501	-	-	1,155	1,501

Initial measurement

Purchased intangible assets are initially recognised at cost. Internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- an intention to complete the intangible asset and use it
- the ability to use the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to ST Vic.

Significant intangible assets

ST Vic has capitalised software development expenditure for the development of its Victorian Taxi Management System (VTMS), the Commercial Passenger Vehicle System (CPVS) and the Data Warehouse solution. VTMS and CPVS are the core information systems for the accreditation and registration of the commercial passenger vehicle industry participants. The Data Warehouse solution processes industry relevant data, also receives data from booking service providers and provides reporting capabilities. The carrying amount of the capitalised software development expenditure is \$1.2 million (2023: \$1.5 million).

6. OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

- 6.1 Receivables
- 6.2 Payables
- 6.3 Other provisions

6.1 Receivables

	2024	2023
	\$'000	\$'000
Contractual - current		
Other receivables	212	23
Statutory - current		
Amounts owing from Victorian Government	13,241	7,905
GST input tax credit recoverable	3,722	3,771
Total receivables	17,175	11,699

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

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. ST Vic applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

6.2 Payables

	2024	2023
	\$'000	\$'000
Contractual - current		
Supplies and services	5,339	7,021
Other payables	279	273
Total contractual payables	5,618	7,294
Statutory - current		
FBT payable	5	(2)
Other taxes payable	757	119
Total statutory payables	762	117
Total payables	6,380	7,411

Payables consist of:

- Contractual payables, such as accounts payable and accrued expenses. Accounts payable represent liabilities for goods and services provided to ST Vic prior to the end of the financial year that are unpaid, and arise when ST Vic becomes obliged to make future payments in respect of the purchase of those goods and services; and
- Statutory payables, such as goods and services tax and fringe benefits tax payables.

The average credit period for creditors is 30 days, a period in which no interest is charged.

Maturity analysis of contractual payables

	Carrying amount	Nominal amount	Maturity Dates			
			Less than 1 month	1-3 months	3 months-1 year	1-5 years
			\$'000	\$'000	\$'000	\$'000
2024						
Supplies and services	5,339	5,339	5,338	1	-	-
Other payables	279	279	279	-	-	-
Total	5,618	5,618	5,617	1	-	-
2023						
Supplies and services	7,021	7,021	6,986	35	-	-
Other payables	273	273	273	-	-	-
Total	7,294	7,294	7,259	35	-	-

6.3 Other provisions

	2024	2023
	\$'000	\$'000
Other provisions	-	-
Total current provisions	-	-
Make-good provision ⁽ⁱ⁾	720	697
Total non-current other provisions	720	697
Total other provisions	720	697

Note:

(i) This constitutes make good provision for 1 Spring Street, Melbourne premises on expiry of lease. The balance of the provision is assessed by Management at each reporting date, and any changes to the provision is adjusted to reflect the current estimate.

The make-good provision is recognised in accordance with the lease agreement over the leased facilities. ST Vic must remove any leasehold improvements from the leased facilities and restore the premises to its original condition at the end of the lease term.

Reconciliation of movement in other provision

	2024
	\$'000
Opening balance	697
Additions due to transfer in	-
Additional provisions recognised	23
Reductions arising from payments	-
Reductions resulting from settlement without cost	-
Closing balance	720

7. HOW WE FINANCED OUR OPERATIONS

Introduction

This section provides information on the source of finance utilised by ST Vic during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of ST Vic. This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 8.1 and 8.3 provide additional, specific financial instrument disclosures.

Structure

- 7.1 Borrowings
- 7.2 Leases
- 7.3 Cash flow information and balances
- 7.4 Commitments for expenditure
- 7.5 Assets pledged as security

7.1 Borrowings

	2024	2023
	\$'000	\$'000
Current borrowings		
Lease liability ⁽ⁱ⁾	452	170
Non-current borrowings		
Lease liability ⁽ⁱ⁾	-	471
Total borrowings	452	641

Note:

(i) Secured by the assets leased. Leases liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Borrowings refer to interest bearing liabilities from leases of vehicles and are classified as financial instruments.

All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether ST Vic has categorised its interest bearing liabilities as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest liabilities. ST Vic determines the classification of its interest bearing liabilities at initial recognition.

Maturity analysis of borrowings

	Carrying amount	Nominal amount	Maturity Dates			
			Less than 1 month	1-3 months	3 months-1 year	1-5 years
			\$'000	\$'000	\$'000	\$'000
2024						
Lease liabilities	452	456	34	16	406	-
Total	452	456	34	16	406	-
2023						
Lease liabilities	641	654	179	440	35	-
Total	641	654	179	440	35	-

Interest expense

Interest expense includes the interest component of lease repayments and is recognised in the period in which it is incurred. Interest expense incurred on lease liabilities for the year ended 30 June 2024 is \$9,931 (30 June 2023: \$12,469).

7.2 Leases**Leasing activities**

ST Vic leases motor vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the Statement of Financial Position as a right-of-use asset and a lease liability. ST Vic classifies its right-of-use assets in a consistent manner to its plant and equipment (see Note 5.1).

For any new contracts entered into, ST Vic considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition ST Vic assesses whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to ST Vic and for which the supplier does not have substantive substitution rights;
- Whether ST Vic has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and ST Vic has the right to direct the use of the identified asset throughout the period of use; and
- Whether ST Vic has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

Recognition and measurement of leases as a lessee**Lease Liability – initial measurement**

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or ST Vic's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets

ST Vic has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

	Minimum future lease payments		Present value of minimum future lease payments	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Not longer than one year	456	179	452	170
Longer than one year but less than five years	-	475	-	471
Minimum future lease payments	456	654	452	641
Less future finance changes	(4)	(13)	-	-
Present value of minimum lease payments	452	641	452	641
Included in the financial statements as:				
Current borrowing (Note 7.1)			452	170
Non-current borrowings (Note 7.1)			-	471
Total			452	641

The lease liability entered into by ST Vic relates to motor vehicles with lease terms of three years or 60,000 kilometres, whichever occurs first.

7.3 Cash flow information and balances

Cash, including cash equivalents, comprise cash on hand and cash at bank.

	2024 \$'000	2023 \$'000
Cash at bank and on hand	6,912	11,943
Balance as per cash flow statement	6,912	11,943

At 30 June 2024, cash at bank included the amount of notional shortfall for the payment of unrepresented cheques of \$11,000 (2023: \$11,000).

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

	2024 \$'000	2023 \$'000
Net result for the period	2,915	5,985
Non-cash movements		
Depreciation and amortisation of non-current assets	762	967
Loss/(gain) on sale or disposal of non-current assets	(180)	(7)
Movements in assets and liabilities		
Decrease/(Increase) in receivables	(5,469)	2,451
(Increase)/Decrease in other non-financial assets	(9)	(49)
(Decrease)/Increase in payables	(1,038)	2,346
(Decrease)/Increase in provisions	(1,733)	(1,517)
Net cash flow from operating activities	(4,752)	10,176

7.4 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of note at their nominal value and inclusive of GST.

Total commitments payable

	Less than 1 year \$'000	Between 1 and 5 years \$'000	Total \$'000
2024			
Operating and lease commitments ⁽ⁱ⁾	3,155	-	3,155
Other commitments	805	235	1,040
Total commitments (inclusive of GST)	3,960	235	4,195
Less GST payable	(360)	(21)	(381)
Total commitments (exclusive of GST)	3,600	214	3,814
2023			
Operating and lease commitments ⁽ⁱ⁾	2,696	-	2,696
Other commitments	2,486	149	2,635
Total commitments (inclusive of GST)	5,182	149	5,331
Less GST payable	(471)	(14)	(485)
Total commitments (exclusive of GST)	4,711	135	4,846

Note:

(i) ST Vic has an occupancy agreement, with Department of Treasury and Finance Shared Service Provider for office accommodation at 1 Spring Street, Melbourne and 10 Mareno Road, Tullamarine and other related services, including management fee, maintenance, cleaning, electricity, gas and water.

The occupancy agreement is classified as a service contract (rather than a 'lease' as defined in AASB 16 Leases). The cost for the accommodation and other related services are expensed (Note 3.4 Other operating expenses) based on agreed payments in the occupancy agreement.

7.5 Assets pledged as security

ST Vic has secured motor vehicles against the related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

8. RISKS, CONTINGENCIES AND JUDGEMENTS

ST Vic is exposed to risks from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instruments specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for ST Vic related mainly to fair value determination.

Structure

- 8.1 Financial instruments specific disclosures
- 8.2 Contingent assets and contingent liabilities
- 8.3 Fair value determination

8.1 Financial instruments specific disclosures

Introduction

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

Financial assets at amortised cost

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

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

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

ST Vic recognises the following assets in this category:

- Cash and deposits
- Receivables (excluding statutory receivables)

Financial liabilities at amortised cost

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

ST Vic recognises the following liabilities in this category:

- Payables (excluding statutory payables)
- Borrowings (including lease liabilities)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired
- ST Vic retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement
- ST Vic has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset
 - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where ST Vic has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of ST Vic's continuing involvement in the asset.

Derecognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

8.1.1 Financial instruments: categorisation

	2024 \$'000	2023 \$'000
Contractual financial assets		
Cash and deposits	6,912	11,943
Receivables at amortised cost		
Other receivables	212	23
Total contractual financial assets ^{(i) (ii)}	7,124	11,966
Contractual financial liabilities at amortised cost		
Payables:		
Supplies and services	5,339	7,021
Other payables	279	273
Borrowings:		
Lease liabilities	452	641
Total contractual financial liabilities ^{(i) (ii)}	6,070	7,935

Notes:

- (i) The amounts disclosed represent the carrying amounts for the reporting period.
(ii) The total amounts disclosed here exclude statutory amounts e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

8.1.2 Net holding gain/(loss) on financial instruments

	2024 \$'000	2023 \$'000
Contractual financial assets		
Cash and deposits	332	187
Contractual financial liabilities		
lease liabilities	(10)	(12)
Net holding gain/(loss)	322	175

The net holding gains or losses disclosed above are determined as follows:

- for cash and cash equivalents and financial assets at amortised cost, the net gain or loss is calculated by taking the movement in interest income minus any impairment recognised in the net result; and
- for financial liabilities measured at amortised cost, the net gain or loss is equal to the interest expense incurred during the reporting period.

8.1.3 Financial risk management objectives and policies

ST Vic is exposed to a number of financial risks, including:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

As a whole, ST Vic's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed in Note 8.1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage ST Vic's financial risks within the Government's policy parameters.

ST Vic uses different methods to measure and manage the different risks to which it is exposed.

Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. ST Vic's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to ST Vic. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the ST Vic's contractual financial assets is minimal because the main debtor is the Victorian Government. In addition, ST Vic does not engage in hedging for its contractual financial assets.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that ST Vic will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 90 days overdue, and changes in debtor credit ratings.

ST Vic applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. Based on low levels of historical impairment losses and current year collection experience, no provision for expected credit loss has been recognised.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

The carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents ST Vic's limited exposure to credit risk without taking into account the value of any collateral obtained.

There has been no material change to ST Vic's credit risk profile in 2023-24.

Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. ST Vic operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

ST Vic's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risk.

The carrying amount detailed in the tables "maturity analysis of payables" (Refer 6.2) and "maturity analysis of borrowings" (Refer 7.1) represents ST Vic's maximum exposure to liquidity risk.

There has been no material change to ST Vic's liquidity risk profile in 2023-24.

Market risk

ST Vic's exposure to market risk is primarily through interest rate risk with no exposure to foreign currency and equity price risks. Objectives, policies and processes used to manage interest rate risk are disclosed below.

There has been no material change to ST Vic's market risk profile in 2023-24.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. ST Vic does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. ST Vic has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

ST Vic manages this risk by mainly undertaking fixed rate or non-interest-bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Exposure to movements in floating interest rate is minimal as cash and deposit balances are held with Westpac Banking Corporation as part of the State Central Banking System administered by the Department of Treasury and Finance.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates is as follows:

	Weighted average interest rate %	Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non- interest bearing \$'000
2024					
Financial assets					
Cash and deposits	4.26	6,912	-	6,912	-
Receivables ⁽ⁱ⁾		212	-	-	212
Total financial assets		7,124	-	6,912	212
Financial liabilities					
Supplies and services		5,339	-	-	5,339
Other payables		279	-	-	279
Lease liabilities	2.39	452	452	-	-
Total financial liabilities		6,070	452	-	5,618
2023					
Financial assets					
Cash and deposits	2.94	11,943	-	11,943	-
Receivables ⁽ⁱ⁾		23	-	-	23
Total financial assets		11,966	-	11,943	23
Financial liabilities					
Supplies and services		7,021	-	-	7,021
Other payables		273	-	-	273
Lease liabilities	2.56	641	641	-	-

Note:

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

There has been no material change to ST Vic's interest rate risk profile in 2023-24.

8.2 Contingent assets and contingent liabilities

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

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

Contingent assets

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

Contingent assets arise from guarantees, indemnities and other forms of support provided to ST Vic and from legal disputes and other claims by ST Vic arising from a past event. Contingent assets by definition are similar to an asset with the distinguishing feature being the uncertainty over ST Vic's entitlement.

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

There are no contingent assets to report (2022-23: Nil).

Contingent liabilities

Contingent liabilities are:

- Possible obligations that arise from past events, whose existence will be confirmed only by the occurrence and non-occurrence of one or more uncertain future events not wholly within the control of ST Vic; or
 - Present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability
- Contingent liabilities are also classified as either quantifiable or non-quantifiable.

There are no contingent liabilities to report (2022-23: Nil).

8.3 Fair value determination

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

Plant and equipment balances are carried at fair value. In addition, the fair values of other assets and liabilities which are carried at amortised cost, also need to be determined for disclosure purposes.

ST Vic establishes the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

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

The levels are as follows:

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

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

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

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer Note 8.3.1) and non-financial physical assets (refer 8.3.2).

8.3.1 Fair value determination of financial assets and liabilities

ST Vic considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short term nature of the financial instruments and the expectations that they will be paid in full.

8.3.2 Fair value determination of non-financial assets

ST Vic's non-financial assets all classified as Level 3 assets in accordance with the fair value hierarchy.

Plant and equipment are held at fair value. When an item is specialised in use, such that it is rarely sold other than part of a going concern, fair value is determined using the current replacement cost method.

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

Infrastructure assets are valued using the current replacement cost method. This cost generally represents the replacement cost of the asset after applying depreciation rates on a useful life basis.

There were no changes in valuation techniques throughout the period to 30 June 2024.

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

Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs
Leased vehicles	Current replacement cost	Cost per unit
		Useful life of leased vehicles
Infrastructure assets	Current replacement cost	Cost per unit
		Useful life of infrastructure assets
Plant and equipment	Current replacement cost	Cost per unit
		Useful life of plant and equipment

Depreciation rates for all asset categories remained the same for the current and prior year reporting periods.

9. OTHER DISCLOSURES

Introduction

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

Structure

- 9.1 Ex-gratia payments
- 9.2 Responsible persons
- 9.3 Remuneration of executives
- 9.4 Related parties
- 9.5 Remuneration of auditors
- 9.6 Australian Accounting Standards issued that are not yet effective
- 9.7 Glossary of terms
- 9.8 Style Conventions

9.1 Ex-gratia payments

There were no ex-gratia payments to report (2022-23: Nil).

9.2 Responsible persons

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

Names

The persons who held the positions of Minister and Accountable Officer are as follows:

Minister for Public Transport	The Hon. Ben Carroll MP	1 July 2023 to 2 October 2023
Minister for Public and Active Transport	The Hon. Gabrielle Williams	2 October 2023 to 30 June 2024
Minister for Roads and Road Safety and Minister for Ports and Freight	The Hon. Melissa Horne	1 July 2023 to 30 June 2024
Minister for Outdoor Recreation	The Hon. Sonya Kilkenny	1 July 2023 to 2 October 2023
	The Hon. Steve Dimopoulos	2 October 2023 to 30 June 2024
Chief Executive	Tammy O'Connor	1 July 2023 to 30 June 2024

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of ST Vic during the reporting period was between \$390,000 - \$400,000 (2022-23: \$380,000 - \$390,000). Amounts relating to Ministers are reported in the the State's Annual Financial Report.

9.3 Remuneration of executives

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

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

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long-service leave, other long-service benefits or deferred compensation.

Remuneration of executive officers	2024	2023
	\$'000	\$'000
Short-term employee benefits	1,339	1,320
Post-employee benefits	135	136
Other long-term benefits	32	23
Total remuneration	1,506	1,479
Total number of executives⁽ⁱ⁾	9	7.0
Total annualised employee equivalents⁽ⁱⁱⁱ⁾	5.3	5.9

Notes:

(i) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 9.4).

(ii) Annualised employee equivalent is based on the time fraction worked over the reporting period.

9.4 Related parties

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

Related parties of ST Vic include:

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

Significant transactions with government-related entities

Key management personnel (KMP) of the ST Vic includes the Portfolio Ministers, The Hon. Ben Carroll MP, The Hon. Gabrielle Williams, The Hon. Steve Dimopoulos, The Hon. Melissa Horne, and The Hon. Sonya Kilkenny, the Chief Executive, Tammy O'Connor, and members of the Senior Executive Team, which includes:

- Executive Director People, Communications and Engagement, Ayten Erkul
- Executive Director Safety Strategy and Regulation, Chris Banks
- Executive Director Business Services and General Counsel, David Schreuder

Related party and nature of transaction	2024	2023
	\$'000	\$'000
Receipts/(Payments)		
DTP		
- Provision of grants revenue	144,000	147,429
- Provision of outsourced services and reimbursement of other expenses	(3,875)	(5,044)
- Remittance of administered revenue for payment back to Consolidated Fund and other expense reimbursements	(10,078)	(7,073)
Department of Families, Fairness and Housing		
- Provision of funding for the Multi Purpose Taxi Program related to ST Vic's contribution to the State's NDIS contribution	12,287	11,990
Department of Jobs, Skills, Industry and Regions		
- Provision of Better Boating Fund Trust grants	10,716	6,833
Cenitex		
- Provision of ICT services	(2,575)	(1,702)
Australian Criminal Intelligence Commission		
- Provision of criminal history checks	(810)	(480)
Department of Treasury and Finance		
- Provision of shared services provider accommodation charges and other miscellaneous expense reimbursements	(2,532)	(2,482)
Victorian Managed Insurance Authority		
- Provision of insurance	(129)	(103)

Related party and nature of transaction	2024	2023
	\$'000	\$'000
Receivables/(Payables)		
DTP		
- Amounts outstanding in relation to provision of grants revenue	13,241	7,905
- Provision of outsourced services and reimbursement of other expenses	124	-
Victorian Managed Insurance Authority		
- Provision of insurance	-	(650)

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report. Compensation paid to KMPs are also reported in the disclosure of remuneration of executive officers (Note 9.3).

Compensation of KMPs	2024	2023
	\$'000	\$'000
Short-term employee benefits	1,211	814
Post-employee benefits	110	76
Other long-term benefits	30	21
Total compensation	1,351	911

Transactions and balances with key management personnel and other related parties

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

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

9.5 Remuneration of auditors

Victorian Auditor-General's Office	2024	2023
	\$'000	\$'000
Audit or review of the financial statements	59	57
Total remuneration of auditors	59	57

9.6 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but not effective for the 2023-24 reporting period and have not been applied to ST Vic's Financial Statements as follows:

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.

Among other things, the Standard:

- specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 Non-current Assets Held for Sale and Discontinued Operations or if it is highly probable that it will be used for an alternative purpose;
- clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services;
- specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and
- provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence.

This Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

St Vic is currently in the process of assessing the potential impact of these standards and amendments, however they are not expected to have a material impact on the fair value of non-financial assets.

A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

9.7 Subsequent Events

The Victorian Public Service (VPS) enterprise agreement was approved on 12 August 2024. The related expenses and liabilities will be recognised as part of 2024-25 financial report. These include 3% salary increments, mobility payments and a one-off \$5,600 payment to eligible employees.

9.8 Glossary of technical terms

Administered item

Administered item generally refers to ST Vic lacking the capacity to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset.

Borrowings

Borrowings refer to interest bearing liabilities raised from lease liabilities and other interest-bearing arrangements.

Commitments

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

Contributed capital

Contributed capital include capital contributions received for additions to net assets and is treated as an equity transaction in the balance sheet.

Controlled item

Controlled item generally refers to the capacity of an entity to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Current grants

Current grants include amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transactions'.

Effective interest method

The effective interest method is used to calculate the amortised cost of a financial asset or liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or, where appropriate, a shorter period.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex gratia expenses

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

Financial asset

A financial asset is any asset that is:

- cash; or
- a contractual right or statutory right
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that is potentially favourable to the entity.

Financial instrument

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

Financial liability

A financial liability is any liability that is a contractual obligation:

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that is potentially unfavourable to the entity.

Financial statements comprise:

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

Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to directly receive benefits of approximately equal value. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

General government sector

The general government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense

Costs incurred in connection with the borrowing of funds. Interest expenses include the interest component of lease repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest income includes unwinding over time of discounts on financial assets.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows - other comprehensive income'.

Net result from transactions/net operating balance

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

Net worth

Net worth represents assets less liabilities, which is an economic measure of wealth.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets', including prepayments, leasehold improvements, leased vehicles and intangible assets.

Other economic flows included in net result

Other economic flows included in the net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets.

Payables

Payable include short and long term trade debt and accounts payable, grants and taxes payable.

Produced assets

Produced assets include plant and equipment and certain intangible assets. Intangible assets mainly constitute the Victorian Taxi Management System, Commercial Passenger Vehicle System and Data Warehouse solution.

Receivables

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

Sales of goods and service

Refers to income from the direct provision of goods and services and includes fees from regulatory

Supplies and services

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

Transactions

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

9.9 Style Conventions

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

The notation used in the tables is as follows:

-	zero, or rounded to zero
(xxx)	negative numbers
201x	year period
202x	year period
201x/1x	year period
201x/2x	year period
202x/2x	year period

Safe Transport Victoria Financial Management Compliance Attestation Statement

I, Tammy O'Connor, certify that Safe Transport Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Tammy O'Connor
Chief Executive
Safe transport Victoria
18 September 2024



