



**State
Trustees**
For all Victorians



STATE TRUSTEES
**ANNUAL
REPORT**
2024 - 2025

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Melissa Bell
(Gunditjmara /Yorta Yorta)
Four Sisters Coming Together
Acrylic on canvas, 2023.

This artwork was created through The Torch, a not for profit organisation, that provides art, cultural and arts industry support to Indigenous offenders and ex-offenders in Victoria.

ACKNOWLEDGEMENT OF COUNTRY

State Trustees Limited acknowledges the Traditional Owners of Country throughout Australia and acknowledges their continuing connection to land, waters and community. We pay our respects to the people, the cultures and the Elders past and present.

Chair and CEO's Message

The Financial Year 2025 was the first in State Trustees Limited's (State Trustees) new three-year strategy, designed to enliven our Client Value Proposition – to give Victorians complete confidence their financial and legal affairs are in good order. With our clients at the centre of everything we do, we have achieved significant results for our clients, community, people and business.



State Trustees continued to make a positive impact in the Victorian community with more Victorians than ever turning to us for support when they needed it. We wrote over 7,000 Wills, supported nearly 10,000 people under Financial Administration, and administered over 1,000 deceased estates from which over 3,000 people benefitted.

The State Trustees Australia Foundation celebrated its 30th anniversary, distributing over \$50 million in that time and supporting over 550 projects and charitable organisations.

Further, in the Financial Year 2025, over \$4.6 million in grants was given to 220 recipients, including organisations supporting older Victorians to participate in their communities, assisting children and young people to re-engage in schooling, and prevent youth suicide in regional Victoria. It is through the generosity of Victorians who leave bequests in their wills that these grants are made possible.

Melissa Reynolds commenced as CEO in mid-July 2024, taking over from John Velegrinis, to whom we give our thanks for his leadership and considerable efforts over the past three years. Melissa was formerly the General Manager of Trustee Services and, prior to that, held senior executive roles in the financial services and energy sectors, and has served on numerous boards.

Since becoming CEO, Melissa has reinvigorated the executive team, building the strength of leadership with expertise in finance, growth, technology and transformation, and people and culture.

Melissa and the executive team share a deep passion for delivering excellent client experiences and have continued to build a client-centric culture through elevating the voice of our clients.

Our clients' voices are now prevalent at executive and team meetings, company town halls and other events through client stories and feedback. We use these Voice of Client moments to reflect on what worked well and where we could improve. We have also instituted a whole-of-company Voice of Client forum at which all employees learn about the latest client satisfaction and experience results and are encouraged to work collaboratively to make improvements in service delivery.

This simple but impactful practice is now commonplace across the company and yields results through improved client service and greater employee engagement.

“State Trustees continued to make a positive impact in the Victorian community with more Victorians than ever turning to us for support when they needed it.”

Our Directors bring a wealth of professional and lived experience relevant to our clients, which ensures our client-first mindset is reflected in board discussions and decisions, providing benefit to our clients, community, people, and business.

Our client-first mindset was recognised in recent findings in the Victorian Auditor-General's Office audit of State Trustees' financial administration services. The findings affirmed that we act in accordance with the *Guardianship and Administration Act 2019* and place clients' rights and interests at the centre of our work. The report also acknowledged the integral role played by increased government funding through our Community Services Agreement the Victorian Department of Families Fairness and Housing in achieving these positive client outcomes. We welcomed the report's practical

recommendations, and we remain committed to strengthening our service model.

We have continued to deliver our business transformation program, rolling out the Client Relationship Management system, InTrust, across two business units. We now have around 360 users of the system. We have made it easier – and faster – for our people to make client payments and update budgets, facilitated by the Client 360 view inherent in the system which captures pertinent client information on one screen. The new Life Events functionality in the system supports users with checklists and workflows to ensure clients are well supported through periods of change, for example when moving into aged care.

Our people are at the heart of delivering great client experiences. Staff engagement grew for the first time in three years, reflected in strong levels of attachment to State Trustees, motivation to achieve its objectives and inspiration to be their best. We invested in strengthening safety and wellbeing for our employees through a partnership with the Black Dog Institute and made positive inroads in Gender Equity as seen through improvements in Gender Pay Parity and representation of women in senior roles.

We also instituted a common Voice of Client goal for all people, from the CEO to administrative teams, which entails spending time in different parts of the business to interact with different client

cohorts. Our people have embraced this opportunity, and it has been an important contributor to building our client centricity. Through the goal and its internal mobility of staff which builds greater understanding and collaboration across our teams, we are continuing to grow our people's skills in client engagement.



"Our people are at the heart of delivering great client experiences."

State Trustees has continued to advocate for clients on systemic issues including collaborating with other public trustees on submissions about family violence, financial abuse and the draft National Plan to End Elder Abuse. It is through this advocacy that we foster change that improves the lives of our clients.

We were honoured this year to participate in VCAT's first Koori Hearing Day in June 2025, a milestone in creating a more culturally safe and inclusive experience for Aboriginal people accessing the Tribunal. Our partnership with VCAT on culturally appropriate support for Aboriginal people continues to grow.

The underlying business performed well in the Financial Year 2025, delivering strong revenues across financial planning, attorneyships and deceased estates, and achieving a modest profit of \$250,000. With a focus on simplifying and streamlining our services, we will be able to reach more Victorians while remaining competitive in contestable markets.

Acknowledgements

We would like to thank our people for their dedication and professionalism throughout the year. Their care and diligence continue to make a meaningful difference to the lives of the clients we serve. We acknowledge our executive team's innovative thinking and strong capabilities, and our Board of Directors' strong governance, strengthened by the appointment of Michael Daddo and Kathryn Brown on 1 August, which ensures our company remains in good order.

The Honourable Jennifer Acton - Chair

Melissa Reynolds - CEO



About State Trustees

State Trustees is a Victorian Government backed company providing financial and legal services at important life moments. We help Victorians from all walks of life with their financial and legal affairs in times of need and when they pass away.

State Trustees' wide range of financial and legal services supports Victorians at different stages of their lives, offering tailored solutions to meet evolving needs.

We provide Personal Financial Administration for thousands of Victorians who are unable to manage their own affairs, due to disability, mental illness or injury. We also provide a comprehensive range of specialised services including Wills, Writing Powers of Attorney, Deceased Estate Administration, and Trust Administration.

We give our clients complete confidence that their financial and legal affairs are in good order through our diligent care, comprehensive expertise and our enduring accountability.

Diligent care

Our people take pride in looking after Victorians from all walks of life. We listen to our clients' unique needs and preferences, take the time to explain what needs to be done and then make sure it's done well.

Comprehensive expertise

Our skilled and experienced team has worked with thousands of clients across a variety of specialised services. Whether our clients' needs are complex or simple, we are here to help.

Enduring accountability

We have an 80-year history of being here when our clients need us. We are accountable to the Government and the people of Victoria, not private owners.

Our History

State Trustees has an 80-year legacy of service to the Victorian community with a proven commitment to support with reliability and care. In 1994, State Trustees became a state-owned company.

State Trustees operates from three locations in Footscray, Dandenong and Bendigo.

Client story

Finding Stability and Hope

State Trustees was appointed as Thomas's administrator and was supported by our Specialised Support Team during one of the most difficult times in his life. He had recently been released from prison, had no stable housing or bank account, and was struggling with substance use.

Thomas was also being exploited by dishonest NDIS providers who drained his plan funding. This lack of support and stability contributed to a cycle that led him back into the justice system. With consistent help from our team, things slowly started to turn around.

We supported Thomas to open a bank account and advocated on his behalf for new public housing when he lost his home.

A Public Guardian was appointed to assist with important personal decisions. With ongoing advocacy, Thomas was able to move into Supported Independent Living. We helped set up essential services in his name so he could finally access the concessions he was eligible for.

Today, Thomas is doing well.

He has formed strong relationships with his care team and enjoys regular outings in the community. He recently contacted us to say he missed the team and told us he "loved us".

Thomas' journey shows how the right support at the right time can create lasting change. From a place of crisis, he now has stability and a sense of belonging and importantly, he has hope for the future.

**name and photo has been changed to protect client's identity.*



FY2025 Highlights

The 2025 financial year was a strong year for State Trustees. We strengthened the support we provide to clients and improved the lives of Victorians who depend on us. The following highlights showcase the key achievements and impacts from the year.

Approximately
\$2.9B
assets and funds under management

Over
1.3m
individual payment transactions processed

Over
250k
client calls answered

Over
57k
client chats

3630
client visits

386k
users to our website

Approximately
7000
Wills and POA's prepared



Almost
10k
Financial Administration clients

Over
15k
Personal Financial Administration client budgets completed

Over
300
properties bought and sold



423
clients supported through the Financial Independence Program

722
clients benefitted from our Specialised Support service

Over
3300
estates under management...

with over
3000
beneficiaries who received an entitlement.



Listening and responding to client feedback was a key theme that shaped our work during the year. We provided more options to get in touch with us in a way that is more convenient.

Celebrating 30 Years of Impactful Giving

In 2024, the State Trustees Australia Foundation proudly celebrated 30 years of empowering vulnerable Victorians through impactful and enduring philanthropy.

Since its establishment in 1994 as a public ancillary fund, the Foundation has been committed to supporting innovative, community-led solutions that address complex social challenges across the state.

Over three decades, the Foundation has distributed more than \$50 million in grants, supporting over 550 life-changing projects

that align with our mission of promoting disability inclusion, ageing well, emotional wellbeing and regional community support. This long-standing commitment is made possible by the remarkable generosity of Victorians who have entrusted us with their charitable bequests.

Grant round	Organisations
<p>Ageing Well Targeting systemic issues that impact quality of life for older Victorians, funds disbursed support projects to enhance physical and emotional wellbeing, particularly in rural communities.</p>	<p>Live Life Get Active LaTrobe University <i>(John Richards Centre for Rural Ageing Research, La Trobe Rural Health School)</i></p>
<p>Community Inclusion Funds distributed support organisations and projects that encouraged social inclusion and social participation for people with disability.</p>	<p>DRC Advocacy Rawcus Theatre Company Inc Cultivating Community Able Australia Tikkun Olam Makers Melbourne Ltd <i>(TOM: Melbourne)</i> Star Struck Stables Equestrian Vaulting Team Inc</p> <p>Blind Sports & Recreation Victoria Speak Percussion Giant Steps Melbourne The Royal Women's Hospital: <i>Accessible healthcare for women with disability</i> Travellers Aid Australia The Onemda Association All Things Equal Limited</p>
<p>Disadvantaged Children This grant supports organisations and projects combatting disadvantage experienced by young Victorians, fostering their emotional wellbeing, educational attainment, and life achievement opportunities.</p>	<p>Banksia Gardens Community Services Royal Women's Hospital: <i>First Thousand Days Clinic</i></p>
<p>Emotional Wellbeing At least 45% of us will experience a mental illness during our lives and at least 20% of adults are affected by mental illness every year. The Emotional Wellbeing program has been developed to improve the social and emotional wellbeing of Victorians.</p>	<p>Live4Life</p>

Charity spotlight

Pets of the Homeless

Pets of the Homeless (POTH) is a compassionate organisation working at the intersection of animal and human welfare. Their mission is simple yet powerful: to keep vulnerable people and their pets together, especially during times of crisis.

Through their Bridge to Home initiative, POTH is removing financial and systemic barriers that often lead to pets being surrendered or unnecessarily suffering. With support from the State Trustees Australia Foundation's Animal Welfare Grant Program - totalling approximately \$120,000 over three years. POTH is helping low-income Victorians cover emergency vet bills and the costs of

reclaiming lost pets from pounds. At least 15% of the funding goes directly toward the care of impounded dogs.

By working in partnership with The Lost Dogs' Home, the program not only supports animal welfare but also reduces emotional trauma for pet owners facing hardship. At its heart, Bridge to Home recognises the irreplaceable role that pets play in providing companionship, stability, and hope.

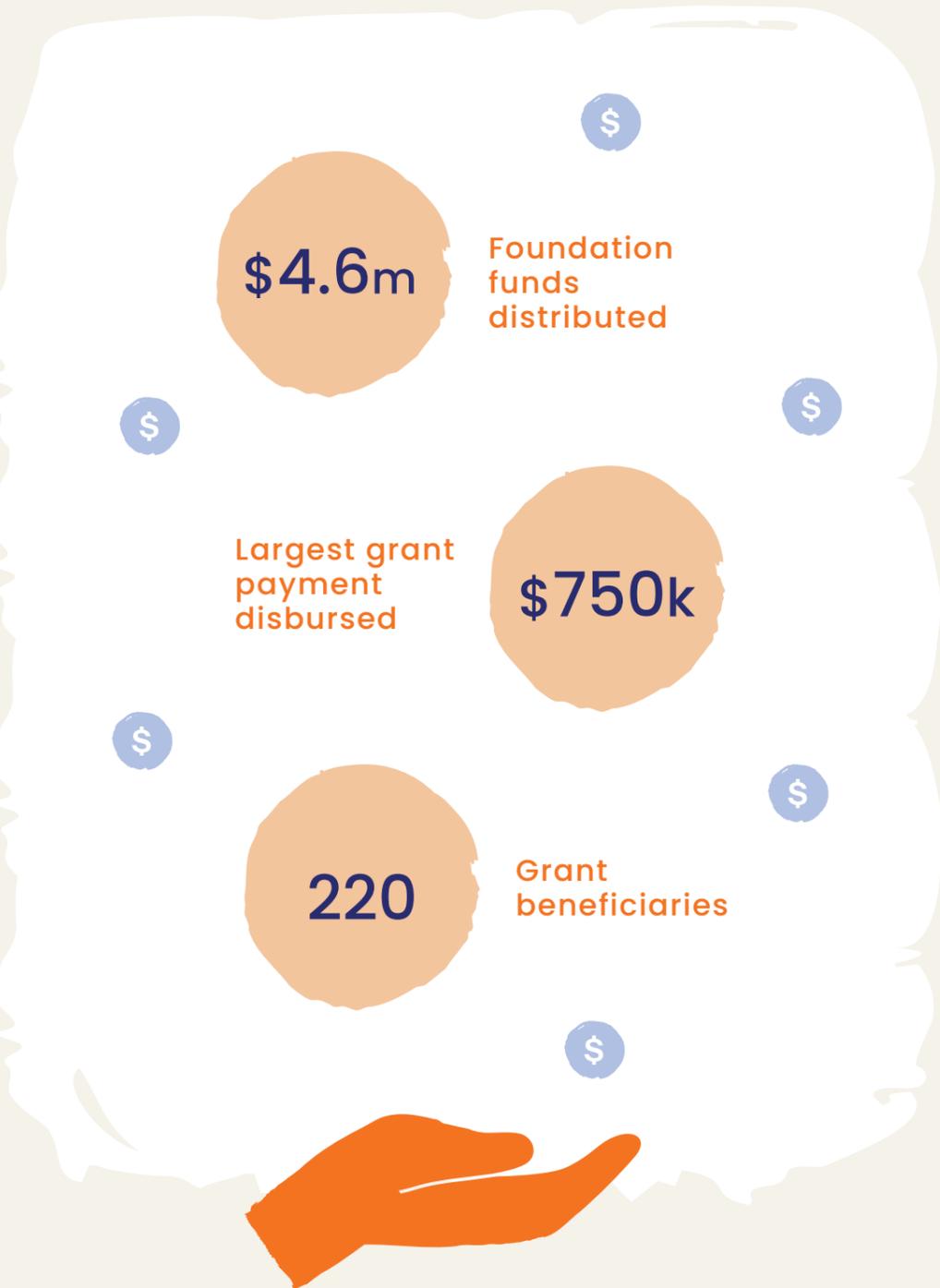
Through this grant, the State Trustees Australia Foundation continues its support for the wellbeing of people in need and the pets who mean so much to them.

** Photo provided by Pets of the Homeless.*



Our Foundation FY25 Highlights

Each year, the State Trustees Australia Foundation proudly supports organisations making a difference. Here's a snapshot of the impact we've helped create through our grantmaking.



Charity spotlight

Live4Life is an award-winning, community-led initiative dedicated to improving youth mental health and reducing suicide in rural and regional communities across Australia.

Its whole-of-community model brings together young people, schools, health services, local councils, and community groups to deliver tailored, local solutions. With the support of a three-year, \$750,000 grant from the State Trustees Australia Foundation, Live4Life has been able to grow into new communities across Victoria.

In 2024 alone, Live4Life reached 8,968 secondary students with evidence-based mental health education and 297 young people volunteered as Mental Health Ambassadors in the Live4Life Crews. Since it began in 2010, Live4Life has reached over 33,500 young people, and has trained 3,331 adults in Youth Mental Health First Aid®. This means that, for every ten young people, there is at least one trained adult able to assist a young person in a time of need.

At the heart of the program is *the Crew* – Year 9 and 10 students who are recruited across all participating schools in a Live4Life community. As Mental Health Ambassadors, they lead conversations, run events, and share positive messages with their peers, helping to break down stigma and encourage help-seeking. To support these young people, Live4Life offers practical guidance and mentoring, ensuring communities have the assistance, resources, structures and expertise to implement the program with confidence and keep it strong into the future.

Since Live4Life began, it has been implemented in 14 regional communities and partnered with more than 175 organisations – all working together to create safe, supportive environments for young people.

The State Trustees Australia Foundation is pleased to support Live4Life through its Emotional Wellbeing grant program which supports initiatives that improve the mental health of Victorians.

** Photo provided by Live4Life.*



Year 9 and 10 students step up as youth mental health ambassadors – leading conversations, running events, and sharing positive messages with their peers to encourage help-seeking.

Our Strategy

Our Strategy 2025–2027 enlivens our Client Value Proposition which promises to give Victorians from all walks of life confidence their financial and legal affairs are in good order.

It shapes everything we do – how we service our clients, engage with the community, support our people, and grow and evolve our business.

With over 80 years of experience serving the community, our strategy reflects our ongoing commitment to providing trusted financial and legal support that meets the changing needs of all Victorians.

Why We Exist

State Trustees is here to support Victorians from all walks of life when they are planning ahead, managing day-to-day finances, or dealing with life's most difficult moments. We help our clients feel confident that their financial and legal affairs are in good order.

Our services span financial administration, will preparation, powers of attorney, and estate management. We also advocate for our clients through community education and engagement, helping to improve outcomes for vulnerable people across the state.

What We Do

We deliver value through essential financial and legal services that improve wellbeing, promote dignity, and offer peace of mind for tens of thousands of Victorians.

Our ability to deliver this benefit is strengthened by:

- our partnerships with government and community
- engaging with and support clients and stakeholders
- how we reinvest into innovation and business improvement to provide an enhanced client experience.

Our Clients

We help Victorians from all walks of life with their financial and legal affairs in times of need and when they pass away. From wills to complex financial administration, our goal is to ensure that our suite of products and services is tailored to meet client needs.

We are committed to:

- understanding and empowering our clients
- actively listening to their changing needs
- working with them to make meaningful differences in their lives.

Our Community

We are proud to be a trusted part of the Victorian community. Through strong partnerships, advocacy, and outreach, we aim to influence positive change and extend our impact – especially for those most in need.

We demonstrate this by:

- building trust through education and engagement
- partnering with other organisations, including public trustees around Australia, to address systemic challenges
- expanding our community impact through the State Trustees Australia Foundation.

Our People

Our people are the heart of State Trustees. Their empathy, professionalism and deep expertise make a positive difference every day. We strive to be a workplace where people feel valued, inspired, and proud to contribute. Our workforce reflects the diversity of the Victorian community.

We demonstrate our commitment through:

- safe, inclusive and flexible work environments
- strong, resilient teams
- supporting our people to grow and develop their capabilities.

Our Business

State Trustees is recognised for our trusted expertise, accessible services, and strong partnerships. To continue delivering value for Victorians, we're focused on sustainable growth, operational excellence, and investment to support continued benefit to clients and all Victorians.

We do this by:

- strengthening partnerships with Government and community
- growing and diversifying our services
- investing in process improvement and technology that supports our clients and our people.



FY2025 Strategic Focus



Our Clients

Empowered and engaged

- We actively listen to the changing needs of our clients.
- We work with our clients to make meaningful differences in their lives.

What we achieved in FY25

- Embedded the Voice of Client program, through sharing client stories across the organisation and all staff participating in a voice of client initiative.
- Achieved strong Net Promoter Score and Client Experience Index results, and increasing numbers of five-star Google reviews.
- Answered more than 250,000 calls and 57,000 webchats.
- Supported over 3,000 Victorians who were beneficiaries of estates.
- 1.3 million invoices paid.



Our Community

Enduring trust

- We are trusted and respected by our community and stakeholders.
- We build meaningful, enduring partnerships to influence change.

What we achieved in FY25

- Delivered regional roadshows in Bendigo and Geelong, supporting more Victorians with wills than ever before.
- Supported causes such as youth suicide prevention through the State Trustees Australia Foundation.
- Partnered with stakeholders across Australia to create awareness of issues such as elder abuse, financial abuse, and other family violence matters.

Our People

Expert, caring, accountable

- We embrace opportunities to grow individually and together to provide exceptional service for clients.
- We are inclusive and celebrate diversity in all its forms.

What we achieved in FY25

- Delivered a new Enterprise Agreement (effective 11 August 2025).
- Strengthened safety and inclusivity in the workplace through training, practical tools, expert support, and leadership development.
- Improved our engagement score, a key indicator of how satisfied our people are at work.



Our Business

Efficient and innovative

- Our financial sustainability comes from securing appropriate government funding and revenue from competitive products and services.
- We innovate, simplify and invest to maximise our impact.

What we achieved in FY25

- Continued to develop and deliver our Customer Relationship Management system, InTrust, with nine releases and around 360 users using the system.
- Recognised for the improvements we have made in supporting some of the most vulnerable Victorians by the Victorian Auditor General's Office.



Performance Year on Year

Our Clients

Measure	Definition	Financial Year 2024		Financial Year 2025	
		Target	Result	Target	Result
Brand reputation and client feedback					
Client Net Promoter Score (NPS)	The NPS is a world-recognised client feedback tool used to benchmark client advocacy. To calculate the NPS, we take the percentage of clients who are promoters and subtract the percentage who are detractors.	+25	+26	+27	+26
Financial Administration Experience Index (CX)	The CX Index is a feedback survey that measures the satisfaction of Financial Administration clients and support networks with our services.	0.80	0.87	0.80	0.81

Our Community

Measure	Definition	Financial Year 2024 Actual	Financial Year 2025 Actual
		Brand reputation and client feedback	1) N/A 2) 0.07%
Total number of clients	<p>Note: total number of clients includes the following services:</p> <ul style="list-style-type: none"> • Wills (online and consultative) • Active Powers of Attorney administrations • Financial Administration • Executor Assist • External (retail) taxation services • Trust administration (number of beneficiaries) • Deceased estate administration (number of beneficiaries) • State Trustees Australia Foundation grants 	N/A	>22,500

Our People

Measure	Definition	Financial Year 2024		Financial Year 2025	
		Target	Result	Target	Result
VPSC People Matter Survey	Engagement score is an indicator of how engaged staff feel with their organisation as a result of the work they do.	69	69	70	70
Gender pay gap	Improvement in gender pay gap	15%		14.23%	

Our Business

Key Performance Indicator	Financial Year 2024 Actual	Financial Year 2025 Actual
Net Profit After Tax	\$200,000	\$250,000
Gross Margin	\$9.6m	\$11.97m

Board of Directors

Board composition



Jennifer Acton
Chair



Anthony Clark



Angela Emslie AM



Vivienne Nguyen AM



Michael Daddo
(Appointed: 1 August 2025)



Kathryn Brown
(Appointed: 1 August 2025)

Our Executive Team



John Velegrinis
Chief Executive Officer
(Resigned: 11 July 2024)



Melissa Reynolds
Chief Executive Officer
(Appointed: 12 July 2024)



Josie Brown
General Manager
Financial Administration



Andrew Tennant
General Manager
Professional Services



Dean Matthews
General Manager
Technology and
Transformation
(Appointed: 20 November 2024)



Meaghan Morberger
General Manager
Trustee Services
(Appointed: 2 February 2025)



Michael Chernov
Chief Financial Officer
+ General Manager
Corporate Services
(Appointed: 29 January 2025)



Suman Joshi
Head of Strategy
and Policy



Rowena Stocks
General Manager
People And Culture
(Appointed: 13 January 2025)



Marg Carnavan
Acting General Manager
Trustee Services
(29 July 2024 - 2 February 2025)



Brett Comer
Chief Financial Officer
+ General Manager
Corporate Services
(Resigned: 11 November 2024)

State Trustees is governed by a Board of Directors, appointed by the Treasurer on behalf of the State of Victoria. Details of the Directors, their experience, expertise, qualifications and terms of office are set out in the Board of Directors section of the Directors' Report.

Chair

The Chair is responsible for leading the Board, ensuring Directors are properly briefed on all matters relevant to their role and responsibilities, facilitating Board discussions, and managing the Board's relationship with the organisation's senior Executives.

The Board's role

The Board's role is to provide strategic guidance within a framework of prudent and effective controls that enables risk to be assessed and managed.

Independent professional advice and access to organisation information

Each Director has the right to access all relevant State Trustees information and, subject to prior consultation with the Chair, may seek independent professional advice from a suitably qualified adviser at the organisation's expense.

Board processes

The Board of Directors held 7 meetings during the financial year. In months where Board meetings were not scheduled, Directors remained informed by a report from the Chief Executive Officer. The Company Secretary prepares meeting agendas in consultation with the Chair, Chief Executive Officer and Executive.

Standing items include the Chief Executive Officer's report (including a financial report), updates from Board Committee meetings, monitoring of the risk management and compliance framework and other strategic matters as arise from time to time.

Governance review

The organisation, the Board and its committees continue to monitor governance arrangements on an ongoing basis.

Continuing professional development

The Board has a policy on continuing professional development to encourage Directors to further develop their skills and expertise through high-quality learning and professional development opportunities.

Conflict of interest

Directors must keep the Board advised, on an ongoing basis, of any interests that might potentially conflict or be perceived to conflict with those of State Trustees. Directors are guided in this area by Board developed procedures on disclosing potential conflicts of interest. Where the Board believes that a significant conflict exists, the Director concerned does not receive the relevant Board papers and is not present at the meeting while the relevant matter is considered.

Board Committees

The Board has established a number of committees to help it perform its duties and allow detailed consideration of complex issues. Each committee's charter is reviewed at least biennially.

The standing committees during the 2025 Financial Year were:

- Audit, Risk and Compliance Committee
- Investment Committee
- Remuneration Committee

Generally, committee structures and membership are reviewed annually.

Each committee has its own written charter setting out its roles and responsibilities, composition, structure, membership requirements and the manner in which the committee operates.

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee oversees the financial reporting and corporate accounting policies and controls of State Trustees and monitors the organisation's compliance with relevant legislative and regulatory obligations.

The Committee is responsible for approving the internal audit program conducted each year. The internal auditors help the Board ensure compliance with internal controls and risk management programs by regularly reviewing how well the compliance and control systems function. State Trustees' internal audit team comprise the in-house Internal Auditor and KPMG.

The Auditor-General is the organisation's official external auditor and has contracted State Trustees' external audit to RSM Australia.

Investment Committee

The Investment Committee oversees policies and frameworks governing client's investable assets, State Trustees Investment Funds, the Corporate investment portfolio and the State Trustees Australia Foundation.

Remuneration Committee

The Remuneration Committee makes specific recommendations on remuneration packages and other employment terms for the Chief Executive Officer and other senior executives.

The Committee also makes recommendations to the Board on superannuation arrangements and has oversight of succession planning for key roles within State Trustees.

Google reviews

In FY25, we received 85 five-star Google reviews from clients – a testament to the care, empathy and professionalism our team brings to every client interaction.

“The lovely staff at State Trustees have shown thoughtfulness and compassion to me in this sad time of grieving a loved one.

Thank you for all your hard work, dedication and empathy. It's a journey I and many others will have to take, and I appreciate all that they are doing.

Response turn-around in communication has been phenomenal and they have gone above and beyond to accommodate needs.”

*Donna,
May 2025*



Corporate Governance Statement

State Trustees is committed to achieving and demonstrating the highest standards of corporate governance. State Trustees' core governance practices are consistent with the standards set by the Victorian Public Sector Commission.

The State of Victoria is the sole shareholder of the Company. State Trustees reports to the Treasurer of Victoria, through the Victorian Department of Treasury and Finance.

Executive

The Chief Executive Officer develops and implements State Trustees' operational and corporate plan and is accountable to the State Trustees Board for expenditure, operations and administration in accordance with State Trustees' strategy, policies and legal requirements. The Chief Executive Officer and Executive team's authority to act is described in a formal instrument of delegated authority, approved by the Board.

State Trustees is a state-owned company, incorporated as an unlisted public company, registered with the Australian Securities and Investments Commission (ASIC). State Trustees also holds an Australian Financial Services Licence.

State Trustees is required to comply with the following legislation:

*State Owned Enterprises Act 1992 (Vic);
State Trustees (State Owned Company) Act 1994 (Vic);
Guardianship and Administration Act 1986 (Vic);
Guardianship and Administration Act 2019 (Vic);
Trustee Companies Act 1984 (Vic);
Corporations Act 2001 (Cth); and
Financial Management Act 1994 (Vic).*

Public Interest Disclosures Act 2012

State Trustees is committed to the aims and objectives of the *Public Interest Disclosures Act 2012*.

State Trustees does not tolerate improper conduct from its Directors, employees, contractors or service providers at any time, nor does it tolerate the taking of reprisals of any sort against those who come forward to disclose improper conduct.

State Trustees' Whistleblower Protection and Public Interest Disclosures Policy is available on the State Trustees website:

www.statetrustees.com.au

State Trustees is not a body that can receive disclosures of improper conduct under the Public Interest Disclosures Act 2012. However, State Trustees is a body in respect of which disclosures of improper conduct can be made. A person wanting to make a disclosure of improper conduct about State Trustees or its Directors or employees or contractors or service providers must do so to the Independent Broad-Based Anticorruption Commission (IBAC).

IBAC Contact Details

Phone: 1300 735 135
Fax: (03) 8635 6444
Email: info@ibac.vic.gov.au
Mail: IBAC, GPO BOX 24234
Melbourne, VIC 3000
Website: www.ibac.vic.gov.au

Occupational Health and Safety

State Trustees is committed to safeguarding the health, safety, and wellbeing of our employees, contractors, clients, and visitors.

We do this by fostering a culture where health, safety, and wellbeing are recognised as essential priorities, supported through continuous improvement and proactive risk management.

Our Occupational Health and Safety Management System ensures we routinely assess workplace risks and implement controls to maintain a safe and supportive environment for our people.

In 2025, we strengthened our commitment to safety with the appointment of a dedicated Workplace Health and Safety Manager to lead our safety strategy and drive continuous improvement. Several initiatives were

introduced, including the rollout of a lone worker safety application for off-site workers, an SMS based emergency situation notification system for employees in the office, and mental health training programs designed to better support employee wellbeing.

Code of Conduct

State Trustees adheres to the Victorian Public Service Code of Conduct, which is available from the Victorian Public Sector Commission website:

vpssc.vic.gov.au

Community Services Agreements

A Community Service Agreement has been in place between State Trustees and the State since 1994. The agreement partly funds the costs of providing trustee services to clients who would not otherwise have the funds to access these services.

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The Community Service Agreement applies to some statutorily nominated services, including tribunal-appointed financial administration and specific deceased estate administration, as well as some funding for vulnerable Victorians to access attorneyship and trust administration services.

The current Agreement and a fixed-term uplift in funding is due for renewal by the end of Financial Year 2026. The Victorian Auditor General's Office recognised the increased funding as critical to State Trustees' ability to give effect to the *Guardianship and Administration Act 2019* and support represented persons in a way which promotes their human rights and interests.

Government funding is directed to services covered by legislation that includes the *State Trustees (State Owned Company) Act 1994*, *Administration and Probate Act 1958*, *Trustee Companies Act 1958*, and *Guardianship and Administration Act 2019*.

Community Service Agreements

State Trustees has a number of agreements including:

- Community Service Agreement
- Solar Homes
- VCAT Examinations Service Agreement
- Mildura Trust

Client Story

A Special Trip to Remember

Margaret was 87 years old and had lived with family conflict for much of her later life. Her son, who lived overseas, had sadly been a long-term source of stress. Through it all, Margaret remained close to her daughter, Jenny, whose care and compassion never wavered.

With support from State Trustees, Margaret was able to take a short holiday with Jenny to regional New South Wales. The trip gave her a lift and the chance to enjoy some much-needed time away.

Photos and videos from the holiday show Margaret smiling and relaxing, taking in the views of the Blue Mountains and enjoying the time spent with her daughter.

A few weeks later, Margaret passed away.

Jenny later shared with State Trustees that the trip with her mum has been a "the trip of a lifetime."

Margaret's last holiday with Jenny was more than a getaway, it was a chance to create memories, to feel joy, and to experience peace.

**name and photo has been changed to protect client's identity.*



Represented Persons

The Victorian Civil and Administrative Tribunal (VCAT) appoints State Trustees as an administrator for the financial affairs of people who are deemed to have impaired financial decision-making capacity because of disability or mental illness.

State Trustees administers the financial affairs of approximately 9,500 represented persons. Any person may apply to VCAT seeking the appointment of an administrator. VCAT may appoint a person such as a family member, friend, accountant, solicitor, State Trustees or a private trustee company which it considers could undertake the role. The Public Advocate may also apply to VCAT to appoint a guardian or administrator or to review appointments.

In cases where the applicant does not nominate an administrator, or VCAT considers the nominee unsuitable - for example, where there is significant family conflict - VCAT may appoint State Trustees or another suitable administrator. Subject to the *Guardianship and Administration Act 2019* and the administration order, an administrator:

- must exercise reasonable skill and care
- takes possession and care of, recovers, collects, preserves, and administers the property and estate, and generally manages the represented person's financial affairs, and
- exercises all rights relating to the estate that the represented person might exercise if they had the ability to do so.

In exercising such wide powers, the legislation requires an administrator to act in accordance with the person's will and preferences, unless doing so would cause serious harm to the person. As administrator, State Trustees is also responsible for assisting the person to regain financial decision-making skills as far as possible.

When dealing with represented persons' affairs, employees must adhere to the secrecy obligations set out in section 17 of the *State Trustees (State Owned Company) Act 1994* and the confidentiality requirements of the *Victorian Civil and Administrative Act 1998 (Vic)*.

As administrator, State Trustees is also responsible for assisting the person to regain financial decision-making skills as far as possible.



Sustainable Investment

At State Trustees, we are committed to incorporating sustainability into the way we invest. Guided by our Responsible Investment Policy, we consider environmental, social and governance (ESG) factors across our portfolio to support long-term value and positive outcomes for the community.

Our latest Sustainable Investment Review, prepared by Mercer, shows that:

- Since 2020, our portfolio has reduced carbon emissions by 14.6%
- Women held 39% of board positions across State Trustees listed holdings.
- Our investments demonstrate stronger alignment with the United Nations Sustainable Development Goals compared with benchmarks.
- Importantly, there were no high severity Modern Slavery red flags.

Overall State Trustees' portfolio continues to perform strongly across ESG metrics and remains compliant with all commitments within our Responsible Investment Policy across Mercer managed funds.

Workforce Data Disclosure

	June 2025			June 2024		
	Ongoing Employees		Fixed term	Ongoing Employees		Fixed term
	Headcount numbers	FTE	FTE	Headcount numbers	FTE	FTE
Male	181	177	9	186	182	16
Female	352	327	17	360	336	31
Under 25	11	11	1	21	20	4
25-34	91	86	4	102	98	11
35-44	171	161	8	168	158	9
45-54	143	138	8	140	135	15
55-64	96	90	4	95	89	8
Over 64	21	18	1	20	17	0

	Total		Ongoing employees		Fixed term	
	Employees (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Headcount FTE
Jun-25	564	530	440	93	504	31 26
Jun-24	595	565	455	91	518	49 47

Consultancy Expenditure

Advertising Expenditure

In 2024-25, there was no advertising campaigns with total media spend of \$100,000 or greater (exclusive of GST).

Information and Communication Technology (ICT) expenditure

For the 2024-25 reporting period, the Consolidated Entity had a total ICT expenditure of \$20.8m with the details shown below.

All operational ICT Expenditure		ICT expenditure related to projects to create or enhance ICT capabilities	
(BAU) ICT Expenditure	Total (Non-BAU) ICT expenditure	Operational Expenditure	Capital Expenditure
\$000s		\$000s	
\$	\$	\$	\$
14,472	6,357	1,355	5,003

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

Consultant	Purpose of Consultancy	Start date	End date	Total Approved Project Fee (excl. GST)	Expenditure 2024/25 (excl. GST)	Expenditure 2023/24 (excl. GST)
Ernst & Young	Enterprise Agreement Consultancy Services			140	140	
BDO Corporate Finance East Coast Pty	Data Governance Framework Development			78	78	
Tech Zenith	Salesforce Security Assessment			16	16	
Herbert Smith Freehills	STAF advice on administration fees			16	16	
Norton Rose Fullbright	Procurement Investigation Advice			16	16	
Total				266	266	

Details of consultancies under \$10,000

In 2024/25, there were 4 consultancies engaged during the year, where the total fees payable to the individual consultants was less than \$10,000. The total expenditure incurred during 2024/25 in relation to these consultancies was \$24,779 (GST excl.)

A consultant is defined by FRD 22H as ‘a particular type of contractor that is engaged primarily to perform a discrete task for an entity that facilitates decision making through:

- provision of expert analysis and advice, and/or
- development of a written report or other intellectual output.

Risk and Compliance Management

Risk Management

State Trustees recognises the importance of effective risk management in protecting the long-term value of our organisation and providing the best possible service to Victorians.

State Trustees’ Risk Management Framework (RMF) is designed to allow State Trustees to deliver on its Corporate Plan and Public Benefit Strategy to give Victorians complete confidence that their financial and legal affairs are in good order.

State Trustees’ RMF is aligned to the International Risk Management Standard AS/NZS 31000:2018. It enables State Trustees to identify, assess and manage across the organisation within the Board approved risk appetite. State Trustees operates a Governance Structure via the State Trustees Board, Board Audit and Risk Committee and Executive Risk Committee of Management, which oversees risk in accordance with ISO Standard 31000 and the Victorian Government Risk Framework (VGRMF).

State Trustees dedicated and specialised Risk, Compliance and Assurance teams support management with the mitigation of risks, through proactive identification and development of management controls via tailored risk workshops, quarterly risk reviews and regular reporting to the Risk Committee of Management (RCoM), the Audit, Risk and Compliance Committee and the Board on the status of risk management across the organisation.

In addition, State Trustees’ current Risk, Compliance and Assurance functions are supported by a co-sourced Internal Audit team in partnership with professional services firm KPMG.

State Trustees applies the Three Lines of Defence model as a cornerstone of its risk management and assurance framework. This model clearly defines roles and responsibilities across the organisation to effectively identify, manage, and mitigate risk.

The first line, comprising business units, is responsible for owning and managing risk in day-to-day operations. The second line, including risk and compliance functions, provides advice, guidance, and support to ensure risks are appropriately identified and addressed. The third line, our internal audit function, offers independent assurance to the Audit, Risk and Compliance Committee and the Board that risk management practices are effective and operating as intended. This structured approach strengthens accountability, promotes sound risk culture, and enhances State Trustees’ capacity to achieve its strategic objectives.

Integrity and Compliance Management

State Trustees is committed to meeting high standards of integrity, compliance and ethical conduct. Integrity and Compliance at State Trustees is co-ordinated by a dedicated Integrity, Compliance and Assurance team and managed through an Integrity Management Framework, Regulatory Change Management Framework (supported by Legislative alert third party provider in Comply Online), and Compliance Management Framework (including Policy and Plan). Compliance Management oversight is supported by the Risk Committee of Management (RCoM), the Board Audit, Risk and Compliance Committee and the State Trustees Board.

To help more effectively manage specific financial services compliance responsibilities, State Trustees operates an Australian Financial Services Licence Committee attended by key management team members and overseen by State Trustees General Manager Corporate Services.

State Trustees continues to uphold its obligations under the Victorian protective disclosure regime (now the *Public Interest Disclosures Act 2012*) by maintaining a strong and transparent framework for managing disclosures and supporting whistleblowers. To ensure confidentiality, impartiality, and best-practice handling of whistleblowing, State Trustees introduced a dedicated Integrity Hotline in 2025. This arrangement reinforces our commitment to fostering a culture of integrity, accountability, and trust.

Financial Statements



State Trustees Limited

ABN 68 064 593 148
Financial Statements for the
year ended 30 June 2025

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These financial statements cover both State Trustees Limited ("the parent") and STL Financial Services Limited as its wholly owned subsidiary ("the subsidiary").

The parent including the subsidiary ("the Group") is a state-owned company. Its registered office and principal place of business is:

1 McNab Avenue, Footscray, Victoria 3011

A description of the nature of the Group's operations and its principal activities is included in the Directors' Report of Operations on pages 40-47, which is not part of these financial statements.

The financial statements were authorised for issue by the Board of Directors on 28 August 2025.

A. Directors' report of operations

The Group's Board of Directors are pleased to present the consolidated financial statements for the year ended 30 June 2025.

1. Board of Directors

The following persons were directors of the Group during the whole of the financial year and up to the date of this financial report, unless otherwise stated:

The Honourable Jennifer Acton

LLB(Hons), LL.M, BEc, MEc, GAICD

Committees: Chair of the Board, Member of the Audit, Risk and Compliance Committee and Member of the Investment Committee

Experience: Jennifer is the Chair of CoINVEST Ltd trading as LeavePlus, and a consultant. She was previously Chair of the Port of Hastings Corporation, a Member of the Victorian Independent Remuneration Tribunal and has previously been a director in the transport, water and education industries.

Angela Emslie AM

BEc, MBus, FAIST, MAICD

Committees: Chair of the Investment Committee, Member of the Audit, Risk and Compliance Committee and Member of the Remuneration Committee

Experience: Angela has a wealth of expertise in governance, strategy, superannuation and investments. Angela is Chair of housing developer Assemble Communities, Chair of Frontier Advisors and a non-executive director at RGA Reinsurance Company of Australia. She has previously been Chair of HESTA Super Fund and a Director of the UN supported Principles for Responsible Investment (PRI).

Anthony Clark

Bsc (Hons), MA (Comms), MAICD

Committees: Chair of the Remuneration Committee

Experience: Tony brings extensive communication and stakeholder management expertise delivering major infrastructure in the health sector and has led major transformational projects in the disability and housing sectors. Tony is Chair of International Association of Public Participation (IAP2), Councillor at Hepburn Shire Council and lives in regional Victoria. Tony also brings the benefit and value of lived experience of disability (vision impaired).

Vivienne Nguyen AM

MAppFin, BComm

Committees: Chair of the Audit, Risk and Compliance Committee, Member of the Investment Committee and Member of the Remuneration Committee

Experience: Vivienne is the Chair at the Victorian Multicultural Commission and Abbotsford Convent as well as an established business executive and community leader, having previously held roles as Group Head of Diversity at the ANZ Banking Group, President of the Vietnamese Community in Australia's Victorian Chapter and non-executive director at City West Water.

Kathryn Brown

BComm, PGDip, GAICD, FCA, FGIA

Appointed: 1 August 2025

Experience: Kathryn is a chartered accountant and a non-executive director of Housing Choices Australia, Mental Health First Aid International and the Council on the Ageing (Victoria). She is the Independent Chair of the Audit and Risk committee for the Victorian Academy of Teaching and Leadership and is also an independent member of the Finance Committee of Ambulance Victoria, and the Audit and Risk Committee for Queen Victoria Women's Centre Trust. Kathryn also currently sits on the Financial Services Credit Panel for ASIC and also sits on the Disciplinary Tribunal for Chartered Accountants of Australia and New Zealand.

Michael Daddo

BBus

Appointed: 1 August 2025

Experience: Michael has extensive experience in corporate and brand strategy, Government & Stakeholder communication, behaviour change strategy and communications and governance for over 25 years.

He is currently Managing Partner at The Shannon Company. Michael is a Director of Independence Australia. He is Chair of the Remuneration Committee and member of Corporate Strategy Committee, which he has previously chaired. He has also been a Trustee of the Victorian Arts and he was a Director of the Richmond Football Club.

2. Other officers

Melissa Reynolds – Chief Executive Officer

BEc, M.Com, GAICD, Dip Counselling

Appointed: 12 July 2024

Melissa is an accomplished senior executive and non-executive director who has led significant businesses of varying scales in highly regulated sectors in financial services and utilities.

Melissa has a breadth of strategic and operational leadership experience with deep expertise in customer service delivery, digital transformation and fostering client first cultures.

Before being appointed as CEO, Melissa was General Manager of Trustee Services. Prior to this, she held numerous senior executive positions including as Chief Customer Officer at AGL where she led AGL's retail division and digital transformation program and Executive General Manager NAB retail where she led the 750 branches across Australia. Melissa's other executive roles were at Sensis, Esanda Finance and Westpac. Melissa is an alumnae of the Executive Leadership Program INSEAD France.

John Velegrinis – Chief Executive Officer

FFin, MAICD

Appointed: 16 August 2021

Resigned: 12 July 2024

An experienced CEO with substantial experience in Funds Management, commercial and corporate banking. Prior to joining State Trustees, John led several key areas of the ANZ Group, including Risk for International, ANZ Fiji, Regional Markets – Pacific, and Credit, Commercial and Wealth, Australia. John was CEO of the Australian Scholarships Group, the largest specialist education benefits provider in Australia and New Zealand. John was appointed interim CEO on 16 August 2021, following the previous CEO secondment to V Line and was appointed permanent CEO on 2 March 2022.

Andrew Tennant – General Manager, Professional Services

BA (Hons), GAICD

Appointed: 19 August 2019

Andrew is responsible for the Professional Services business unit, which provides a range of specialised services to safeguard and improve State Trustees client's financial wellbeing. These include the areas of taxation, financial planning, legal services and client property, assets and cashflow. Andrew comes to State Trustees from the financial services industry after a career at ANZ and NAB, where he undertook a variety of senior management roles across Finance, Retail District Management, National Sales Effectiveness, Workforce Planning, National Sales Strategy, Product Management and Internal Audit.

Josephine Brown – General Manager, Financial Administration

MBL, MAICD

Appointed: 19 August 2019

Josie leads the Financial Administration business unit at State Trustees. Before this role, she served as the Acting Executive General Manager for Client Services, overseeing VCAT Administration, Deceased Estates, Trusts, and Powers of Attorney. Throughout her tenure at State Trustees, Josie has held various senior management and executive positions.

With over 28 years of experience in the financial services industry, Josie has gained extensive expertise across diverse areas of banking and finance. Prior to joining State Trustees, she spent 14 years at NAB, where she held several senior roles, including Regional Executive for Retail Banking, National Sales & Marketing, and Workplace Relations.

Josie is also an alumna of Leadership Victoria's Folio Community Leadership Program.

Dean Matthews – General Manager, Technology and Transformation

Engineering Certificate, BCompSc, Grad Dip Mgt, AMP(Harvard), FAICD

Appointed: 20 November 2024

Dean leads the Technology and Transformation business unit at State Trustees. He brings a wealth of executive and leadership experience, with a proven record for leading high-performance teams and successfully delivering transformation programs in complex environments. Dean has previously held senior leadership roles across a range of sectors including retail, FMCG, manufacturing, infrastructure, and logistics.

Prior to joining State Trustees, he worked at Linfox, Australian Pharmaceutical Industries, Lion, Transurban, and Carlton & United Breweries. Currently, Dean serves as non-executive director at Bolton Clarke.

Rowena Stocks – General Manager, People and Culture

BBus

Appointed: 13 January 2025

Rowena leads the People and Culture business unit at State Trustees, bringing a wealth of experience in human resources, organisational capability, and leadership. Her career spans senior roles, including Chief People Officer at Kinetic IT, General Manager of Organisational Capability, and Founder and CEO of her own HR consultancy business.

With a strong background in leading significant organisational change, Rowena is passionate about fostering a positive workplace culture and engaging teams to drive transformation. Her down-to-earth leadership style and ability to connect with people will be instrumental in supporting State Trustees through its ongoing evolution.

Michael Chernov – Chief Financial Officer and General Manager, Finance, Legal, Risk & Investments

BSc, BCom, FIAA

Appointed: 29 January 2025

Michael leads the Corporate Services team at State Trustees. With over 20 years of experience in the financial services sector, he brings extensive expertise in driving business performance, financial planning, and supporting organisational transformation.

Before joining State Trustees, Michael was Chief Financial Officer at AIA Australia, where he led the Finance team in delivering financial strategies, reporting, and analysis to support organisational growth and profitability. His career has been marked by a strong focus on fostering high-performing teams, navigating complex organisational change, and delivering impactful and sustainable financial outcomes.

Meaghan Morberger – General Manager, Trustee Services

BCom (Econ), MBA (Exec)

Appointed: 2 February 2025

Meaghan leads the Trustee Services business at State Trustees, bringing extensive experience in financial services and client partnerships. Her career includes senior roles at KPMG, Mercer, and most recently, as General Manager, Client at MUFG Pension and Market Services.

With a strong background in revenue growth and enhancing client experiences, Meaghan is passionate about building lasting relationships with colleagues, clients, boards, and external stakeholders while driving sustainable growth. Her fresh perspectives and strategic insights will play a key role in strengthening the client experience and delivering exceptional outcomes.

3. Directors' meetings

Director	Board Meeting		STL Financial Services Limited Board Meeting		Audit, Risk & Compliance Committee		Investment Committee		Remuneration Committee	
	A	H	A	H	A	H	A	H	A	H
Jennifer Acton ^(a)	7	7	1	1	4	4	4	4	-	-
Angela Emslie ^(b)	7	7	1	1	4	4	4	4	2	2
Anthony Clark ^(c)	7	7	1	1	-	-	-	-	2	2
Vivienne Nguyen ^(d)	6	7	1	1	4	4	4	4	2	2

A Number of meetings attended.

H Number of meetings held during the time the director held office exclusive of leave of absence.

(a) Jennifer Acton was Chair of the Board of STL and STLFLS.

(b) Angela Emslie was Chair of the Investment Committee.

(c) Anthony Clark was Chair of the Remuneration Committee.

(d) Vivienne Nguyen was appointed Chair of the Audit, Risk and Compliance Committee on 1st July 2024.

In addition, all directors attended other meetings with Management in the discharge of their duties.

4. Principal activities

The parent's principal activities during the year were acting as trustee, executor, financial administrator, attorney and provider of other fiduciary and agency services.

The subsidiary's principal activities during the year were to hold assets to generate income.

5. Dividend

Consolidated Entity	2025 \$'000	2024 \$'000
Dividend*	124	736
Total dividends for the year	124	736

* The final 2025 dividend is not payable until it is approved by the shareholder. Accordingly, State Trustees Limited has not made a provision for the dividend in the current accounts.

6. Review of operations

The financial year 2025 total comprehensive result is a profit of \$249k after tax (2024: net profit of \$438k).

Total revenue and other income growth was 9% year on year, due to indexation applied on Community Services Agreement (CSA) funding, increased fees largely driven by inflationary increases in clients' asset values and licence fee income recognised in the financial year.

The Group continues to tightly control its underlying business costs despite labour market and other cost pressures that are impacting the cost line. A significant once-off cost in the financial year was the cost of living allowance, payable to all employees under the new enterprise agreement and in line with Victorian government policy.

Inflation, interest rates and the response by central banks and financial markets was the key theme in investment performance over the financial year. While investment markets remained volatile during the financial year, over the 12 months they have delivered positive performance. During the year the company disposed of its managed investment portfolio held with Mercer, with the funds now held in cash within the State's Central Banking System.

Financial Year 2025 was the third year of the CSA with the Department of Families, Fairness and Housing (DFFH) which provides additional funding of ~\$8.3m above recurrent CSA funding to support the important work the Group does on behalf of vulnerable Victorians and to support compliance with the Guardian

and Administration Act 2019. All CSA service level targets for Financial Year 2025 have been met.

State Trustees successfully negotiated a new Enterprise Agreement in 2025 which is consistent with the Victorian Government Wages Policy. The new Agreement embeds annual 3 per cent wages increases, plus a one-off 0.5 per cent Cost of Living Allowance. It clarifies remote and flexible work arrangements, delivers additional benefits such as reproductive leave, and improves clarity on classifications.

Financial Year 2025 was also the first in our new three-year strategy, designed to enliven our Client Value Proposition – to give Victorians complete confidence their financial and legal affairs are in good order. With our clients at the centre of everything we do, we have achieved significant results for our clients, community, people, and business. A significant success are the outcomes from the Victorian Auditor General's Office's audit of our Financial Administration Services. The audit made positive findings about the support we provide, recognising that we support the rights and interests of our clients. It acknowledged the improvements made in recent years, many of which have been possible because of the increase in funding through the CSA.

There has been a noted increase in the community of malicious cyberattacks and attempted fraud directly and via third parties. Robust prevention strategies are in place and client (and corporate) funds have not been impacted. State Trustees has launched a new page on our website to arm Victorians with information on how to stay safe online.

7. Significant changes in the state of affairs

There were no significant changes in the state of affairs other than those referred to in the financial statements or attached notes.

8. Matters subsequent to the end of the financial year

There are no circumstances which have arisen since 30 June 2025 that have significantly affected or may significantly affect the operations of the Group.

9. Likely developments and future results

The Directors advise that there are no likely developments in the Group's operations or expected results in future financial years to report other than what is reported in this report.

10. Indemnity and insurance of officers and auditors

During the financial year, the Group paid a premium under a contract insuring specified officers against liability incurred in their capacity of working on the company's behalf. Those officers consist of the Directors of the Group named earlier in this report, the Company Secretary, and other Officers of the Group including certain officers whose functions include exercising executive decision-making powers of the Group and its related bodies corporate.

Disclosure of the nature of the liability and the amount of premium is prohibited by the confidentiality clause of the contract of insurance. The Group has not provided any insurance for an audit of the Group or related body corporate.

During or since the end of the financial year, except to the extent permitted by law. The Group has not indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

11. Reserve fund

The Group has complied with the provisions of the Trustee Companies Act 1984 that requires a reserve fund to be created and set aside by authorised trustee companies. This is reflected in the financial statements at Note 8.4.

12. Auditors' independence declaration

A copy of the auditors' independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on page 48.

13. Rounding amounts

The amounts contained within this report and the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Group under ASIC Corporations Instrument 2016/191. The Group is an entity to which this legislative instrument applies.

14. Environmental regulations

The Group's operations are not subject to any significant environmental regulations under a law of the Commonwealth or of a State of Victoria.

15. Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

This report is signed in accordance with a resolution of the Board of Directors.



The Honourable Jennifer Acton
Chair



Vivienne Nguyen AM
Director

Melbourne, 28 August 2025

B. Auditor-General's independence declaration



Auditor-General's Independence Declaration

To the Directors, State Trustees Limited

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property and may report to Parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for State Trustees Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
5 September 2025



Andrew Greaves
Auditor-General of Victoria

C. Attestation for financial management compliance with Ministerial Standing Direction 5.1.4

I, Jennifer Acton, on behalf of the responsible body, certify that the Group has complied with the applicable Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* and Instructions.



The Honourable Jennifer Acton
Chair

D. Consolidated comprehensive operating statement

For the financial year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Continuing operations			
Commissions and fees	2.1	54,217	48,747
Revenue from government	2.1	2,057	2,638
Government grants	2.2	29,682	29,292
Other income	2.2	5,962	3,651
Total revenue and income		91,918	84,328
Expenses from continuing operations			
Employee benefits expense	3.1.1	70,152	63,160
Depreciation and amortisation expense	4.1.1	6,933	6,406
Lease rental charges – short-term or low-value leases	3.1	606	695
Audit expenses	8.8	222	214
Finance costs – lease liabilities	3.1	1,121	1,057
Other expenses	3.1	16,018	13,994
Total expenses		95,052	85,526
Profit/(loss) from continuing operations before income tax equivalent		(3,134)	(1,198)
Income tax equivalent benefit/(expense)	8.3.1	1,260	94
Net profit/(loss)		(1,874)	(1,104)
Other economic flows included in net result:			
Net gain/(loss) on non-financial assets (a)		(34)	(11)
Net gain/(loss) on financial instruments measured at fair value through profit or loss (b)		2,157	1,553
Total other economic flows – other comprehensive income for the period, net of tax		2,123	1,542
Total comprehensive result		249	438

The accompanying notes form part of these consolidated financial statements.

(a) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets.

(b) 'Net gain/(loss) on financial instruments measured at fair value through profit or loss'. Investments in managed schemes are revalued at each reporting date. Refer to Note 7.1.

E. Consolidated balance sheet

As at 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Assets			
Financial assets			
Cash and deposits	6.1	47,144	5,376
Investments and other financial assets	4.3	-	39,145
Contractual receivables	5.1	6,128	6,306
Contract assets	5.1	9,939	9,934
Advances to clients	5.1	2,275	2,275
Total financial assets		65,486	63,036
Non financial assets			
Property, plant and equipment	4.1	12,690	8,778
Intangible assets	4.2	9,931	11,271
Right-of-use assets	4.4.1	30,549	31,394
Prepayments		3,317	2,033
Deferred tax assets	8.3.2	6,921	5,360
Income tax receivable	8.3	-	557
Total non-financial assets		63,408	59,393
Total assets		128,894	122,429
Liabilities			
Contract liabilities	5.2	545	241
Contractual payables	5.2	7,285	2,614
Statutory payables	5.2	696	517
Leased liabilities	4.4.2	36,637	36,830
Income tax payable	8.3	301	-
Employee entitlements	3.1.2	13,040	12,086
Total liabilities		58,504	52,288
Net assets		70,390	70,141
Equity			
Contributed equity	8.1	17,361	17,361
Reserves	8.4	24,071	22,687
Retained profits		28,958	30,093
Total equity		70,390	70,141

The accompanying notes form part of these consolidated financial statements.

F. Consolidated cash flow statement

For the financial year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts			
Commissions and fees received		56,804	52,875
Government grants received		32,380	28,540
Corporate investment income		3,025	2,857
Refund of income tax equivalent		557	-
Total receipts		92,766	84,272
Payments			
Payments to suppliers and employees		(82,394)	(78,057)
Payments of income tax equivalent		-	(175)
Interest paid on lease liabilities		(1,121)	(1,057)
Total payments		(83,515)	(79,289)
Net cash flows from used in operating activities	6.1	9,251	4,983
Cash flows from investing activities			
Purchase of property, plant, and equipment		(5,488)	(10,141)
Proceeds from redemption of corporate investments		71,403	15,000
Payments for investment in corporate investments		(30,000)	(10,000)
Net cash flows from used in investing activities		35,915	(5,141)
Cash flows from financing activities			
Principal portion on lease liabilities		(3,398)	(3,285)
Dividends paid		-	(736)
Net cash flows from used in financing activities		(3,398)	(4,021)
Net increase/(decrease) in cash held		41,768	(4,179)
Cash and cash equivalents at the start of the financial year		5,376	9,555
Cash and cash equivalents at the end of the financial year	6.1	47,144	5,376

The accompanying notes form part of these consolidated financial statements.

G. Consolidated statement of changes in equity

For the financial year ended 30 June 2025

	Notes	Attributable to the owners			
		Contributed equity	Retained profits	Reserve	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023		17,361	31,016	22,062	70,439
Loss for the year		-	(1,104)	-	(1,104)
Other comprehensive income		-	1,542	-	1,542
Dividends paid to owners	8.1	-	(736)	-	(736)
Profits transferred to/(from) general reserve	8.4	-	(625)	625	-
As at 30 June 2024		17,361	30,093	22,687	70,141
Balance at 1 July 2024		17,361	30,093	22,687	70,141
Loss for the year		-	(1,874)	-	(1,874)
Other comprehensive income		-	2,123	-	2,123
Dividends paid to owners	8.1	-	-	-	-
Profits transferred to/(from) general reserve	8.4	-	(1,384)	1,384	-
As at 30 June 2025		17,361	28,958	24,071	70,390

The accompanying notes form part of these consolidated financial statements.

H. Notes to the consolidated financial statements

1. About this report

These annual financial statements represent the audited general-purpose financial reports for the Group for the year ended 30 June 2025. The purpose of this report is to provide users with information about the Group's stewardship of resources entrusted to it.

The Group is a state-owned company, which has been classified as a for-profit entity. The Group is a company limited by shares, incorporated and domiciled in Australia with the State of Victoria as the sole shareholder. Its registered office and principal place of business is:

**1 McNab Avenue
Footscray, Victoria 3011**

The nature of the operations and principal activities of the Group are described in the **Directors' report of operations**, which does not form part of these 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 the preparation of these financial statements, except for the cash flow statement, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

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

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

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand (\$'000) dollars unless otherwise stated.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and Corporations Act 2001 applicable Australian Accounting Standards (AASs), which include

Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Principles of consolidation

These are the consolidated financial statements for the parent and its subsidiary collectively referred to as the Group. The balance sheet of the parent entity is disclosed in Note 8.6.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Each subsidiary is fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Certain new and revised accounting standards, interpretations and amendments have been issued but are not effective for the 2024-25 reporting period. The Group has assessed the potential impacts of the accounting standards and interpretations issued by the AASB but are not yet effective to have no material impact on reporting with the exception of AASB 18 *Presentation and Disclosure in Financial Statements* for which the impact is still being determined. AASB 18 is a new standard and is effective commencing 1 July 2027

2. Funding delivery of our services

Introduction

The Group's overall purpose is to serve Victorians and give clients confidence their financial and legal affairs are in good order. Its principal activities during the year were acting as trustee, executor, financial administrator, attorney and provider of other fiduciary and agency services. It charges commissions and fees for services provided and receives funding from the State of Victoria under a service agreement.

2.1 Summary of revenue from service delivery

	2025 \$'000	2024 \$'000
Revenue from contracts with customers		
- Commissions and fees	54,217	48,747
- Revenue from government	2,057	2,638
Total revenue	56,274	51,385
Timing of revenue recognition - over time		
Commissions and fees		
- Capital commissions - deceased estates	11,744	10,814
- Professional services (legal)	1,138	1,045
Total revenue recognised over time	12,882	11,859
Timing of revenue recognition - point-in-time		
Commissions and fees		
- Capital commissions - PFAs, EPAs and Trusts	6,056	4,753
- Income commissions	12,589	12,200
- Management fees	12,289	11,538
- Professional services (non-legal)	9,902	8,211
- VCAT exam	734	718
Total commissions and fees	41,570	37,420
Revenue from government - Solar Homes program	2,057	2,638
Total revenue recognised at a point-in-time	43,627	40,058
Total revenue from service delivery	56,506	51,917

Revenue recognition

The Group's source of revenue from service delivery arises through the provision of the following services:

- Personal Financial Administration Services (PFA) where the Group is appointed by the Victorian Civil and Administrative Tribunal (VCAT) by the way of VCAT Order;
- Enduring Power of Attorney (EPA);
- Deceased estate administration as well as acting as an executor of last resort;
- Trust administration; and
- Various professional services such as tax consulting, conveyancing, EPA or Will preparation, legal services, genealogy services and financial planning.

Under AASB 15, the Group recognises revenue when or as the performance obligation specified in a contract with a customer is satisfied i.e., when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Revenue is recognised at a point-in-time or over time depending upon the satisfaction of performance obligations. Please refer below for further details.

Information on the Group's revenue recognition policies and performance obligations are summarised below:

Commissions and fees

Commissions and fees are charged pursuant to the published schedule of fees. The type of commissions and fees earned are:

(a) Capital commission - PFA, EPA and Trust

The Group earns capital commission from disposal of financial assets and non-financial assets for PFA, EPA and Trust clients which is recognised at a point-in-time.

For Trust clients, the Group earns capital commission from redemption and onboarding of client assets. The performance obligation to dispose of financial assets and non-financial assets is satisfied when clients' assets are disposed.

The commission to be received is considered to be variable and subject to constraining estimates given the unknown nature of the above performance obligations at inception of the contract, as the commission is dependent upon the prevailing market conditions at the time of sale.

(b) Capital commission - deceased estates

Capital commission is earned for managing the deceased estates. The performance obligation is satisfied over time from when administration commences through to when the estate is wound up. Commission is accrued over the estate service period. Income is recognised on a proportionate basis, during the estate service period based on work performed in line with the defined milestones that result in the settlement of the estate. Our benchmarks for this are 31 weeks for a low value estate to 39 weeks for a standard/complex estate. The time taken to administer an estate can vary due to legal or other circumstances.

The fees and charges vary due to the estimates used for estate values and commission rates through the estate service period. Variation to commission rate is treated as a reduction to sales revenue. Revenue is recognised over time as performance obligations are satisfied. When milestones are achieved, a contract asset is taken up in the balance sheet to reflect the satisfaction of the milestone (note 5.1). A liability is taken up when considerations have been received but milestones have not been fully achieved (note 5.2). Refer to note 5.2 for unsatisfied performance obligations pertaining to capital commission for deceased estates as at 30 June 2025.

(c) Income commission and management fees

This commission and fees specifically relate to the Group's effort to perform administrative duties for the client. The performance obligation is satisfied each time a service is performed on behalf of the client and is recognised monthly in arrears.

For property sales commission income, the performance obligation is satisfied when the client's property is sold. The Group recognises commission income as revenue when the performance obligation is satisfied. Contract asset in relation to the sales commission is recognised on client properties sold but not settled at reporting date.

(d) Professional services fees

The performance obligation for professional services is either satisfied at a point-in-time i.e. upon completion of tax returns or over a period of time for legal work for legal services performed over a long period of time.

(e) VCAT exam fees

The Victorian Civil and Administrative Tribunal (VCAT) appoints the Group to examine the accounts by administrators. VCAT Exam Fees are recognised upon completion of VCAT examinations conducted.

Contract assets and contracts liabilities are disclosed in Note 5.3.

Revenue from government

The Group receives revenue from the Department of Energy, Environment and Climate Action (DEECA) for administering the Solar Homes Program.

The Group has adopted AASB 15 *Revenue from Contracts with Customers* for the Solar Homes revenue stream. Income is recognised based on cost incurred which represents satisfaction of our performance obligation to implement of the Solar Homes Program.

2.2. Government subsidy and other income

Notes	2025 \$'000	2024 \$'000
Income		
- Government grant	29,447	28,760
Total government grant	29,447	28,760
Other income		
- Interest received	2,512	2,516
- Distributions from managed investments	106	624
- Rental income	-	511
- Licence fee income	3,344	-
Total other income	5,962	3,651

Government grant

Community Service Agreement (CSA) income is not within the scope of AASB 15 *Revenue from Contracts with Customers*. The Group applies AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance* to recognise funding received from government. The Group receives government funding from the State of Victoria under the CSA. This funding is provided to the Group to provide financial services management to the community as defined in the agreement. CSA income is recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Interest revenue

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest

income over the relevant period using the effective interest rate. This rate discounts the estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends and trust distributions

Dividends and trust distributions are recognised when the right to receive the payment is established.

Rental income

This income is recognised by the Group on a monthly basis for subleasing the office space in Footscray. The Footscray office lease is disclosed as Right-of-Use Assets in accordance with AASB 16 Leases (Note 4.4.1).

Licence fee income

The Group recognises this income from licencing intellectual property at a point in time when control is transferred to the user.

3. The cost of delivering services

Introduction

This note provides an account of the expenses incurred by the Group in delivery services and outputs. In Note 2, the funds that enable the provision of services was disclosed and in this note the cost associated with the provision of services are recorded.

3.1. Expenses incurred in the delivery of services

	Notes	2025 \$'000	2024 \$'000
Employee benefits expense	3.1.1	70,152	63,160
Lease rental charges – short-term or low-value leases	4.4.2	606	695
Audit expenses	8.8	222	214
Finance costs – lease liabilities	4.4.2	1,121	1,057
Other operating expenses		16,018	13,994
Total expenses		88,119	79,120
Other operating expenses			
– Corporate		5,396	4,719
– Building and office		3,420	3,301
– Marketing and advertising		1,067	962
– Information system		5,905	4,788
– Travel and motor vehicle		230	224
Total other operating expenses		16,018	13,994

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

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

Lease rental charges – short-term or low-value leases consists of lease payments for low value leases and short-term lease (note 4.4.2). These lease payments are recognised on a straight-line basis. Short-term leases are considered to be less than 12 months, and low-value less than \$10k (asset fair value when new).

3.1.1 Employee benefits in the comprehensive operating statement

	2025 \$'000	2024 \$'000
Salaries and wages, annual leave and long service leave	63,336	57,029
Superannuation expense	6,301	5,864
Termination benefits	418	189
Death and disability insurance	97	78
Total employee benefits	70,152	63,160

Employee benefits 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 superannuation plans that are paid or payable during the reporting period. Contributions to superannuation have been made in accordance with applicable legislation.

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 the entity 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.

3.1.2. Employee benefits in the balance sheet

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

	2025 \$'000	2024 \$'000
Current provisions		
Annual leave		
Unconditional and expected to settle within 12 months	3,261	3,248
Unconditional and expected to settle after 12 months	780	943
Long service leave		
Unconditional and expected to settle within 12 months	432	496
Unconditional and expected to settle after 12 months	5,125	4,475
Provisions for on-costs		
Unconditional and expected to settle within 12 months	835	790
Unconditional and expected to settle after 12 months	1,147	1,002
Total current provisions for employee entitlements	11,580	10,954
Non-current provisions		
Employee entitlements (long service leave)	1,264	957
On-costs (long service leave)	196	175
Total non-current provisions for employee entitlements	1,460	1,132
Total provisions for employee entitlements	13,040	12,086

Wages and salaries, annual leave and sick leave: Liabilities for wages and salaries (including non-monetary benefits and annual leave) are recognised as part of the employee benefit provision as current liabilities, because the entity 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 the entity expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

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

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

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

Unconditional LSL is disclosed as a current liability, even where the entity 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 the entity expects to wholly settle within 12 months; or
- present value: if the entity does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

4. Key assets available to support service delivery

The Group controls assets and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources to be utilised for delivery of its services.

4.1 Total property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025	2024	2025	2024	2025	2024
\$'000						
Leasehold improvements	13,709	13,592	(8,725)	(8,125)	4,984	5,467
Furniture & fittings	3,250	3,494	(2,215)	(2,383)	1,035	1,111
Computer & office equipment	6,070	6,363	(5,529)	(5,740)	541	623
Motor vehicles	338	338	(338)	(338)	-	-
Work in progress	6,130	1,577	-	-	6,130	1,577
Total	29,497	25,364	(16,807)	(16,586)	12,690	8,778

Initial recognition: Items of property, plant and equipment, are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

Subsequent measurement: Property, plant and equipment are subsequently measured at historical cost less accumulated depreciation and impairment.

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

4.1.1. Depreciation, amortisation and impairment

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Depreciation and amortisation are calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

	Notes	2025 \$'000	2024 \$'000
Charge for the period			
- Leasehold improvements		605	761
- Furniture and fittings		155	198
- Computer and office equipment		319	419
- Right-of-use assets	4.4.1	4,050	4,259
Total depreciation expense		5,129	5,637
Amortisation			
- System development		7	7
- Intangibles		1,797	762
Total amortisation expense		1,804	769
Total charge for the period		6,933	6,406
Category	2025	2024	
Leasehold improvements	3-20 years	3-20 years	
Right-of-use assets	5-15 years	5-15 years	
Furniture and fittings	3-100 years	3-100 years	
Computers and office equipment	2-15 years	2-15 years	
Intangibles, including system development	4-7 years	4-7 years	

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

Impairment: Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Management has reviewed the cash flows of the Group used to measure the value of the non-financial assets for impairment assessment. There is no indication of impairment.

4.1.2. Reconciliation of movements in carrying amount of Property, Plant and Equipment (PPE)

\$'000	Leasehold improvements		Furniture & fittings		Computer & office equipment		Works in Progress (WIP)		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Opening value	5,467	6,109	1,111	1,299	623	996	1,577	589	8,778	8,993
Additions	-	-	-	-	-	-	5,721	10,445	5,721	10,445
Disposals	(5)	(1,643)	(356)	-	(530)	(97)	-	(13)	(925)	(1,752)
Accumulated depreciation on disposals	4	1,643	324	-	530	85	-	-	858	1,728
Capitalisation of assets	123	119	111	10	237	58	(471)	(188)	-	-
Transfers to intangible assets	-	-	-	-	-	-	(463)	(8,965)	(463)	(8,965)
Transfer to other operating expenses	-	-	-	-	-	-	(234)	(291)	(200)	(291)
Depreciation	(605)	(761)	(155)	(198)	(319)	(419)	-	-	(1,079)	(1,378)
Closing balance	4,984	5,467	1,035	1,111	541	623	6,130	1,577	12,690	8,778

4.2. Intangible assets

\$'000	System development		Computer software		Total	
	2025	2024	2025	2024	2025	2024
Gross carrying amount						
Opening balance	92	92	18,124	9,241	18,216	9,333
Disposals at cost	-	-	(29)	(82)	(29)	(82)
Capitalisation of assets	-	-	463	8,965	463	8,965
Closing balance	92	92	18,558	18,124	18,650	18,216
Accumulated amortisation and impairment						
Opening balance	(65)	(58)	(6,880)	(6,200)	(6,945)	(6,258)
Amortisation for the year	(7)	(7)	(1,797)	(762)	(1,804)	(769)
Accumulated amortisation on disposals	-	-	30	82	30	82
Closing balance	(72)	(65)	(8,647)	(6,880)	(8,719)	(6,945)
Net book value at end of financial year	20	27	9,911	11,244	9,931	11,271

Intangible assets are initially recognised at cost. 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 the entity.

Amortisation is calculated on a straight-line basis over the estimated useful life of 3-7 years. When the recognition criteria in AASB 138 Intangible Assets are met, internally generated intangible assets are recognised and measured at cost less accumulated amortisation and impairment.

Impairment of Intangible Assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified. The policy in connection with testing for impairment is outlined in section 4.1.1.

4.3. Investments and other financial assets

	2025 \$'000	2024 \$'000
Current investments and other financial assets		
Investments at fair value through profit & loss (a)		
> Fixed Income	-	15,183
> Australian Equity	-	9,732
> International Equity	-	4,230
Total investments at fair value through profit & loss (b)	-	29,145
Australian currency term deposits > three months (c)	-	10,000
Total current investments and other financial assets	-	39,145

Notes:

(a) The Group's investments are held in managed investments funds across a diversified set of asset classes.

(b) The Group classifies these investments at Fair value through Profit & Loss (FVPL). Refer to Note 7.1 for further information on this classification methodology.

(c) Term deposits include only term deposits with an original maturity of 90 days or greater.

Refer to Note 7 for information about the methods and assumptions used in determining fair value as well as price risk exposure.

During the year the company disposed of its managed investment portfolio held with Mercer, with the funds now held in cash within the State's Central Banking System (refer Note 6.1).

4.4. Leases

Initial measurement

The Group recognises a right-of-use asset and a lease liability at the 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 less any incentives received; plus
- Any initial direct costs incurred; and
- An estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use asset - subsequent measurement

The Group depreciates the right-of-use asset 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. Right-of-use assets are periodically reduced by impairment loss, if any and adjusted for certain remeasurement of the lease liability.

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.

4.4.1 Right-of-use assets

The Group has lease contracts for offices and other equipment used in its operations.

Right-of-use assets are related to office space leases for Footscray, Bendigo and Dandenong offices. The lease terms for offices are generally between 10 to 20 years, while other equipment lease is generally for 4 years.

	Notes	2025 \$'000	2024 \$'000
As at 1 July 2024		31,394	35,251
Additions		3,205	402
Depreciation expense	4.1	(4,050)	(4,259)
As at 30 June 2025		30,549	31,394

4.4.2. Leased liabilities

Set out below are the carrying amounts of lease liabilities movements during the period:

	Notes	2025 \$'000	2024 \$'000
As at 1 July 2024		36,830	39,713
Additions		3,205	402
Finance costs-lease liabilities	3.1	1,121	1,057
Payments		(4,519)	(4,342)
As at 30 June 2025		36,637	36,830
- Current lease liabilities		3,952	3,167
- Non-current lease liabilities		32,685	33,663
Total leased liabilities		36,637	36,830

The commitments on all office leases and computer equipment lease have been disclosed in Note 6.2.

Maturity analysis of lease liabilities

2025	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 month	1-3 months	3 months - 1 year	1-5 years	5+ years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	36,637	40,809	381	1,142	3,066	22,614	13,606
2024	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months - 1 year	1-5 years	5+ years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	36,830	41,836	346	692	2,809	15,807	22,182

The following amounts are recognised in the profit or loss:

	Notes	2025 \$'000	2024 \$'000
Depreciation expense on right-of-use assets	4.1.1	4,050	4,259
Finance costs-lease liabilities	3.1	1,121	1,057
Expense relating to shortterm leases and leases of lowvalue assets	3.1	606	695
Total amount recognised in profit or loss		5,777	6,011

The Group has a cash outflow for leases of \$4.5m (2024: \$4.3m). This has been disclosed in the cash flow statement.

5. Other assets and liabilities

5.1. Contractual receivables, contract assets and advances to clients

	Notes	2025 \$'000	2024 \$'000
Contractual receivables			
Trade receivables		5,676	4,885
Expected credit loss		(106)	(112)
Accrued income		558	1,533
Total contractual receivables		6,128	6,306
Contract assets	5.3	9,939	9,934
Total contract assets		9,939	9,934
Advances to clients			
Advances to clients		2,275	2,275
Total advances to clients		2,275	2,275
Represented by			
Current receivables and contract assets		18,342	18,515

Trade receivables are measured on transaction price defined in AASB 15. These are due from clients for services rendered in the ordinary course of the business. They are generally due for settlement within 30 days and are all classified as current. The Group holds trade receivables with the objective to collect contractual cash flows and therefore, measure them subsequently at amortised costs using the effective interest method. At inception, trade receivables do not have significant financial components. Based on AASB 9, the Group has adopted expected credit losses to determine the 'Allowance for expected credit losses' balance. Changes in the trade receivables are disclosed below while the information about the credit exposures are disclosed in Note 7.1.3.

Contract assets represents accrued income for deceased estates. Revenue and contract assets are recognised based on "Approved Plan of Management". The transaction price is determined based on a percentage of capital commission on the value of the estate, that will be realised throughout the execution of the will. The estimate is updated throughout the wind up of the estate as more information becomes available. Management is unable to estimate when the remaining unsatisfied performance obligations will be satisfied as further actions such as legal related issues are awaiting to be finalised with outstanding liabilities to be settled. There are no significant changes to capital commissions accrual during the reporting period.

Advances to clients: Advances to clients are classified as financial instruments and categorised as 'amortised cost' which is subject to an approval process prior to issue. Advances to clients are periodically reviewed for impairment on an annual basis. No allowance has been recognised for the period ending 30 June 2025

5.1 Contractual receivables, contract assets and advances to clients (cont'd)

	2025 \$'000	2024 \$'000
Expected credit loss - contractual receivables		
Balance at beginning of year	(112)	(255)
Decrease/(Increase) in provision recognised in the net result	(3)	101
Provision written off during the year	9	42
Balance at end of the year	(106)	(112)
Expected credit loss - advances to clients		
Balance at beginning of year	-	-
Decrease/(Increase) in provision recognised in the net result	-	-
Balance at end of the year	-	-
Total expected credit loss for provision	(106)	(112)

Fair value of trade receivables

Due to the short-term nature of current receivables, the carrying value is considered the same as their fair value.

Expected credit loss

Receivables are assessed for bad and doubtful debts on a monthly basis at an operating unit level. A provision for expected credit losses (provision for impairment) is recognised based on the expected credit losses allowed by AASB 9 *Financial Instruments*. Bad debts are written off when the Group is unable to collect the receivables.

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on fee types and days past due. The loss allowance provision as at 30 June 2025 is determined as follows, the expected credit losses incorporate forward looking information.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

At year end, the Group has individually assessed the recoverability of trade receivables outstanding and have specifically provided for doubtful debts.

5.1 Contractual receivables, contract assets and advances to clients (cont'd)

2025	Current	< 30 days overdue	< 90 days overdue	> 90 days overdue	Total
Gross carrying amount (\$)	9,578	1,056	938	6,318	17,890
Expected credit loss provision	-	-	(5)	(101)	(106)
Expected credit loss %	0%	0%	1%	(2%)	(1%)
Total provision	-	-	(5)	(101)	(106)

2024	Current	< 30 days overdue	< 90 days overdue	> 90 days overdue	Total
Gross carrying amount (\$)	8,752	1,027	926	6,388	17,094
Expected credit loss provision	-	-	(2)	(110)	(112)
Expected credit loss %	0%	0%	0%	(2%)	(1%)
Total provision	-	-	(2)	(110)	(112)

Other balances within receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due. The receivables will be realised when the business finalises the relevant client files. The majority of these relate to deceased estates products which are still open but are waiting on further actions (which include legal related issues) to be finalised with outstanding liabilities to be settled. Refer to Note 7.1.

5.2 Contractual payables, restricted payables, statutory payables and contract liabilities

	Notes	2025 \$'000	2024 \$'000
Contractual payables			
Trade creditors		938	968
Accrued expenses – staffing costs		1,143	703
Other payables		5,204	943
Total contractual payables		7,285	2,614
Net GST payable		696	517
Total statutory payable		696	517
Represented by			
Total contractual and statutory payables		7,981	3,131
Contract liabilities	5.3	545	241

Payables consist of:

Contractual payables: Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. These amounts are unsecured and are usually paid within 30 days of recognition. No interest is charged on payables unless the Group is in breach of our contractual agreements. Terms and conditions vary according to contractual agreements with that creditor.

Statutory payables are recognised and measured similarly to contractual payables, are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Contract liabilities: Consists of unearned income from deceased estates and office space sublease.

Maturity analysis of contractual payables

Carrying amount	Carrying amount \$'000	Nominal amount \$'000	Maturity dates			
			Less than 1 month \$'000	1-3 months \$'000	3 months - 1 year \$'000	1 - 5 years \$'000
2025 Consolidated	7,285	7,285	7,285	-	-	-
2024 Consolidated	2,614	2,614	2,614	-	-	-

Note: Maturity analysis is presented using the contractual undiscounted cashflows. Refer to Note 7.1.

5.3 Contract assets and liabilities

The Group has recognised the following assets and liabilities related to contracts with customers:

	Notes	2025 \$'000	2024 \$'000
Contract assets as at 1 July			
New contract assets entered during the year		15,596	15,000
Payments received for performance obligations satisfied during the year related to current year		(11,080)	(9,822)
Payments received for performance obligations satisfied during the year related to prior periods		(4,511)	(4,336)
Total contract assets as at 30 June 2025	5.1	9,939	9,934
Contract liabilities as at 1 July			
New contract liabilities entered during the year		414	3,472
Payments received for performance obligations satisfied during the year related to current year		306	(2,882)
Payments received for performance obligations satisfied during the year related to prior periods		(416)	(485)
Total contract liabilities as at 30 June 2025	5.2	545	241

6. How we financed our operations

Introduction

This section includes disclosures of balances that are financial instruments such as cash balances. Note 7.1 provides additional, specific financial instruments disclosures.

6.1. Cashflow information and balances

Cash and cash equivalents	2025 \$'000	2024 \$'000
Cash and deposits	47,144	5,376
Total cash and cash equivalents	47,144	5,376

Cash and deposits recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and those highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash with an insignificant risk of changes in value.

Reconciliation of net result for the period to cashflow from operating activities

	Notes	2025 \$'000	2024 \$'000
Net result after income tax for the period		249	438
Non-cash movements			
- Loss on sale of property, plant & equipment		34	12
- Depreciation and amortisation expense		6,933	6,406
- Provision for doubtful debts		(5)	(143)
- Unrealised gains on corporate investments		-	(1,553)
Movements in assets and liabilities			
- Increase in net income tax equivalent payable		858	9
- Increase in deferred taxes		(1,561)	(94)
- Increase in employee entitlements ^(a)		1,402	1,013
- (Increase)/decrease in trade and other receivables		(22)	232
- Increase in prepayments and other assets ^(b)		(3,036)	(229)
- Increase/(decrease) in trade and other payables		4,398	(1,108)
Net cash inflow used in operating activities		9,251	4,983

Notes:

- (a.) Movement includes accrued expenses – staffing costs as per Note 5.2
 (b.) Movements relating to other assets includes accrued income as per Note 5.1

6.2. Commitments for expenditures

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

	2025 \$'000	2024 \$'000
Operating expenditure contracted for is payable as follows:		
Not later than one year	355	1,224
Later than one year but not later than five years	221	3,531
Later than five years	-	-
Operating expenditure commitments (inclusive)	576	4,755
Less GST recoverable	(58)	(475)
Total commitments (exclusive of GST)	518	4,280

7. Risks, contingencies and valuation judgements

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

7.1. Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. AASB 9 *Financial Instruments* requires the Group to consider the classification for all debt instruments, derivative instruments and equity instruments. The Group does not have any derivative instruments.

Financial liabilities follow a much simpler classification process. The Group's financial liabilities are measured at amortised cost unless the Group elects to measure a financial liability at fair value through profit or loss.

Classification of financial instruments

The Group's principal financial instruments include and are categorised as outlined in Table 7.1.1:

- cash and deposits;
- contractual receivables (excluding statutory receivables);
- contract assets;
- term deposits;

- investments in managed funds;
- advances to clients; and
- contractual payables.

Classification and measurement of financial assets

All recognised financial assets that are within the scope of AASB 9 are required to be subsequently measured at amortised cost or fair value on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- Fair value through profit or loss - Debt investments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured.
- Amortised cost - Debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured.
- Equity investments are subsequently measured at Fair Value Through Profit or Loss (FVTPL). The Group's investment in managed funds were classified as investments at FVTPL. Managed funds would not pass the 'solely of payments of principal and interest on the principal amount outstanding' test (SPPI) as they are subject to performance movements.

- Debt instruments that are measured at amortised cost are subject to impairment assessment. The Group provides advances to clients which are measured at amortised cost and subject to impairment assessment (see Note 5.1). Advances to clients are held within a business model whose objective is to collect the contractual cash flows, and that contractual cash flows are 'solely of payments of principal and interest on the principal amount outstanding'.

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.

Measurement and recognition of expected credit losses:

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guaranteed contracts, the exposure includes the amount drawn down as at reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses in the previous reporting period but determines at the current reporting date that the conditions for lifetime expected credit losses are no longer met, the Group measures the loss allowances at the amount equal to 12-month expected credit losses at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Refer to Note 5.1 for allowances for expected credit losses for trade receivables. The Group recognises \$106 thousand (2024: \$112 thousand) loss allowance for expected credit losses on trade receivables and advances to clients. Contract assets are not impaired and is expected to be fully recoverable.

Derecognition of financial assets: The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

7.1 Financial instruments specific disclosures (cont'd)

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial assets and liabilities is not permitted.

7.1.1 Financial instruments categorisation

2025 \$'000	Cash and deposits	Financial assets designated at fair value through profit/loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Contractual financial assets					
Cash and deposits	47,144	-	-	-	47,144
Receivables (a)	-	-	6,128	-	6,128
Contract assets	-	-	9,939	-	9,939
Advances to clients	-	-	2,275	-	2,275
Total contractual financial Assets	47,144	-	18,342	-	65,486
Contractual financial liabilities					
Contractual payables	-	-	-	7,285	7,285
Total contractual financial liabilities	-	-	-	7,285	7,285
2024 \$'000	Cash and deposits	Financial assets designated at fair value through profit/loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Contractual financial assets					
Cash and deposits	5,376	-	-	-	5,376
Receivables (a)	-	-	6,306	-	6,306
Contract assets	-	-	9,934	-	9,934
Advances to clients	-	-	2,275	-	2,275
Term deposits	-	-	10,000	-	10,000
Investments designated at fair value through profit or loss	-	29,145	-	-	29,145
Total contractual financial assets	5,376	29,145	28,515	-	63,036
Contractual financial liabilities					
Contractual payables	-	-	-	2,614	2,614
Total contractual financial liabilities	-	-	-	2,614	2,614

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable and taxes payable).

7.1 Financial instruments specific disclosures (cont'd)

7.1.2 Financial instruments - net holding gain/(loss) by category

2025 \$'000	Net holding gain/(loss)	Total interest income/ (expense)	Total fee income/ (expense)	Total
Contractual financial assets				
Investments designated at fair value through profit and loss	2,157	-	106	2,263
Financial assets at amortised cost	-	2,512	-	2,512
Total contractual financial assets	2,157	2,512	106	4,775
2024 \$'000	Net holding gain/(loss)	Total interest income/ (expense)	Total fee income/ (expense)	Total
Contractual financial assets				
Investments designated at fair value through profit and loss	1,553	-	624	2,177
Financial assets at amortised cost	-	2,516	-	2,516
Total contractual financial assets	1,553	2,516	624	4,693

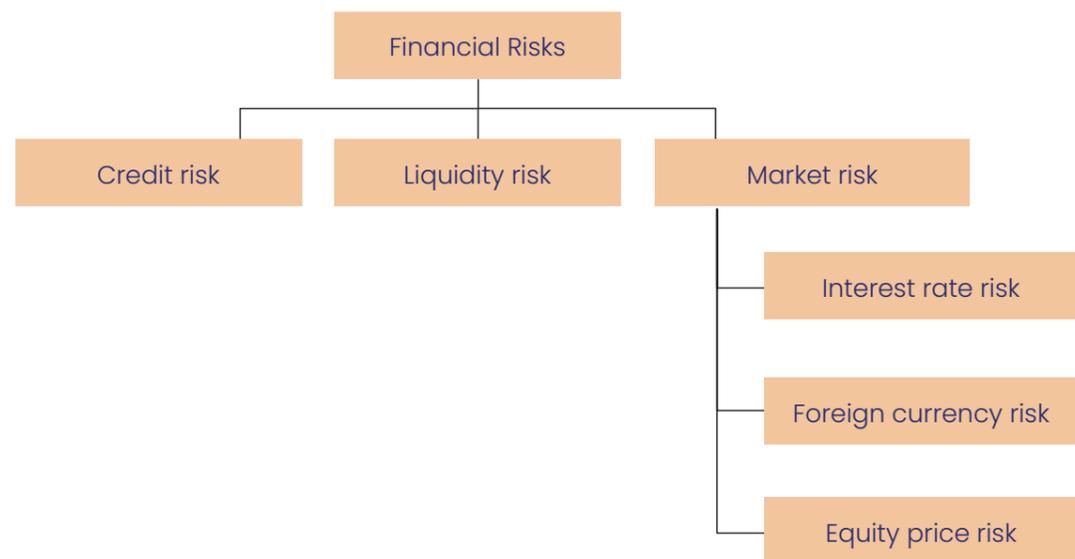
Note: Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.

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

- for investments that are designated at fair value through profit or loss, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.
- for financial assets and financial liabilities that are not recognised at fair value through profit or loss, the net gain or loss is calculated by taking the interest income or interest expense, minus or add any impairment recognised in the net result.

7.1 Financial instruments specific disclosures (cont'd)

7.1.3 Financial risk management objectives and policies



As a whole, the Group’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, financial liability and equity instrument above are disclosed in Note 7.1 to the financial statements.

The financial instruments’ main purpose is to generate a return on the Group’s investments. The main risks arising from the Group’s financial instruments are interest rate risk, credit risk, market risk, and liquidity and cash flow risk. These risks are measured using a method that reflects the expected impact on the results from reasonably possible changes in the relevant risk variables. Information about these risk exposures at the reporting date, measured on this basis, is disclosed below. Information about the total fair value of financial instruments exposed to risk, as well as compliance with established

investment mandate limits, is also monitored by Management and the Investment Committee and reported on a monthly basis.

Financial instruments: Credit risk

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, lease receivables and trade receivables.

The Group’s credit risk involves counterparties’ failure to perform contractual obligations that will cause the Group to incur financial losses. Concentrations of credit risk are minimised primarily by ensuring:

- Transactions are undertaken with a diverse range of counterparties, a large amount with the Victorian Department of Families, Fairness and Housing; and
- A majority of transactions are undertaken with clients under our administration.

7.1 Financial instruments specific disclosures (cont'd)

In addition, receivables balances are monitored on an ongoing basis with the result that exposure to bad debts has not been significant. There is no material exposure to a group of counterparties that is expected to be affected similarly by changes in economic or other conditions. The carrying amount of financial assets that is recorded in the financial statements represents the maximum exposure to credit risk. Credit risk is also managed by the Group through banking cash and deposits with reputable banks.

The Group adopts the simplified approach in accounting for impairment of trade receivables and contract assets. The simplified approach does not require the Group to track the changes in credit risk, but, instead, requires the Group to recognise a loss allowance based on lifetime expected credit losses at each reporting date. Lifetime expected credit losses represents the losses that will result from all possible default events over the expected life of a financial instruments. The expected credit losses are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment if both the current as well as the forecast direction of conditions at reporting date, including time value of money where appropriate.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the entity, in full (without taking into account any collateral held by the Group).

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Group’s maximum exposure to credit risk without taking account of the value of any collateral obtained.

The Group’s credit risk profile has improved in 2024-25 following the conversion of term deposits and managed investment funds to cash under the State’s Central Banking System.

7.1 Financial instruments specific disclosures (cont'd)

Credit quality of financial assets

2025	Financial institution (AA- credit rating)	Government agencies (triple-B credit rating)	Other (min triple-B credit rating)	Total \$'000	
Financial assets					
Financial assets with loss allowance measured at 12-month expected credit loss					
Cash and deposits (not assessed for impairment due to materiality)	47,144	-	-	47,144	
Financial assets with loss allowance measured at lifetime expected credit loss:					
Contractual receivables applying the simplified approach for impairment	331	3,238	14,773	18,342	
Total financial assets	47,475	3,238	14,773	65,486	
2024	Financial institution (AA- credit rating)	Financial institution (A credit rating)	Government agencies (triple-B credit rating)	Other (min triple-B credit rating)	Total \$'000
Financial assets					
Financial assets with loss allowance measured at 12-month expected credit loss					
Cash and deposits (not assessed for impairment due to materiality)	5,376	-	-	-	5,376
Term Deposits	-	10,000	-	-	10,000
Financial assets with loss allowance measured at lifetime expected credit loss:					
Contractual receivables applying the simplified approach for impairment	337	-	2,299	15,879	18,515
Total financial assets	5,713	10,000	2,299	15,879	33,891

7.1 Financial instruments specific disclosures (cont'd)

Financial instruments: Liquidity and cash flow risk

Liquidity risk is the risk in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with the Group's operations. Cash flow risk relates to the fluctuations in future cash flows from holding financial instruments. Risk management guidelines adopted that are designed to minimise liquidity and cash flow risk are:

- Ensuring substantial cash reserves are held by the entity with major Australian banks;
- Ensuring there is no significant exposure to illiquid or thinly traded financial instruments; and
- Applying limits to ensure that there is no concentration of liquidity risk to a particular counterparty or market.

Financial instruments: Market risk

The Group's exposures to market risk are primarily through interest rate risk and equity price risk. Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, and equity prices. Market risk is managed and monitored using sensitivity analysis and minimised through ensuring that all investment activities are undertaken in accordance with established mandate limits and investment strategies. This risk exposure is managed by diversifying investments and managing to a conservative asset allocation model.

Financial investments in growth assets (exposure to listed domestic and international equity markets through investment in managed investment funds) was 35% in 2024 (managed investment funds units fully disposed in 2025) and financial investments in defensive assets

(exposure to cash and fixed interest through domestic and International investments in managed investment funds and cash deposits with financial institutions) was 65% in 2024 (managed investment funds units fully disposed in 2025).

Equity price risk is the risk that the fair value of equities decreases as a result of changes in market prices, whether those changes are caused by factors specific to the individual stock or broader economic factors affecting equity markets as a whole. Equity price risk exposure arises from the Group's investment in Managed Investment funds (see Note 7.1.3).

Interest rate risk arises from the possibility that changes in interest rates will affect future cashflows or the fair values of financial instruments. The Group has established limits on investments in interest bearing assets, which are monitored regularly. The Group's exposure to interest rates is limited to cash and short-term deposits, and advances to clients as disclosed in Note 7.1.3. The Group has no borrowings.

Foreign exchange risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The investments in international equity managed investment funds create an indirect exposure to currency risk through their underlying investments. All managed investment funds were disposed in 2025.

7.1 Financial instruments specific disclosures (cont'd)

Maturity analysis of financial assets and liabilities

To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, The Group monitors risk through reporting that reflects expectations of future settlement of financial assets and liabilities. The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows.

2025	<1 months \$'000	1-3 months \$'000	3-12 months \$'000	1-5 years \$'000	>5 years \$'000	Total \$'000
Contractual financial assets						
Cash and deposits	47,144	-	-	-	-	47,144
Contract assets	3,278	778	2,382	3,307	194	9,939
Contractual receivables	5,185	643	199	99	2	6,128
Advances to clients	-	-	-	-	2,275	2,275
Total contractual financial assets	55,607	1,421	2,581	3,406	2,471	65,486
Contractual financial liabilities						
Contractual payables	7,285	-	-	-	-	7,285
Total contractual financial liabilities	7,285	-	-	-	-	7,285
2024						
Contractual financial assets						
Cash and deposits	5,376	-	-	-	-	5,376
Contractual receivables	6,069	58	37	139	3	6,306
Contract assets	3,017	866	2,457	3,469	125	9,934
Advances to clients	-	-	-	-	2,275	2,275
Term deposits	-	-	10,000	-	-	10,000
Investments designated at fair value through profit and loss	29,145	-	-	-	-	29,145
Total contractual financial assets	43,607	924	12,494	3,608	2,403	63,036
Contractual financial liabilities						
Contractual payables	2,614	-	-	-	-	2,614
Total contractual financial liabilities	2,614	-	-	-	-	2,614

7.1 Financial instruments specific disclosures (cont'd)

Interest rate risk

Sensitivity disclosure analysis and assumptions

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Group's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments

2025	Weighted average interest rate %	Interest rate exposure			
		Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000
Contractual financial assets					
Cash and deposits	3.41%	47,144	-	47,144	-
Contractual receivables	Nil	6,128	-	-	6,128
Contract assets	Nil	9,939	-	-	9,939
Advances to clients	5.03%	2,275	-	2,275	-
Term deposits	4.84%	-	-	-	-
Investments designated at fair value through profit and loss	Nil	-	-	-	-
Total contractual financial assets		65,486	-	49,419	16,067
Contractual financial liabilities					
Contractual payables	Nil	7,285	-	-	7,285
Total contractual financial liabilities		7,285	-	-	7,285
2024					
Contractual financial assets					
Cash and deposits	4.37%	5,376	-	5,376	-
Contractual receivables	Nil	6,306	-	-	6,306
Contract assets	Nil	9,934	-	-	9,934
Advances to clients	5.02%	2,275	-	2,275	-
Term deposits	4.89%	10,000	10,000	-	-
Investments designated at fair value through profit and loss	Nil	29,145	-	-	29,145
Total contractual financial assets		63,036	10,000	7,651	45,385
Contractual financial liabilities					
Contractual payables	Nil	2,614	-	-	2,614
Total contractual financial liabilities		2,614	-	-	2,614

7.1 Financial instruments specific disclosures (cont'd)

Interest rate risk sensitivity

The sensitivity to interest rate risk has been undertaken using 100 basis points to reflect the high interest rates currently in place and expected to remain in the short-to-medium term.

2025		- 100 basis points	+ 100 basis points
	Carrying Amount \$'000	Net Result \$'000	Net Result \$'000
Contractual Financial Assets			
Cash and deposits	47,144	(471)	471
Advances to clients	2,275	(23)	23
Total Impact	49,419	(494)	494

2024		-100 basis points	-100 basis points
	Carrying Amount \$'000	Net Result \$'000	Net Result \$'000
Contractual Financial Assets			
Cash and deposits	15,376	(154)	154
Advances to clients	2,275	(23)	23
Total Impact	17,651	(177)	177

Market Equity Risk

The basis points sensitivity is based on the volatility of change in the respective indices over the last 10 years which management believes is a reasonable assessment of average market volatility expected.

	Change in Equity Price	Carrying Amount	Net Result	Net Result
	%	\$'000	\$'000	\$'000
2025 - Investments at Fair Value through Profit & Loss				
> Fixed Income	N/A	-	-	-
> Australian Equity	N/A	-	-	-
> International Equity	N/A	-	-	-
Total Impact		-	-	-
2024 - Investments at Fair Value through Profit & Loss				
> Fixed Income	+4.0/-4.0	15,183	605	(605)
> Australian Equity	+14.4/-14.4	9,732	1,399	(1,399)
> International Equity	+11.9/-11.9	4,230	503	(503)
Total Impact		29,145	2,507	(2,507)

7.2 Contingent assets and 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: Nil (2024: Nil)

Contingent liabilities: Nil (2024: Nil)

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

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

This section sets out information on how the Group 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.

Financial assets carried at fair value are investments in managed funds. In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

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

Fair value hierarchy

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

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

The Group 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.

7.3 Fair value determination (cont'd)

The table below shows that the fair values of all of the contractual financial assets and liabilities that are the same as the carrying amounts.

	Carrying amount 2025 \$'000	Fair value 2025 \$'000	Carrying amount 2024 \$'000	Fair value 2024 \$'000
Contractual financial assets				
Cash and deposits	47,144	47,144	5,376	5,376
Contractual receivables	6,128	6,128	6,306	6,306
Contract assets	9,939	9,939	9,934	9,934
Advances to clients	2,275	2,275	2,275	2,275
Term deposits	-	-	10,000	10,000
Total contractual financial assets	65,486	65,486	33,891	33,891
Contractual financial liabilities				
Contractual payables	7,285	7,285	2,614	2,614
Total contractual financial liabilities	7,285	7,285	2,614	2,614

Financial assets valued at fair value

2025	Carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Contractual financial assets				
Investments at fair value through profit and loss	-	-	-	-
Total contractual financial assets	-	-	-	-
2024				
Contractual financial assets				
Investments at fair value through profit and loss	29,145	-	29,145	-
Total contractual financial assets	29,145	-	29,145	-

Notes: There were no significant transfers between level 1, level 2 and level 3. In 2025 the Group disposed its managed investment holdings, in full. The funds are sitting in cash, under the State's Central Banking System.

The fair value of investments in unlisted unit trusts (2024) has been determined by reference to quoted redemption prices as reported by the manager of these investments.

8. Other disclosures

Introduction

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

8.1 Contributed equity

Consolidated Entity	2025 \$'000	2024 \$'000
Share capital		
Ordinary shares (2025: 12,461,664 fully paid shares, 2024: 12,461,664)	12,462	12,462
Contribution from owners	4,899	4,899
Total share capital	17,361	17,361

The Group only has one shareholder, the State of Victoria, which owns all the ordinary shares. This entitles the holder to receive dividends and the proceeds on winding up of the Company that is in proportion to the number of, and amounts paid on, the shares held.

Ordinary shares of the Group are classified as equity, government contribution received/receivable for which the Department of Treasury and Finance made a specific designation as contribution from owners and are treated as capital contribution, without the issuing of shares.

Capital risk management

The Group's objectives when managing capital is to safeguard the ability to continue as a going concern so that it can provide returns for the shareholders, benefits to the stakeholders and maintain an optimum capital structure.

8.1.1 Dividend

	2025 \$'000	2024 \$'000
Dividend*	124	736
Total dividends for the year	124	736

* The final 2025 dividend is not payable until it is approved by the shareholder. Accordingly, State Trustees Limited has not made a provision for the dividend in the current accounts.

8.2 Client assets under management

Total client assets under management and trusteeship were as follows. These amounts are not reflected in the balance sheet as they are held in trust on behalf of the entities' clients.

	2025 \$'000	2024 \$'000
Investments, real estate, personal, and other assets	1,648	1,668
Client investments in Common Funds	1,407	1,266
Total assets under management and trusteeship	3,055	2,934

8.3 Income tax expense, assets and liabilities

The Group's accounting policy for taxation requires management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from tax losses, capital losses and temporary differences are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of enough future taxable profits.

Income tax equivalent

The Group is a state-owned company listed on the register of the National Tax Equivalent Regime. As such, it is required to account for its taxation liabilities in accordance with the *Income Tax Assessment Act 1936*, and the *Income Tax Assessment Act 1997* as required.

It pays tax as calculated in accordance with the respective taxation legislation to the Victorian Government Consolidated Fund.

Tax consolidation

The Group has formed an income tax consolidated group consisting of the parent and its subsidiary. The parent is the head entity of the tax consolidated group.

The entities within the tax consolidated group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Under the terms of the tax funding arrangement, the subsidiary has agreed to pay/receive a tax equivalent payment to or from the parent based on the current tax asset or liability of the entity. Such amounts are reflected in amounts receivable from or payable to the other entity in the tax consolidated group.

The tax sharing agreement entered between the members of the tax consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the Group default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

	Notes	2025 \$'000	2024 \$'000
Income tax in the comprehensive operating statement			
Income tax benefit	8.3.1	(1,260)	(94)
Income tax in the balance sheet			
Non-current assets			
Deferred tax assets	8.3.2	16,860	16,088
Current liabilities			
Income tax payable/(income tax receivable)		301	(557)
Non-current liabilities			
Deferred tax liabilities	8.3.2	(9,939)	10,728

8.3.1 Income Tax Equivalent Expense

Consolidated Entity	2025 \$'000	2024 \$'000
Loss from continuing operations before income tax equivalent	(3,134)	(1,198)
Other economic flows - other comprehensive income for the period	2,123	1,542
(Loss)/profit before tax	(1,011)	344
Prima facie tax at 30%	(303)	103
Tax effect of non-temporary differences:		
- Imputation credits and other	33	(167)
- Applied capital losses	(998)	(34)
- Entertainment	8	4
Total income tax expense attributable to operating profit	(1,260)	(94)
Total income tax expense comprises movements in:		
- Current tax expense	301	-
- Deferred tax expense	(1,561)	(94)
Total movements for the period	(1,260)	(94)
Weighted average effective tax rate	125%	28%

Deferred tax assets relating to capital and revenue losses were brought to account in the year and have been fully utilised. There are no unrecognised capital or revenue losses.

8.3.2 Income tax deferred assets and liabilities

Deferred tax assets/liabilities

The calculation of deferred tax assets/liabilities are measured in accordance with Accounting Standard AASB 112 *Income Taxes*. As such, the Group accounts for the tax consequences of transactions and other events in the same way that it accounts for the transactions and other events themselves. Thus, for transactions recognised in the comprehensive operating statement, related tax effects are also recognised in the result. For transactions and other events recognised directly in equity, any related tax effects are also recognised in equity.

A deferred tax asset or a deferred tax liability will be recognised for all temporary differences that arise for the difference between the carrying value of the asset or liability and its tax value.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits. A deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future profit will be available against which the unused tax losses and unused tax credits can be utilised.

8.3.2 Income tax deferred assets and liabilities (cont'd)

Taxable and deductible temporary differences arise from the following:

2025	Opening balance \$'000	Charged to income \$'000	Charged to equity \$'000	Closing balance \$'000
Gross deferred tax assets				
- Provision for doubtful debts	33	(2)	-	31
- Provision for employee entitlements	3,626	286	-	3,912
- Provision for accrued expenses	280	1,350	-	1,630
- Accrued audit fees	73	12	-	85
- Leased liabilities	11,050	(58)	-	10,992
- Prepaid revenue (sublease)	20	-	-	20
- Accrued income for capital commission	122	68	-	190
- Revenue losses	884	(884)	-	-
Total gross deferred tax assets	16,088	772	-	16,860
Gross deferred tax liabilities				
- Right-of-use assets	(9,418)	254	-	(9,164)
- Unrealised gains on investments	(357)	357	-	-
- Fringe benefits tax	(2)	7	-	5
- Fixed assets (general)	(951)	171	-	(780)
Total gross deferred tax liabilities	(10,728)	789	-	(9,939)
Net deferred tax asset	5,360	1,561	-	6,921
2024				
Gross deferred tax assets				
- Provision for doubtful debts	76	(43)	-	33
- Provision for employee entitlements	3,385	241	-	3,626
- Provision for accrued expenses	663	(383)	-	280
- Accrued audit fees	69	4	-	73
- Leased liabilities	11,915	(865)	-	11,050
- Prepaid revenue (sublease)	24	(4)	-	20
- Accrued income for capital commission	85	37	-	122
- Revenue losses	665	219	-	884
Total gross deferred tax assets	16,882	(794)	-	16,088
Gross deferred tax liabilities				
- Right-of-use assets	(10,575)	1,157	-	(9,418)
- Unrealised gains on investments	-	(357)	-	(357)
- Fringe benefits tax	(1)	(1)	-	(2)
- Fixed assets (general)	(1,040)	89	-	(951)
Total gross deferred tax liabilities	(11,616)	888	-	(10,728)
Net deferred tax asset	5,266	94	-	5,360

8.4 Reserves

	Reserve fund (Trustee Companies Act)	General reserve (ASIC / RG166 requirements)	Total
	\$'000	\$'000	\$'000
2025			
Opening balance at start of financial year	14,670	8,017	22,687
Profits transferred to/(from) reserves	603	781	1,382
Closing balance at the end of the financial year	15,273	8,798	24,071
2024			
Opening balance at start of financial year	14,508	7,554	22,062
Profits transferred to/(from) reserves	162	463	625
Closing balance at the end of the financial year	14,670	8,017	22,687

Reserve fund (Trustee Companies Act)

Under the *Trustee Companies Act 1984* (the Act), a reserve fund of not less than half of one per cent of the value of company-managed trust estates in Victoria must be provided. In the event that a liquidator, receiver or manager is appointed, reserve fund monies are to be paid from the trustee company according to Section 39(3) of the Act. Section 38 of the Act requires the Group to place assets into a reserve fund. These assets must be managed consistent with requirements of the *Trustee Act 1958*.

On 30 June 1999, in keeping with legislation amending the *State Trustees (State Owned Company) Act 1994*, the corpus amounts held by Common Funds were paid to the Group, with a transfer of \$603 thousand to reserves from retained profits in 2025 (2024: transfer of \$162 thousand from retained profits).

	2025 \$'000	2024 \$'000
Assets comprising the reserve fund – Trustee Companies Act		
Cash at bank and on hand	47,144	5,376
Term deposits at call	-	10,000
Total assets comprising the reserve fund – Trustee Companies Act	47,144	15,376
Reserve fund requirements	15,273	(14,670)
Surplus	31,871	706

General reserve – ASIC / RG166

The Group has various financial requirements imposed by the Australian Securities and Investment Commission (ASIC) in relation to the Australian Financial Services Licence.

This reserve was created during 2013/14 with the transfer of \$7.879m from retained profits.

The Group has established a reserve account to isolate our ASIC regulatory requirements. These financial requirements are:

- net tangible assets;
- surplus liquid funds;
- adjusted surplus liquid funds; and
- a buffer for the adjusted surplus liquid funds.

As at 30 June 2025, the Group is compliant with the Australian Financial Services Licence financial requirements.

8.5 Controlled entity

The consolidated financial statements at 30 June 2025 include the following controlled entity. The financial year of the controlled entity is the same as that of the parent entity.

Controlled entity	Place of incorporation	Type of shares	Book value of parent entity's investment \$'000		% of shares held		Contribution to the results \$'000	
			2025	2024	2025	2024	2025	2024
STL Financial Services Limited	Australia	Ordinary	5,200	5,200	100	100	432	379

STL Financial Services Limited has \$5.2m of paid-up capital which has historically supported the Australian Financial Services Licence requirements in respect of minimum net tangible assets.

8.6 Parent entity information

The parent has entered into operating expenditure commitments as disclosed in Note 6.2 of these financial statements. The parent entity's contingent liability is disclosed in note 7.2.

No guarantee was provided by the parent entity.

Information relating to the parent	2025 \$'000	2024 \$'000
Current assets	57,173	63,374
Non-current assets	62,362	50,362
Total assets	119,535	113,736
Current liabilities	17,750	9,115
Non-current liabilities	35,542	37,962
Total liabilities	53,292	47,077
Issued capital	17,361	17,361
Retained earnings	24,811	26,611
General reserve	24,071	22,687
Total shareholders' equity	66,243	66,659
Profit or loss of the parent entity	(416)	59
Total comprehensive income of the parent entity	(416)	59

8.7 Economic dependency

A significant portion of revenue is received from the State of Victoria via the Community Service Agreement. A four-year agreement was agreed and signed by both parties, with agreement concluding on 30 June 2026. This contract is between the Group and the Department of Families, Fairness and Housing.

8.8 Remuneration of auditors

	2025 \$'000	2024 \$'000
Audit or review of the financial statements	222	214
Total remuneration (exclusive of GST)	222	214

The audit fees include all fees paid (or due to be paid) to the auditor, Victorian Auditor General's Office (VAGO), of the parent entity, subsidiary and entities where the parent is the trustee company i.e., the audit fees for VAGO auditing State Trustee's Australia Foundation and State Trustee's Australia Foundation Open Fund estimated to be \$24,200 (2024: \$23,200).

The audit fees for VAGO auditing the Common Funds and invest Funds where the parent also acts as trustee company is estimated to be \$88,000 (2024: \$85,000). These fees are paid by the respective Funds.

8.9 Other material accounting judgements, estimates and assumptions

8.9.1 Determination of control over other entities

These financial statements are consolidated financial statements incorporating STL Financial Services Limited as a controlled entity. In determining whether the parent has control over another entity as defined in AASB 10, consideration has been given to the following:

- power over the other entity;
- exposure, or rights to variable returns from its involvement with the other entity; and
- the ability to use its power over the other entity to affect the quantity of returns it receives from that other entity.

8.9.2 Compliance with International Financial Reporting Standards

The financial report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

8.10 Responsible persons

Responsible Portfolio Minister

The following persons held the position of Responsible Portfolio Minister for the reporting period:

The Hon. Timothy Pallas	Treasurer of Victoria	1 July 2024 to 19 December 2024
The Hon. Jaclyn Symes	Treasurer of Victoria	19 December 2024 to 30 June 2025

Directors

The following persons held the position of a director or chief executive officer during the reporting period:

The Hon. Jennifer Acton	Director (Chair)	1 July 2024 to 30 June 2025
Angela Emslie AM	Director	1 July 2024 to 30 June 2025
Anthony Clark	Director	1 July 2024 to 30 June 2025
Vivienne Nguyen AM	Director	1 July 2024 to 30 June 2025

Accountable Officer

Melissa Reynolds	Chief Executive Officer	12 July 2024 to 30 June 2025
John Velegrinis	Chief Executive Officer	1 July 2024 to 12 July 2024

Total remuneration received or receivable by the Responsible Persons in connection with the management of the Group during the reporting period was in the range: \$730,000–739,999 (2024: \$810,000–819,999). Total remuneration was paid or payable to the Responsible Persons by the parent company, State Trustees Limited.

Directors and Accountable Officer	2025	2024
0 – 9,999	-	1
20,000 – 29,999	-	1
30,000 – 39,999	1	-
40,000 – 49,999	3	4
80,000 – 89,999	-	1
100,000 – 109,999	1	-
460,000 – 469,999	1	-
530,000 – 539,999	-	1

8.11 Remuneration of executives

The number of executive officers, other than ministers and directors, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide 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 services 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 or subsidised goods or services.

Other long-term benefits include long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability benefits deferred compensation and profit-sharing and bonuses paid.

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

Principles used to determine the nature and amount of remuneration

Remuneration is based on the Victorian Government Public Entity Executive Remuneration Policy. This is structured as a total employment cost package, delivered as a mix of cash and prescribed non-financial benefits at the executives' discretion. Executives receive no more than 80% of the Chief Executive Officer's base salary (as determined by Government Sector Executive Remuneration Panel (GSERP)).

Executives	Position title	Dates position held
John Velegrinis	Chief Executive Officer	1 July 2024 to 12 July 2024
Melissa Reynolds	Chief Executive Officer	12 July 2024 to 30 June 2025
	General Manager – Trustee Services	1 July 2024 to 11 July 2024
Brett Comer	Chief Financial Officer and General Manager – Corporate Services	1 July 2024 to 11 November 2024
	Chief Financial Officer and General Manager – Corporate Services (Interim)	12 November 2024 to 28 January 2025
Andrew Tennant	General Manager – Professional Services	1 July 2024 to 30 June 2025
Michael Chernov	Chief Financial Officer and General Manager – Corporate Services	29 January 2025 to 30 June 2025
Josephine Brown	General Manager – Financial Administration	1 July 2024 to 30 June 2025
Margaret Canavan	General Manager – Trustee Services (Interim)	29 July 2024 to 1 February 2025
Meaghan Morberger	General Manager – Trustee Services	2 February 2025 to 30 June 2025
Dean Matthews	General Manager – Technology and Transformation (Interim)	20 November 2024 to 30 June 2025
Rowena Stocks	General Manager – People and Culture	13 January 2025 to 30 June 2025

Remuneration of Executive Officers (included in Key Management Personnel)	2025 \$'000	2024 \$'000
Short-term employee benefits	2,123	1,912
Post-employment benefits	179	139
Other long-term benefits	8	16
Termination benefits	144	-
Total Remuneration	2,454	2,067
Total number of KMP's	10	5
Total annualised employee equivalents (AEE)	5.8	5

8.12 Related party disclosures

The State of Victoria is the sole shareholder of the Group.

The subsidiary is owned and controlled by the parent. The subsidiary has been consolidated into the financial statements of The Group.

The parent is the Trustee Company for the following:

- invest funds
- Common funds
- State Trustee's Australia Foundation; and
- State Trustee's Australia Foundation Open Fund.

Related parties of the Group include:

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

All transactions with related parties are conducted on commercial terms and conditions.

Significant transactions with government-related entities

2025 - \$'000's	Nature of transactions	Revenue	Contract liabilities	Contract assets	Cash received	Cash paid
Government entity						
State of Victoria (DTF)	Dividend payment	-	-	-	-	-
State of Victoria (DFFH)	Community Services Agreement	29,682	-	-	32,380	-
State of Victoria (DEECA)	Revenue earned from administration of Solar Homes Program	2,057	-	158	1,649	-
Total		31,739	-	158	34,029	-

2024 - \$'000's	Nature of transactions	Revenue	Contract liabilities	Contract assets	Cash received	Cash paid
Government entity						
State of Victoria (DTF)	Dividend payment	-	-	-	-	(736)
State of Victoria (DFFH)	Community Services Agreement	29,292	-	-	28,540	-
State of Victoria (DTF)	HomesVic Shared Equity Scheme	-	-	-	252	-
State of Victoria (DEECA)	Revenue earned from administration of Solar Homes Program	2,638	-	254	3,122	-
State of Victoria (DEECA)	Revenue earned from administration of Power Saving Bonus	295	-	-	332	-
Total		32,225	-	254	32,246	(736)

Key management personnel of the Group include the Portfolio Minister, Directors, the Chief Executive Officer and those executives reporting directly to the Chief Executive Officer.

The following table lists key management personnel:

Key management personnel	Position title	Dates position held
The Hon. Timothy Pallas	Treasurer	1 July 2024 to 19 December 2024
The Hon. Jaclyn Symes	Treasurer	19 December 2024 to 30 June 2025
Jennifer Acton	Director (Chair)	1 July 2024 to 30 June 2025
Angela Emslie AM	Director	1 July 2024 to 30 June 2025
Anthony Clark	Director	1 July 2024 to 30 June 2025
Vivienne Nguyen AM	Director	1 July 2024 to 30 June 2025
John Velegrinis	Chief Executive Officer	1 July 2024 to 12 July 2024
Melissa Reynolds	Chief Executive Officer	12 July 2024 to 30 June 2025
Brett Comer	Chief Financial Officer and General Manager – Corporate Services	1 July 2024 to 11 November 2024
Andrew Tennant	Chief Financial Officer and General Manager – Corporate Services (Interim)	12 November 2024 to 28 January 2025
Michael Chernov	Chief Financial Officer and General Manager – Corporate Services	29 January 2025 to 30 June 2025
Josie Brown	General Manager – Financial Administration	1 July 2024 to 30 June 2025
Andrew Tennant	General Manager – Professional Services	1 July 2024 to 30 June 2025
Melissa Reynolds	General Manager – Trustee Services	1 July 2024 to 11 July 2024
Margaret Canavan	General Manager – Trustee Services (Interim)	29 July 2024 to 2 February 2025
Meaghan Morberger	General Manager – Trustee Services	3 February 2025 to 30 June 2025
Dean Matthews	General Manager – Technology and Transformation (Interim)	20 November 2024 to 30 June 2025
Rowena Stocks	General Manager – People and Culture	13 January 2025 to 30 June 2025

8.12 Related party disclosure (cont'd)

Transactions with key management personnel

Significant transactions with key management personnel principally comprise of employment remuneration. Details of these transactions are outlined in the table below.

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 1998* and is reported within the *State Annual Financial Report*. Total remuneration was paid or payable to key management personnel by the parent company, State Trustees Limited.

Compensation of KMP's	2025 \$'000	2024 \$'000
Short-term employee benefits	2,337	2,174
Post-employment benefits	204	166
Other long-term benefits	8	16
Termination benefits	144	-
Total remuneration	2,693	2,356

Fees and commissions from inveST Funds and Common Funds

	2025 \$'000	2024 \$'000
Common Funds	7,040	6,342
inveST Funds	3,163	2,842
Total fees and commissions	10,203	9,184

The Group received fees in its capacity as the trustee company of the inveST Funds. The Group received fees in its capacity as manager and trustee of the Cash and Charitable Common Funds respectively.

Fees and commission represent amounts recognised in the comprehensive operating statement as revenue. This will be net of any GST where applicable.

Directors' interests

There are no Directors' interests in any of the funds managed by the Group. There are no other significant related party transactions.

8.13 Matters subsequent to the end of the financial year

There are no circumstances which have arisen since 30 June 2025 that have significantly affected or may significantly affect the operations of the Group.

Consolidated entity disclosure statement

As at 30 June 2025

Entity name	Entity type	Body corporates		Tax residency
		Place formed or incorporated	% of share capital held	Australian or foreign
State Trustees Limited	Body corporate	Australia	N/A	Australian
STL Financial Services Limited	Body corporate	Australia	100%	Australian

Directors' declaration

In accordance with a resolution of the Directors of the Group, we state that in the opinion of the Directors:

- (a) the financial statements and notes of the Group are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 8.9.2.
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (d) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct.

On behalf of the Board



The Honourable Jennifer Acton
Chair

Melbourne, 28 August 2025



Vivienne Nguyen AM
Director

Independent auditor's report



Independent Auditor's Report

To the Directors of State Trustees Limited

Opinion	<p>I have audited the consolidated financial report of State Trustees Limited and its controlled entity (together the Group) which comprises the:</p> <ul style="list-style-type: none"> • consolidated balance sheet as at 30 June 2025 • consolidated comprehensive operating statement for the year then ended • consolidated statement of changes in equity for the year then ended • consolidated cash flow statement for the year then ended • notes to the consolidated financial statements, including material accounting policy information • Directors' declaration. <p>In my opinion the financial report is in accordance with the <i>Corporations Act 2001</i> including:</p> <ul style="list-style-type: none"> • giving a true and fair view of the financial position of the Group as at 30 June 2025 and its financial performance and cash flows for the year then ended • complying with Australian Accounting Standards and the <i>Corporations Regulations 2001</i>.
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Group in accordance with the auditor independence requirements of the <i>Corporations Act 2001</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Other information	<p>The Directors of the Group are responsible for the Other Information, which comprises the information contained in the Directors' Report of Operations but does not include the financial report and my auditor's report thereon.</p>



Contact us



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