Annual Report

2025–2026



PORTS VICTORIA



Acknowledgement of Traditional Owners

Ports Victoria acknowledges First Nations peoples as the Traditional Custodians of the Aboriginal Countries now known as Victoria. Their care for Countries, Skies and Waterways extends back tens of thousands of years and remains unbroken today.

As the authority responsible for Victoria's commercial port waters, Ports Victoria acknowledges the role that ports and shipping have played in the establishment of colonies and towns that displaced Aboriginal Peoples. This is a complex history that we are committed to exploring and better understanding over time.

We acknowledge the unique spiritual and cultural significance of land, water and all that is in the environment to Traditional Owners, and recognise their continuing connection to, and aspirations for Country. We pay our respects to Elders past and present.

Ports Victoria commissioned this artwork by Jodie Brennan, a Victorian-based descendant of the Gomeroi people. She is the managing director and senior designer of Mazart Communications, a Supply Nation and Kinaway-certified small business.

About this report

This report provides an overview of Ports Victoria's operational and financial activities for the period 1 July 2025 to 30 June 2026. It has been prepared in accordance with the provisions of the *Transport Integration Act 2010* (Vic) and the *Financial Management Act 1994* (Vic).

For further information, please contact:

Ports Victoria

Head office:
East 1E, 13–35 Mackey Street
North Geelong VIC 3215
Telephone: +61 3 5225 3500
Website: ports.vic.gov.au

Postal address:
GPO Box 1135
Geelong VIC 3220

Contents

Acknowledgement of Traditional Owners 1

About this report 1

Responsible Body's declaration 4

From the chair 6

From the chief executive officer 8

Section 1: The year in review 10

About Ports Victoria 10

Performance at a glance 14

Commercial port strategy actions review 18

Stakeholder engagement 20

Organisational strategic objectives in detail 24

2026–27 focus summary 38

Financial overview 39

Section 2: Governance and organisational structure 42

Functions, objects and powers 42

Ministerial Directions 44

Board of directors 44

Board and committee meetings 50

Organisational structure 52

Section 3: Workforce data 54

Public sector values and employment principles 54

Workforce inclusion policy 54

Drug and alcohol policy 55

Occupational health and safety policy 55

Enterprise agreement 55

Occupational health and safety data 56

Workforce data 58

Section 4: Other disclosures 62

Emergency preparedness and response 62

Incident management 63

Safety and environment management plans 66

Managing our impact on the environment 67

Local Jobs First Policy 73

Advertising 74

Details of consultancies under $10,000 74

Details of consultancies over $10,000 74

Reviews and studies 75

Information and communication technology (ICT) expenditure 76

Freedom of information 77

Compliance with the *Building Act 1993* (Vic) 78

Competitive neutrality policy 78

Social Procurement Framework 79

Disclosure of Emergency Procurement 79

Disclosure of procurement complaints 79

Public interest disclosures 80

Compliance with the *Carers Recognition Act 2012* (Vic) and the *Disability Act 2006* (Vic) 81

Asset Management Accountability Framework (AMAF) maturity assessments 82

Statement of availability of other information 83

Financial management compliance attestation 84

Section 5: Financial statements 86

About these financial statements 86

Financial statements 87

Disclosure index 138

Disclosure index 138

References 139

Responsible Body's declaration

In accordance with the *Financial Management Act 1994* (Vic) and the *Transport Integration Act 2010* (Vic), I am pleased to present the Annual Report of Ports Victoria for the year ended 30 June 2026.

Howard Ronaldson
Chair

30 September 2026



From the chair

I am pleased to present the annual report of Ports Victoria for the year ended 30 June 2026. It was a year of significant planning, and we are well attuned to the future technologies and adaptive processes that will help us continue to meet our core objective of promoting a safe, fair and efficient environment for commercial shipping.

As a lead authority for the state government's Commercial Ports Strategy, Ports Victoria has contributed and continues to drive outcomes to protect and enhance our commercial ports.

Seaborne trade and the assurances of safety of the port gateways of Victoria are vital. Our maritime traffic safety was at benchmark performance, with an asset availability that exceeded the required standards. A key highlight in strengthening the state's resilience has been the transition to a single platform for our vessel traffic services, providing an ability to operate the entire coverage from either the Melbourne or Geelong centres.

This success is a testament to the clear focus on improving performance across all areas. It reflects the hard work and dedication of our people, working together with the sector consistently to deliver exceptional service on behalf of our stakeholders, customers and the Victorian community.

The state's port system is everchanging to meet industry and economic needs, and Ports Victoria is the key organisation that provides advice and support to the Victorian Government. This past year saw fluctuating trade patterns and changes in shipping characteristics that tested our ability to safeguard port waterways and infrastructure. We were at the forefront of scheduling and prioritising fuel shipments into Victoria during a volatile period in March and April. In every instance I am proud to report we rose to the challenge.

The board and management teams continued to revitalise and revalidate our risk and governance processes to serve Victoria well into the future. A feature of our year was anticipating and planning for change to short and long-term industry trends and economic needs that support Victoria's prosperity. Significantly, the Victorian Government's plans for energy transitions requires substantial investment into port development. Our role in this future is significant to assist in the connection and safeguarding of land and sea networks.

I am delighted that we provided increased public access to Station Pier. We look forward to offering even greater public access in 2026–27 as we balance operational requirements. Station Pier continues to have a place in Victoria's maritime heritage while servicing the cruise industry.

On behalf of the board, I thank the people of Ports Victoria for their work over the past 12 months, led by Chief Executive Officer Craig Walker. Their work is critical for the safety and security of the Victorian ports system.

In addition, I thank my fellow directors for their dedication and contributions throughout the year.

I also thank our shareholding ministers, their ministries and employees for their ongoing support and trust in us.

Ports Victoria remains committed to delivering a safe, fair and efficient statewide ports system. I and my fellow directors have great confidence in Ports Victoria's future.



Howard Ronaldson
Chair

From the chief executive officer

A range of firsts and the continued safeguarding and advancing of Victoria's maritime trade were the notable achievements of Ports Victoria's 2025–26 year.

The state's reliance on shipping and its valuable cargo continued to drive our work. More than 98% of Victoria's international imports and exports by volume are facilitated through our ports system. This was highlighted by the disruptions caused by the Middle East conflict, which placed our port system at the forefront of managing Victoria's fuel priorities.

Our ports never sleep; our people worked day and night throughout the year to provide the vigilance, security and controls necessary to deliver our role in safe, fair and efficient shipping. The total shipping movements across the commercial ports of Melbourne, Geelong, Hastings and Portland increased from 9,315 in 2024–25 to 9,935 in 2025–26. We consolidated the platform for our vessel traffic services systems, to be able to operate from Geelong, Melbourne or both to improve flexibility and resilience.

We secured additional cruise ships for future years, including homeporting for one cruise line commencing in the 2028–29 season.

We progressed the integration and optimisation of our administrative and operational systems, including developing our digital future strategy. This will underpin our approach to modern and effective work practices, cyber threats, systems renewal and technology platforms. The acquisitioning of a next-generation port management information system and shipping management system will deliver us and the port community a world-leading solution.

Establishing a central platform VTS was an important milestone, and it gives us a dual operating ability from Melbourne or Geelong over the ports of Melbourne, Geelong and Hastings. I thank those who rely on our services and who have worked with us to secure this future.

Ports Victoria made sound progress in championing initiatives related to climate change risks, energy transitions and facilitating port developments. Our designated international role in the Green and Digital Shipping Corridor agreement between Australia and Singapore governments, positions us to represent industry and the state in this future.

We worked alongside government to evolve our role, planning for the transition to Ports Victoria of Pilotage Services Standards and licencing for the state. The elevation of standards and compliance obligations for towage and pilotage places our maritime infrastructure and operations at the vanguard of best practice.

Ports Victoria's diversity strategies and action plans are delivering a workplace that brings the best out of our people and reflects the community we serve. Our First Peoples Action Plan is being matched with Treaty aspirations that provide real meaning, understanding and tangible outcomes. We thank the many First Nations groups and individuals of the Kulin Nation who have helped educate us, awoken our spirit and remain with us as exemplars in this area.

I acknowledge and thank the work and guidance of our board, led by Chair Howard Ronaldson, our shareholding ministers, the Hon. Melissa Horne MP and former Treasurer Ms Jaclyn Symes MP, their ministry employees and government agencies for their support.

The leadership team has done a remarkable job in a time of challenge, and I thank them all for their unrelenting efforts and unwavering safety focus during the year.

Importantly, with a great sense of gratitude and pride, I want to offer my sincere thanks to all Ports Victoria employees for the work they do. Their dedication and commitment to performance have not gone unnoticed. We continue to build our desired culture and identity at Ports Victoria by being "better together".



Craig Walker
Chief Executive Officer

Section 1

The year in review

About Ports Victoria

Establishment and functions

Ports Victoria was established in 2021 under the *Transport Integration Act 2010* (Vic) as a Victorian Government public authority responsible for maritime navigation and operational safety across Victoria's four commercial ports: Melbourne, Geelong, Hastings and Portland.

We reported to the following ministers during 2025–26:

- The Hon. Melissa Horne MP, Minister for Ports and Freight
- Ms Jaclyn Symes MP, Treasurer

We are part of Victoria's transport and planning portfolio led by the Department of Transport and Planning. We support safe commercial vessel navigation through vessel traffic services (VTS), employ harbour masters, regulate pilotage and towage services, manage Station Pier and its cruise operations, and provide advice to government on ports and maritime safety. Our responsibilities extend across approximately 2,500 kilometres of Victorian coastline, including Port Phillip and Western Port.

Our functions are set out in the *Transport Integration Act*, *Marine Safety Act 2010* (Vic) and *Port Management Act 1995* (Vic).

The *Transport Integration Act* expanded our role to promote and facilitate trade, deliver operational services, and provide advice, technical expertise and consultancy services to government on matters affecting Victoria's port system.



Our purpose, vision and values

Purpose

Serve Victoria in safeguarding and advancing Victoria's maritime trade, connecting the state to the world.

Vision

To be Victoria's relied-upon maritime and port authority, serving the state and its shipping trade by overseeing the sector's current and future needs.

Values

Accountability—Being consistently open, honest and courageous, and taking responsibility for actions, decisions and feedback. Being fair in all dealings.

Unity—Working and advancing with a shared purpose, engaging with others, caring, celebrating and solving together. We embrace diversity in all its forms.

Performance—Pursuing high standards in everything we do. Grounding our decisions in evidence and always striving to improve.

Safety—An unwavering commitment to safety, unrelenting in maintaining the wellbeing of our people, the waterways and environment we are responsible for, and the communities we serve.

Future-minded—Future-focused in everything we do, embracing change, curiosity with new ideas to prepare for what's next.

Nature of services

Ports Victoria is a Victorian Government public authority.

We manage maritime navigation and operational safety for Victoria's commercial ports, keeping them connected with the world.

With more than 3,700 commercial vessel visits each year to Port Phillip and Western Port, our 24/7 navigational safety services ensure the declared port waters of Melbourne, Geelong and Hastings remain safe, and the marine environment is protected. We also have oversight of these activities for the port of Portland where the port operator carries out the services on its behalf.

Ports Victoria manages the heritage-listed Station Pier in Port Melbourne, home to the state's principal cruise shipping terminal. The pier also hosts navy vessels visiting Melbourne.

We are a lead authority implementing the government's framework for the port system in alignment with the Victorian Commercial Ports Strategy.

Our role includes:

- providing technical advice to government on port development and maritime-related matters
- delivering licensing regimes for pilotage and towage service providers
- assisting commercial port managers with port development strategies
- supporting the development of a Victorian Cruise Shipping Strategy and a long-term outlook for the Victorian ports system.

This helps Victoria's commercial ports work together to provide the capacity needed to accommodate growing trade.

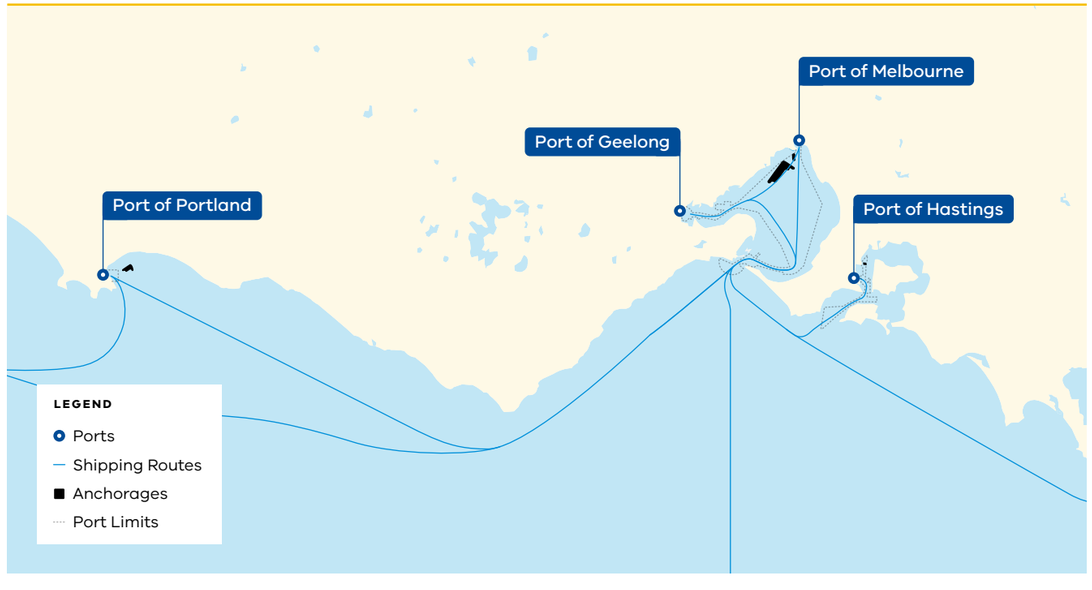


Figure 1: Coverage of Ports Victoria operational oversight

Operational responsibilities

Navigation services

Harbour masters: The harbour masters for the ports of Melbourne, Geelong and Hastings are employed by Ports Victoria. We are also empowered to authorise persons to act as assistant harbour masters, in accordance with section 229 of the *Marine Safety Act 2010* (Vic).

Vessel traffic services (VTS): Our 24-hour modern VTS oversees safe marine navigation at our head office in Geelong and the Port Operations Control Centre in Port Melbourne. Critical VTS network systems and supporting infrastructure are also located across surrounding port land and waters.

Port services

Service provider regulation: Ports Victoria manages the licensing regime set out in the *Port Management Act 1995* (Vic) for pilotage, towage and mooring service providers at the commercial ports.

Maritime emergencies (non-search and rescue), maritime casualties and marine pollution response: Ports Victoria, under the Victoria State Emergency Management Plan, is the initial response and control authority for level 1 maritime emergencies (non-search and rescue) within the declared port waters of Melbourne and Geelong (maritime casualties) and for maritime-sourced pollution in state waters from Cape Schanck to Cape Otway, including all of Port Phillip.

Hazardous port activities: Ports Victoria administers permitting requirements for hazardous port activities in the *Port Management Act 1995* (Vic).

Infrastructure

Ports Victoria manages the heritage-listed Station Pier in Port Melbourne and the Point Lonsdale Lighthouse. This includes responsibility for the maintenance of these buildings and facilities.

Within the Queenscliff Lighthouse Reserve, we manage the Queenscliff White Lighthouse, Hume Tower Light, Murray Tower Light and Fort West Beacon. However, these structures are maintained by Port of Melbourne Operations Pty Ltd.

Channels and aids to navigation

Ports Victoria is responsible for the maintenance of the shipping channels leading to the ports of Geelong and Hastings and their associated aids to navigation. Port of Melbourne Operations Pty Ltd is responsible for the channels in Port Phillip and Yarra River that provide access to the port of Melbourne.

Channels and aids to navigation for the port of Portland are managed through a channel agreement between Ports Victoria and the Port of Portland Limited.

Trade facilitation

Cargo that is vital to the Victorian economy moves through our ports, with:

- the port of Melbourne being Australia's largest container port, handling more than one-third of the nation's container trade
- the port of Geelong being Victoria's second largest and main bulk cargo port
- the port of Hastings providing access for major industries, including as a hub for fuel imports and gas exports and a major steel product manufacturing facility
- the port of Portland providing bulk cargo services for the agriculture, forestry and mining industries.

Performance at a glance

Operational highlights

In 2025–26, Ports Victoria delivered the following operational highlights:

9,935
VESSEL MOVEMENTS

Provided oversight of safe, fair and efficient navigation in the port waters of Victoria's commercial ports, managing 9,935 vessel movements in the ports of Melbourne, Geelong, Hastings and Portland.

99.97%
AVAILABILITY

Maintained vessel traffic services availability at more than 99.97% for the year for the ports of Melbourne, Geelong and Hastings, exceeding the international minimum standard of 99.95% established by the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA).

1,038
HOURS

Increased our on-water patrols by 19% from 2024–25 to 1,038 hours, including 220 recreational vessel engagements as part of the Keep Clear of Big Ships campaign.

Continued implementation of the Victorian Government's towage reform program by establishing Towage Services Determinations and non-exclusive licensing arrangements for Victorian commercial ports.

144.53
MILLION TOTAL GROSS TONNAGE

Total shipping gross tonnage visiting the four commercial ports.

81
CRUISE SHIP VISITS

Safely facilitated 81 cruise ship visits to Melbourne, Geelong, Phillip Island and Portland.

2,900
VISITORS

Welcomed back the public to Station Pier in October 2025, attracting an estimated 2,900 visitors over 44 public access days.

Achieved White Ribbon accreditation as our commitment to creating an environment where women feel safe at work and men feel empowered to speak up if something doesn't seem right.

122
INCIDENT RESPONSES

Assisted in the management of 122 shipping incidents, such as vessel machinery failures and breakdowns, cargo hold fire, maritime casualty events and marine pollution events.

24/7
VESSEL TRAFFIC CONTROL CENTRE

Significantly invested in development of a single maritime control platform and new purpose-built 24/7 vessel traffic control centre at Geelong, expanding capacity and strengthening back-up capability in systems between Melbourne and Geelong.

206
STUDENTS AND STAFF

Hosted 206 students and staff across 2 days for our schools' education program and on-water port tours.

Increased data analytics and provision of information to the Department of Transport and Planning to address pressures on fuel and fertiliser shipping related to the Middle East conflict.

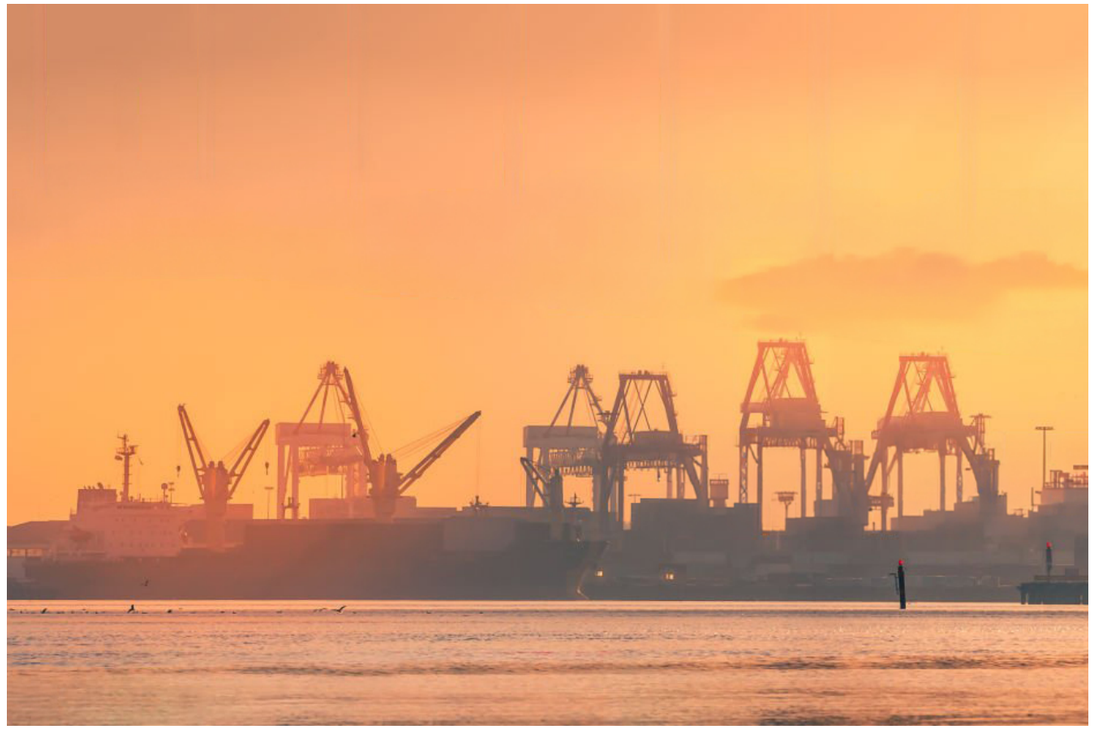
Organisational strategic objectives summary

Ports Victoria's focus is supporting a safe, fair and efficient commercial port system that meets the future shipping demands and the expectations of the Victorian Government.

Annual strategic goals and objectives are reviewed each year as part of the four-yearly corporate planning process, approved by the board and submitted to the Department of Transport and Planning and our ministers.

Delivering initiatives to drive the right processes, systems and service delivery model aligned with Victorian Government objectives, our work underpins a capable and reliable commercial port sector, supporting Victoria's connection to global trade and shipping networks.

During the 2025–26 period, we focused on delivery of the following strategic objectives:



Theme	Organisational objectives	2025–26 outputs
Navigational safety	Maintain high standards of safety in Victoria's commercial maritime environments	• Delivered safe marine navigation and VTS • Delivered Victorian ports system reforms
Port system facilitation and engagement	Facilitate trade and growth in the short, medium and long term	• Supported the cruise shipping industry
	Provide ports and maritime advice to government	• Supported the strategic planning for Victorian port sector growth and capacity delivery • Engaged with port development proponents
	Embed environmental, social and governance (ESG) principles into Ports Victoria operations in support of government	• Delivered improvements in organisational ESG performance and advocated for stronger ESG outcomes across the port sector through collaboration
Technology and infrastructure	Deliver prudent development of Ports Victoria's infrastructure to meet current and future needs	• Implemented prudent asset management • Delivered on Ports Victoria's critical infrastructure oversight obligations
	Revitalise Ports Victoria's technology to align with current and future requirements	• Delivered updates to Ports Victoria's technology systems
People and capability	Be recognised as a high-performing organisation	• Maintained an organisational environment where employees are engaged, are respected and continually learn • Delivered priority training and development • Improved risk culture maturity
Financial sustainability	Develop and deliver a profitable service model for Ports Victoria	• Delivered a new financial service model for Ports Victoria

Commercial port strategy actions review

In July 2022, the Victorian Government released *Navigating our Port Futures: The Victorian Commercial Ports Strategy* that sets out a 30-year vision for the Victorian ports system. Some of the actions in the strategy were assigned to Ports Victoria and the table below lists these together with our work undertaken to 30 June 2026.

Strategy action	Work undertaken
Investigate and implement efficient options for deepening of the Geelong Channel	Ports Victoria continued to engage with industry participants on optimisation of the Geelong channels and/or trade growth opportunities. Preliminary investigations and applications for approval to undertake maintenance dredging are planned for 2027.
Provide technical support and advice to each of the Victorian commercial trading ports on the preparation of their Port Development Strategies (PDS)	Ports Victoria provided support and advice to the port managers of the ports of Melbourne and Hastings and to DTP during the preparation of PDS documents. The port of Melbourne released its PDS in December 2025 and the port of Hastings PDS is scheduled for release after 30 July 2026.
Work with DTP to develop a program of activities to support the advancement of the Bay West Port strategic plan	DTP sought advice on the reservation of coastal land and transport corridors necessary for a future Bay West Port. Ports Victoria continued to provide input to this process and the broader commercial ports system.
Provide technical advice to the Secretary of DTP on port development and maritime-related matters	Ports Victoria has established a regular and routine exchange with the department.
Convene a regular industry forum to support industry intelligence sharing and engagement	Ports Victoria convened forums in 2025–26 in Geelong and Melbourne with key industry participants. These provided an opportunity for us to discuss factors impacting the Victorian port system and for industry participants to engage and share intelligence.
Provide advice to the Minister for Ports and Freight about opportunities to improve the flow of information in the container freight supply chain	Ports Victoria provided additional information and shipping data to the Minister in relation to pressures on fuel and fertiliser shipping because of the Middle East conflict. Additionally, we are in the process of replacing our commercial shipping information system (PortView) to improve the flow and management of port-related supply chain data.
Work with DTP on the delivery of Victorian energy transition-related environmental commitments	Ports Victoria has supported the department in the provision of maritime information to assist the transition to a net zero-emissions economy. Ports Victoria represents Victoria as part of an MOU between Australia and Singapore on the exchange of information about the use of alternative maritime fuels, carbon clean technology and digitisation.
Develop options and opportunities to support Victorians to establish a career in the maritime industry	As part of Ports Victoria's commitment to supporting Victorians to establish a career in the maritime industry, Ports Victoria has hosted interns and strengthened partnerships with universities to provide student opportunities.
Establish Ports Victoria's new role as the lead technical maritime safety expert in Victoria though working with key users and operators across the Victorian ports system	An assessment of the state of the Victorian commercial maritime regulatory framework was undertaken by a steering committee consisting of Ports Victoria, DTP and Safe Transport Victoria (STVic). From 1 October 2026, STVic will be integrated into DTP and licensing of marine pilots will transfer to Ports Victoria.
Establish a non-exclusive licence regime and standards for pilotage services	Achieved. A Pilotage Services Provider (PSP) Standard and non-exclusive licence system was developed. The 4 incumbent PSPs were granted PSP licences on 1 March 2023.
Establish a non-exclusive licence scheme and standards for towage services at Victorian commercial ports	We have introduced Towage Services Determinations for the ports of Portland, Geelong and Hastings, building on the Melbourne determination that commenced in March 2024. We have supported navigational safety and operational efficiency by establishing minimum standards for the provision of towage services at Victorian commercial ports.

Stakeholder engagement

Ports Victoria engages with a wide range of stakeholders to support safe, efficient and sustainable commercial ports across Victoria.

Stakeholder group	Purpose of engagement
Traditional Owners	To build relationships, support Treaty and identify opportunities for partnership and participation
Government and regulators	To work together to provide appropriate Victorian commercial ports, maritime and regulatory governance and support informed decision making.
Port operators and industry	To support safe operations, trade growth and long-term planning across the port system
Port service providers and customers	To promote navigational safety and coordinate efficient port operations
Recreational boating stakeholders	To improve safety awareness and reduce interactions with commercial shipping
Seafarer welfare organisations	To support the wellbeing of seafarers visiting Victorian ports
Communities	To share information, seek feedback and support activities in port areas
Employees	To keep employees informed, support collaboration and capability development, and align employees with Ports Victoria's strategic priorities and objectives

Traditional Owners

Ports Victoria strengthened relationships with Traditional Owner groups connected to Victoria's commercial ports and port waters. During 2025–26, we continued to implement the First Peoples Action Plan 2024–26 and completed more than 80% of planned actions, including:

- renewing the corporate engagement program with Wadawurrung Traditional Owners Aboriginal Corporation
- providing employees and directors with On Country learning opportunities
- supporting First Peoples businesses through procurement activities
- exploring future employment, recruitment and business opportunities
- participating in Department of Transport and Planning First Peoples committees and working groups.

Industry groups

We supported the port and maritime sector through our membership of Ports Australia, participation in government advisory groups and committees, and direct engagement with industry stakeholders. We also provided advice and expertise in our role as a regulator and facilitator across the Victorian port system.

Digital channels

We launched a consolidated corporate website during the year and retired the former Victorian Regional Channels Authority and Victorian Ports Corporation (Melbourne) websites. We also progressed development of new website features to improve access to information and services.

Operational stakeholders and customers

We promoted navigational safety as a shared responsibility across the port community. We brought stakeholders together through regular forums, Navigational Safety Committee meetings and joint simulator training sessions. These activities strengthened relationships, encouraged information sharing and drew on maritime expertise from across Victoria's commercial ports.

Seafarer welfare

We continued to provide financial and in-kind support to Mission to Seafarers and Stella Maris. These organisations deliver practical and pastoral care to crews visiting Victoria's commercial ports.

Education

We engaged with recreational boating communities in Port Phillip and Western Port.

These engagements included attendance at the Geelong and Melbourne boat shows to meet with recreational boaters, presentations to yacht and boating clubs and invitations to club event organisers to visit our shipping operation control centres in Geelong and Melbourne.

We hosted a school education program including classroom content and on-water port tours for 206 Geelong students and staff across 2 days during 2025–26.



Community

For the first time since 2020, we welcomed the public back onto Station Pier in October 2025. Following significant maintenance and refurbishment programs, we re-opened public access to the pier on weekends and public holidays during daylight hours, except on cruise operation days. This access contributed to public open spaces and experiences in the local Port Melbourne waterfront precinct.

It is estimated that more than 2,900 people and 180 vehicles displaying disability parking permits have taken up the public access opportunities on the 44 days that the pier was open from October 2025 to May 2026. During that time, there were no significant safety or security incidents recorded.

Ports Victoria also engaged with a range of communities across its operational areas:

- meeting regularly with community and stakeholder groups in Geelong, including the City of Greater Geelong
- taking part in Port of Hastings Community Consultation Committee meetings
- liaising with residents, businesses and local government representatives in the Station Pier precinct at Port Melbourne
- supporting educational tours of the Point Lonsdale Lighthouse through the Queenscliffe Maritime Museum.

Ports Victoria has oversight of, and provides approval for, aquatic events that take place in or near the shipping channels and fairways in Port Phillip and Corio Bay. These include the Festival of Sails, the Offshore Superboat Championships in Geelong, and other major yacht races that transit Port Phillip and Corio Bays as part of their course.

We work with the organisers of the Rip Swim event to coordinate vessel movements so swimmers can safely cross the busy fairway through Port Phillip Heads from Point Nepean to Point Lonsdale without interacting with transiting vessels. The fairway is the busiest shipping lane in Port Phillip, being used by every vessel entering or leaving the bay.

Employee engagement

With our business operating across various locations and many of our employees working alternative work schedules, we provide several engagement opportunities to maintain connectedness with business initiatives, safety performance, people matters and planning within the organisation:

- monthly CEO-led, all-employee sessions
- OHS&E committee meetings
- internal “community of practice” sessions on various topics
- interactive intranet with employee-initiated news posts
- online safety application for identification and reporting of hazards and incidents.

CASE STUDY



Interactive employee sessions

Our CEO leads a monthly interactive session for all employees across all work locations.

Employees from different work disciplines and locations present updates on the work being done and take questions, with input encouraged from all attendees.

The sessions are made available via the intranet, so those unable to attend may view the meeting or review the presentations provided at the meeting.

At times, special all-employee meetings will be convened to address important matters.

Organisational strategic objectives in detail

Navigational safety

Ports Victoria prioritises health and safety. This commitment extends to employees, customers, contractors, visitors, port users and the broader community.

9,935
Vessel movements in the four commercial ports

122
Shipping incidents managed

99.97%
Vessel traffic services availability

81
Cruise ship visits

144.53
Million gross tonnage

14
Marine pollution incident (MARPOL) responses

4,121
Total vessel visits

2,856
Melbourne

374
Portland

751
Geelong

140
Hastings

We maintain a high standard of maritime and workplace health and safety by continuously reviewing risks and implementing risk mitigations in collaboration with our stakeholders. In operational safety-related on-water matters, Ports Victoria works closely with the Australian Maritime Safety Authority and Safe Transport Victoria.

Organisational objective	2025–26 outputs
Maintain high standards of safety in Victoria's commercial and maritime environments	**Safe marine navigation** • provided oversight of safe, fair and efficient navigation in the port waters of Victoria's commercial ports, managing 9,935 vessel movements in the ports of Melbourne, Geelong, Hastings and Portland • maintained vessel traffic services availability at more than 99.97% for the year for the ports of Melbourne, Geelong and Hastings, exceeding the international minimum standard of 99.95% established by the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) • safely facilitated 81 cruise ship visits to Melbourne, Geelong, Phillip Island and Portland • activated emergency response for 122 shipping incidents either as lead authority or in a supporting role to other government agencies • conducted transport safety officer (TSO) on-water patrols in the waters of the ports of Melbourne and Geelong. **VTS upgrade** • established a new vessel traffic services (VTS) control centre in Geelong. The new VTS centre is expected to go live in 2026–27 and is a step towards a statewide, integrated VTS capability. It will be a critical enabler for unifying the state's VTS capability by: ◦ integrating all VTS operations onto a single VTS technology platform ◦ enhancing operational resilience by acting as a dual redundancy site with the Melbourne VTS control centre and providing the ability for VTS to operate from multiple sites and sectors. • commenced planning for the future vision of the state's vessel traffic services (VTS) to ensure the continued safe and efficient management of ship transits in Victorian waters. The planning process considers critical risk factors, compliance with state and international standards and guidelines as well as contemporary technical and digital trends in VTS operations, systems architecture and service delivery to ensure a future-ready solution.

Organisational objective	2025–26 outputs
	Port system reforms • developed and implemented a statutory licensing regime for towage and pilotage service providers in Victorian commercial ports • continued implementation of the Victorian Government's towage reform program by establishing Towage Services Determinations (TSDs) and non-exclusive licensing arrangements for Victorian commercial ports • introduced TSDs for the ports of Portland, Geelong and Hastings, building on the Melbourne determination that commenced in March 2024 • engaged stakeholders across government, emergency services and industry to develop port-specific towage standards and requirements • supported navigational safety and operational efficiency by establishing minimum standards for the provision of towage services at Victorian commercial ports.



CASE STUDY

Integrated VTS capability



A new vessel traffic services control centre is scheduled to be commissioned in Geelong during 2026–27 following significant progress in 2025–26.

The new control centre will bring together, on a single platform, navigational oversight of commercial shipping across Port Phillip, Corio and Western Port bays into the ports of Melbourne, Geelong and Hastings.

The new purpose-designed 24-hour control environment will provide a single control platform across Victoria's commercial ports, improving operational capability, strengthening safety standards and ensuring systems remain aligned with global standards.

Work on the new centre included significant technical improvements and investment by Ports Victoria at our Melbourne and Geelong control centres, expanding operational capacity in Geelong while enabling seamless handoff between both sites to support continuous operations.

We will be able to operate the entire system from either Melbourne or Geelong, providing resilience and confidence that, when required, either site can safely control the traffic into Victoria's ports.

The upgrade will provide a key outcome of the Victorian Government's broader port reforms by modernising critical infrastructure to support more resilient and reliable port services while maintaining safe vessel movements.

Safety campaigns

Keep Clear of Big Ships campaign

Ports Victoria continued to promote the Keep Clear of Big Ships boating safety campaign to help recreational vessel operators understand the risks of operating near large commercial vessels in shipping channels.

It is directed at recreational vessel masters and designed to reduce the risk of interactions between small craft near large ships. Ports Victoria works with its partners in waterway safety to promote the Keep Clear of Big Ships message.

During the year, our transport safety officers (TSOs) conducted around 1,038 hours of on-water patrols and 220 recreational vessel engagements in the waters of Melbourne and Geelong. While the program is predominantly educational, enforcement measures such as directions and recommendations for issuing infringements were made when necessary and appropriate to discourage unsafe behaviour.

Activity	2025–26	Comparison to 2024–25
On-water patrol hours	Approximately **1,038** hours	**19%** higher than the previous season
Recreational vessel / small craft safety interactions	Approximately **220** recreational vessel engagements	
Serious recreational vessel to commercial ship collisions	**No** serious vessel collisions occurred during the reporting period	No adverse change; both years maintained the **zero** serious collision benchmark
Infringements	**17** infringement notices	Increase of **10** infringements, (enforcement remained a last-resort measure)

Technology and infrastructure

Ports Victoria is responsible for a diverse range of digital technology and physical assets that are critical to the provision of safe navigation for the state and delivery of our business functions.

Supported by strategic asset management plans and prudent investment planning, we are progressing a significant digital transformation program to assist navigation services as well as continued infrastructure upgrades and maintenance at Station Pier, Geelong channels and navigation beacons.

Asset maintenance is provided by contracted suppliers and managed by us. We also work closely with Heritage Victoria to secure the required approvals for works on heritage-listed assets.

Organisational objectives	2025–26 outputs
Revitalise Ports Victoria's technology to align with current and future requirements	**Port Management Information System (PMIS)** • We initiated a competitive tender process and identified a replacement PMIS that will modernise our operational technology and align with proven contemporary global port-management practices. • The new PMIS will be implemented in the upcoming financial year providing an upgraded digital platform for planning, coordinating, reporting and executing commercial port operations. It will provide real-time visibility and control over vessel movements, port services, berth scheduling and compliance activities across the port system.

Organisational objectives	2025–26 outputs
Deliver prudent development of Ports Victoria's infrastructure to meet current and future needs	**Asset management** • Significant refurbishment and maintenance works were undertaken across the heritage-listed Station Pier, one of Australia's largest timber-piled pier structures still in operational use. Works included: ◦ repainting the building in heritage colours and undertaking maintenance and repairs to structures, historic crests, gates and façades ◦ repairs to the decking on West Finger Pier throughout the year, while the piles supporting the structure remained part of the ongoing annual maintenance program ◦ major maintenance to the boardwalk and pergola located on the eastern side of Station Pier to secure the ongoing safety of these public facilities ◦ commencement of repainting the West Finger Pier kiosk, the front of the inner terminal building and parts of the outer terminal building to improve the visual amenity of the facility ◦ recurring annual remediation of supporting timber piles, beams and fenders to ensure the facility continues to meet operational loading requirements. • Remediation works at Point Lonsdale Scend Shed were undertaken, including removal and replacement of the deteriorated concrete roof. The 1941 foghorn underwent conservation refurbishment in preparation for display at the Queenscliffe Maritime Museum. **Critical infrastructure oversight** • Navigation lights in Western Port (Port of Hastings) and Corio Bay (Port of Geelong), along with land-based navigation lights, were remediated. • Construction of a new beacon to replace the ageing beacon in Hopetoun Channel is underway to support ongoing and reliable navigational safety.

Cruise shipping

Cruise shipping supports Victoria's economy by bringing visitors to Melbourne and regional destinations, generating demand for local tourism, hospitality, transport and retail businesses. We support this activity by managing Station Pier and providing the services needed for safe and efficient cruise operations.

The 2025–26 cruise season ran from 14 October 2025 to 23 April 2026, with a final call on 12 May 2026.

2025–26 cruise season summary

81
Cruise ship visits to Victoria

75
Station Pier visits

19
Turnaround visits

6
Regional port visits

20
Overnight stays at Station Pier

8
First-time vessel visits to Melbourne

211
Days in the cruise season

86
Days with ships at Station Pier

Victoria hosted 81 cruise ship visits and an estimated 200,000 passengers during the season, including 75 visits to Station Pier and 6 regional visits across Phillip Island and Portland.

Following changes to global cruise schedules and broader macro-economic pressures on the tourism sector, cruise visits were 29% lower than the previous season. Current bookings indicate activity is expected to increase through to the 2028–29 season.

Cruise operations

A total of 19 turnaround visits were completed, with ships embarking and disembarking passengers at Station Pier. The *Disney Wonder* homeported in Melbourne for 7 turnaround voyages, while Silversea Cruises completed 5 turnaround visits using *Silver Moon* and *Silver Nova*.

Regional cruise visits

Victoria's regional ports hosted 6 cruise visits during the season: 3 visits were made to Phillip Island through the Cowes Anchorage in Port of Hastings waters, while Portland welcomed 3 cruise ship visits.

First visits

The following 8 vessels made their first visit to Melbourne during the season:

- *Carnival Adventure*
- *Silver Moon*
- *Riviera*
- *Zaandam*
- *Discovery Princess*
- *Silver Dawn*
- *Amera*
- *Odyssey*

Navy vessels

11 naval ships visited Station Pier, continuing longstanding traditions and connectivity with Australia's defence force interests.

HMAS Farncomb, a Collins class submarine, visited in August 2025 and again in May 2026. Two French Navy vessels visited: the *Vendemiaire*, a surveillance frigate, in November 2025 and the *Auguste Benebig*, a patrol vessel normally stationed in the Pacific, in March 2026.

HMAS Ballarat, an ANZAC class helicopter frigate, visited in March 2026, berthing simultaneously with the *Auguste Benebig*.

A Malaysian navy corvette, the *KD Lekir*, visited in early April 2026.

In mid-April 2026, the pier hosted the Japanese frigate *JS Kumano*, which moored alongside (double-banked) the *HMAS Brisbane*, a Hobart-class air warfare destroyer.

The *HMAS Brisbane* returned for ANZAC Day together with the *HMAS Stuart*, another ANZAC-class helicopter frigate, both participating in ANZAC Day events.

We exchanged commemorative plaques with each of the vessels listed below to mark their first visit to Melbourne and Station Pier:

Vendemiaire	French Navy vessel
Auguste Benebig	French Navy vessel
KD Lekir	Malaysian Navy vessel
JS Kumano	Japanese Navy vessel
HMAS Brisbane	Australian Navy vessel

Port system activities

During 2025–26, we supported strategic planning, provided advice into government, engaged with port development proposals and advanced environmental, social and governance (ESG) outcomes across the port sector.

Provided advice on 2 port managers' **30-year port development strategies**.

July 2025 officially signed onto the Singapore–Australia **Green and Digital Shipping Corridor Memorandum of Understanding (MOU)**.

GREENHOUSE GAS (GHG) EMISSIONS

14%
reduction
from 2024–25

844
tonnes CO2-e
(Scope 1 and 2)

75%
of purchased electricity
from renewable sources

Our work impacted growth in the cruise shipping industry, contributed to planning for future port capacity, provided navigation and operational advice on major projects, and progressed initiatives that support environmental sustainability, climate resilience and First Peoples outcomes.

Organisational objectives	2025–26 outputs
Facilitate trade and growth in the short, medium and long term	• An interdepartmental steering committee with representatives from Ports Victoria, Department of Transport and Planning, Visit Victoria and the Department of Jobs, Skills, Industry and Regions finalised a Victorian cruise strategy, with input from industry stakeholders. The cruise shipping strategy is scheduled for release in late 2026. • We engaged with port managers across the Victorian ports system to assist with their marine infrastructure development proposals, providing advice as required. • Ports Victoria was represented on the Technical Reference Groups for the proposed Victorian Renewable Energy Terminal at Hastings and the Vopak Victorian Energy Terminal in Port Phillip. Our primary focus was the conduct of safe navigation and the impact of the proposals on other port users.
Provide ports and maritime advice to government	• As required in the Ministerial Guidelines for Port Development Strategies, we provided advice to DTP on the penultimate drafts of: ◦ Port of Melbourne Port Development Strategy (released December 2026) ◦ Port of Hastings Port Development Strategy (to be released after 30 July 2026)
Embed ESG principles into Ports Victoria's operations in support of government	ESG work progressed by Ports Victoria during 2025–26 included: • reviewing and updating environmental risk registers • undertaking a climate impact risk assessment • progressing development of a decarbonisation pathway • reviewing and updating scope 1 and scope 2 GHG calculations • further implementation of the First Peoples Action Plan. On 28 July 2025, we officially signed on to the Green and Digital Shipping Corridor (GDSC) MOU to represent Victoria as 1 of the 3 states and 4 ports formally taking part. This MOU is between Australia (Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts, and Department of Foreign Affairs and Trade) and the Maritime Port Authority of Singapore (MPA). We participated in regulatory and industry activities in support of these MOU items and attended Singapore's International Maritime Week in April 2026.

People and capability

We strengthened our organisational capability in 2025–26, supporting employee engagement, development and wellbeing, while building a strong risk management culture. We delivered priority learning and development initiatives, and further embedded risk management practices across the organisation.

Organisational objectives	2025–26 outputs
Be recognised as a high-performing organisation	**Organisational environment** • A people matter survey was conducted in April and May 2026, with a 63% employee response rate. The survey results: ◦ indicated a clear understanding of the importance of the work being done by Ports Victoria and a strong focus on safety ◦ showed enhanced employee engagement, rising to 78% from 65% the previous year, and an improved workplace climate with double-digit gains in manager capability, workgroup climate and integrity, reflecting the impact of culture and leadership ◦ identified senior leadership visibility, clarity of direction and wellbeing as improvement opportunities despite overall positive trends.

We delivered priority learning and development initiatives, and further embedded risk management practices across the organisation.

Organisational objectives	2025–26 outputs
Deliver priority training and development	**Safety, health and wellbeing programs** • Supporting the health, safety and wellbeing of our people is a priority at Ports Victoria and reflects our commitment to maintaining a safe, inclusive and supportive workplace. Throughout 2025–26, we invested in initiatives that promote physical health, psychological wellbeing and positive workplace culture. • Employees were supported to undertake activities that encourage healthy lifestyles, preventative healthcare and overall wellbeing. This included assistance to purchase gym memberships, exercise equipment, meditation programs and annual health assessments. • Under our Employee Assistance Program (EAP), confidential counselling and support services were available to employees and their immediate family members, helping with personal, family and work-related challenges and supporting employee wellbeing, resilience and early intervention. • We invested in proactive hazard reporting, contractor assurance, psychosocial risk management, safety capability development and promotion of a safety bystander culture. These activities were designed to empower employees to identify, speak up and act on safety concerns, strengthening safety accountability across the organisation. • We enhanced our psychosocial safety resources, awareness initiatives and employee support tools. A Psychological Workplace Safety Framework was established, along with an action plan and toolkits for managers and employees. • Adoption of the Diversity, Equity and Inclusion Action Plan 2026–2030 reinforced our commitment to creating a respectful, inclusive and psychologically safe workplace.

Organisational objectives	2025–26 outputs
Improve risk culture maturity	• We strengthened our risk maturity through the implementation of initiatives that improved governance oversight, assurance, accountability and organisational capability to identify, assess and manage risk. • Risk activities expanded into reviews involving procurement, technology, cyber security, marine operations, data management and governance stakeholders. • A cyber uplift program required ongoing collaboration between a variety of internal and external specialists. Regular reporting, audits, roadmap development and Ports Resilience and Intelligent Security Model initiatives brought multiple disciplines together around common objectives. • The revitalisation of Risk Committee reporting and introduction of enhanced strategic reporting improved dialogue between management, executives and committee members. This increased organisational discussion around risk themes, emerging issues and strategic decision making. • Collaboration across our organisation identified several initiatives that have and continue to foster stronger organisational alignment, shared accountability and more informed decision making across strategic and operational risk domains.

2026–27 focus summary

Five strategic objectives headline our direction for the next twelve months:

Objective 1

Safeguard Victoria's maritime waterway and typical port authority assets to deliver safe, efficient and reliable functions and services

Objective 2

Invest in tomorrow's technology to address challenges and leverage opportunities to support future-ready infrastructure

Objective 3

Provide trusted advice to government on current and future trade and shipping trade scenarios

Objective 4

Cultivate thriving and future-ready people

Objective 5

Strengthen our influence and collaborative partnerships

As we look toward the next twelve months, Ports Victoria will continue to focus on delivering the highest standards of safety and resilience to protect critical commercial ports and maritime infrastructure and services.

Financial overview

Financial performance summary

	2026 ($m)	2025 ($m)	2024 ($m)	2023 ($m)	2022 ($m)
Income	44.9	47.0	59.8	51.7	43.1
Expenses	52.4	51.3	54.0	42.4	40.0
Net result from transactions	(7.5)	(4.3)	5.8	9.3	3.1
Net result gain / (loss) after tax	(7.4)	(10.9)	5.9	8.5	(22.2)
Total comprehensive net income	(5.5)	14.1	6.6	7.6	(6.8)
Net cash flow from operating activities	(5.7)	(0.4)	12.4	8.2	8.9
Total assets	135.3	143.7	132.3	122.1	117.0
Total liabilities	11.6	13.7	16.4	12.4	14.8

Financial performance commentary

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. The net result from 2025–26 transactions was a loss of $7.5m. This measure excluded the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' in the comprehensive operating statement.

Total revenue of $44.9m was lower than the prior year result of $47.0m. Revenue was adversely impacted by lower cruise vessel activity, lower Port of Melbourne contribution revenue resulting from reduced container trade volumes and vessel activity, and delays associated with the introduction of the larger Spirit of Tasmania vessels affecting Geelong operations. These decreases were partially offset by revenue generated from the Navigation and Port Services (NaPS) fee, which commenced on 1 January 2026, together with stronger anchorage revenue.

Total expenses of $52.4m were higher than the prior year expenditure of $51.3 million. The increase primarily reflected inflationary cost pressures, the operation of new regulatory functions, and investment in strategic and operational initiatives to support the delivery of Ports Victoria's services and objectives.

Other economic flows in net result

All non-current physical assets are required to be measured annually at fair value in accordance with Financial Reporting Directive 103. Every 5 years, an independent valuation of assets is undertaken by the Valuer General Victoria, with the most recent valuation completed in 2024–25. Based on an assessment of the forecast cash flows of Ports Victoria's assets, discounted using appropriate rates, no impairment of assets was recognised during 2025–26.

In comparison, during 2024–25, an impairment loss of $6.7m was recognised against certain assets following a review of forecast cash flows and asset valuations. Other economic flows contributed a net gain of $0.1m to the net result after tax in 2025–26, compared with a net loss of $6.6m in 2024–25. These movements contributed to the difference between the net result from transactions and the net result after tax reported in each year.

Total comprehensive income

Total comprehensive income for the year was a loss of $5.5m. This result reflects the net loss after tax of $7.4m, partially offset by movements recognised directly in equity, associated with the transfer of employee benefit obligations to the State and related tax effects.

Balance sheet—significant changes in financial position

Total assets at 30 June 2026 were $135.3m, a decrease of $8.4m from the prior year balance of $143.7m. The decrease primarily reflects lower cash balances and depreciation of property, plant and equipment, partially offset by additions to non-current assets during the year.

Total liabilities at 30 June 2026 were $11.6m, a decrease of $2.1m from the prior year balance of $13.7m. The reduction was mainly attributable to lower employee benefit provisions and trade and other payables.

Cash flow

Total cash on hand at the end of the 2025–26 financial year was $37.1m, a decrease of $11.1m compared with the prior year. This included net cash outflows of $5.7m from operating activities, net cash outflows of $4.7m from investing activities and net cash outflows from financing activities of $0.7m.

Subsequent events

On 1 October 2026, responsibility for the administration and management of certain maritime permissions and related functions was transferred from Safe Transport Victoria to Ports Victoria following a decision of the Victorian Government made after the reporting date.

The transfer constitutes a non-adjusting event under AASB 110 Events after the Reporting Period, as the conditions giving rise to the transfer did not exist at 30 June 2026. Accordingly, no adjustments have been made to the amounts recognised in these financial statements as at that date.

Fees and charges

Ports Victoria's fees and charges are set out in the reference tariff schedule that is available on Ports Victoria's website ports.vic.gov.au.

The Navigation and Port Services (NaPS) fee was introduced on 1 January 2026 and applies to commercial vessels entering Victorian port waters for the ports of Melbourne, Geelong and Hastings. It is designed to recover the costs associated with the provision of essential navigational and port management services, supporting a sustainable and transparent pricing framework.

The introduction of the NaPS fee followed a structured stakeholder engagement program across government and industry and is being phased in to allow port users time to adjust to the revised pricing framework.

Commercial terms

Ports Victoria has standard terms and conditions for the use of common user berths and terminals at Station Pier. The terms prescribe the performance obligations of Ports Victoria and users. Ancillary service providers engaged by users are also subject to these performance obligations, which are incorporated into their licence conditions. These include security, health and safety, and environmental management performance obligations on the licence holders.

Section 2

Governance and organisational structure

Functions, objects and powers

The role, responsibilities and activities of Ports Victoria are governed by the following Victorian statutes:

- *Transport Integration Act 2010* (Vic) (TIA), which sets out Ports Victoria's objects, functions, powers and roles. Ports Victoria must have regard to the transport systems' objectives and decision-making principles under the Act when exercising its functions and powers
- *Port Management Act 1995* (Vic) (PMA), which establishes the operating framework for Station Pier and allocates specific operational and regulatory responsibilities to Ports Victoria, including those associated with the licensing of towage, pilotage and mooring services providers
- *Marine Safety Act 2010* (Vic) (MSA), which provides the framework for safe marine operations within Victoria including requirements around the use of harbour masters and marine pilots, and Ports Victoria's marine safety duty, roles and responsibilities
- *Emergency Management Act 2013* (Vic) (EMA), which outlines the framework for emergency management within Victoria, including the use of port-specific emergency management plans and Ports Victoria's emergency management roles and responsibilities.

Ports Victoria's roles, responsibilities and activities are influenced by several Commonwealth and international statutes, orders and statutory instruments. These include the following:

- Australian Maritime Safety Authority (AMSA) Marine Order 64 (vessel traffic services) 2022, which gives effect to Regulation 12 of Chapter V of the International Convention for the Safety of Life at Sea (SOLAS), requiring the provision of vessel traffic services (VTS) where the volume of shipping traffic or degree of risk justifies the provision of such services
- AMSA Instrument of Authority to Operate a VTS, which has been issued to Ports Victoria, providing it with the authority to operate as a VTS under Marine Order 64
- *Marine Transport and Offshore Facilities Security Act 2003* (Cth) (MTOFSA), under which port of Melbourne is a security-regulated port with Ports Victoria being responsible for all security-related issues for Station Pier
- *Security of Critical Infrastructure Act 2018* (Cth), which applies to the ports of Geelong and Melbourne and seeks to manage the national security risks (sabotage, espionage and coercion) posed by foreign involvement in Australia's critical infrastructure. It also includes the requirement for Ports Victoria to report cyber-security breaches.

Under section 133D of the TIA, Ports Victoria has the following objects:

"The main objects of Ports Victoria are to manage, and support the management of, port of Melbourne waters, channels in port of Melbourne waters, regional port waters and channels in regional port waters for use on a fair, safe and efficient basis consistent with the vision statement and transport system objectives."

The objects also include:

- promoting and facilitating trade through commercial trading ports and local ports
- supporting the strategic planning and development of the Victorian ports system
- participating in emergency management at the state level
- undertaking operational activities, including asset management and project management in relation to the Victorian ports system
- providing technical and consultancy services in relation to the Victorian ports system.



Ministerial Directions

Ports Victoria did not receive any Ministerial Directions during 2025–26.

Board of directors

The Ports Victoria board of directors was established under the TIA. The board comprises not fewer than 3 and not more than 9 members, with each member appointed by the Governor in Council. It is the duty of the board to act consistently in accordance with the functions and objectives of Ports Victoria, act as a sounding base for good corporate governance and act honestly, fairly and diligently in accordance with the applicable legislation.

The role of the board is to establish strategic direction, pursue established corporate objectives, ensure material risks to the operation of Ports Victoria are adequately considered and addressed, appoint the CEO of Ports Victoria and monitor the business performance of the organisation. The board of directors is responsible for the management of Ports Victoria's affairs and may exercise the powers of Ports Victoria. The CEO is responsible for management of the entity.

Conflict of interest

The directors are governed by the relevant provisions of the *Public Administration Act 2004* (Vic) and binding codes issued by the Victorian Public Sector Commission. They are required to declare any pecuniary interest in any matter being considered by the board or in any other matter in which Ports Victoria is concerned. The directors are prohibited from engaging in lobbying activities that may relate to the function of Ports Victoria. At each meeting, they are required to confirm that they have not engaged in lobbying. The board is provided with a consolidated list of registered interests disclosed by directors at each board meeting.



Directors

Howard Ronaldson, Chair

Howard was appointed chair of Ports Victoria on 1 July 2021.

He has had a lengthy career in general management, project governance and delivery, regulation management and the oversight of large government programs.

He has held secretary positions in various Victorian Government departments, including Department of Infrastructure and Department of Economic Development. In addition, he has held the roles of Director of Housing, Director of Crown Lands and Undersecretary (CEO) of Treasury (ACT).

Howard has participated on many boards as chair or as a member. He has been appointed as an administrator (or equivalent) on several occasions.

The first 7 years of his working life were at Caterpillar Australia Ltd.

He holds a Bachelor of Economics (Monash University), a Graduate Diploma of Accounting and Finance (Caulfield Institute of Technology) and a Master of Business Administration (University of Melbourne).

Board committee membership:

- Audit Committee
- Risk Committee

Elaine Carbines AM, Deputy Chair

Elaine was appointed deputy chair of Ports Victoria on 1 July 2021.

Formerly a State MP representing Geelong, Elaine most recently held the position of CEO of G21 Geelong Region Alliance from 2010 to 2020.

Elaine is an experienced non-executive director bringing skills in regional development, strategic planning, community engagement, education and communication to the board.

She is a director of GForce Employment and Recruitment, GENU and IMPACT Institute Advisory Board, and an independent representative for MAGNET (the Mental Health Australia General Clinical Trials Network).

Elaine is an ambassador for the Peace of Mind Foundation.

Board committee membership:

- Chair—People, Culture and Remuneration Committee
- Risk Committee

Penny Alexander

Penny was appointed a director of Ports Victoria on 1 October 2022.

Penny has extensive experience in the delivery, operation and maintenance of critical assets across the resources, energy and infrastructure sectors in Australia and Asia.

In a former role as a partner at a leading Australian law firm, Penny advised on some of the Victorian Government's major projects, including the establishment of Ports Victoria.

Penny has worked with Mitsubishi Corporation in Tokyo, advising on its global portfolio of resources and infrastructure investments.

Penny is currently general counsel at the Department of Government Services.

Board committee membership:

- Risk Committee

Terry Garwood PSM

Terry was appointed a director of Ports Victoria on 1 October 2022.

He is a senior Aboriginal public servant in the Victorian Public Service and has been an officer of the Victorian and Australian public services for 45 years. He is the deputy secretary, First Peoples – State Relations in the Department of Premier and Cabinet.

Terry has held several other senior executive positions, including deputy secretary, Land Services and First Peoples, Department of Energy, Environment and Climate Action and executive director, Freight, Logistics and Marine Division, Department of Transport. He has also held executive positions responsible for health, aged care, disability services, child protection, public housing and Aboriginal affairs.

Terry has served on executive boards for the Aborigines Advancement League Inc, Camp Jungai Co-operative Ltd, Museum of Victoria, the Centenary of Federation Committee and the Institute of Public Administration Australia (IPAA Victoria). He is a Fellow of IPAA.

Terry was awarded the Public Service Medal (PSM) in 2018 for distinguished public service and was inducted into the Victorian Aboriginal Honour Roll in the same year.

Board committee membership:

- People, Culture and Remuneration Committee

Directors

Catherine Hopper

Catherine was appointed a director of Ports Victoria on 1 October 2022.

She is a skilled infrastructure professional, with experience across investment banking, funds management and Australian corporates.

Catherine brings a range of skills to the Ports Victoria board, particularly commercial and financial expertise focused on strategic planning and financial governance.

Board committee membership:

- Chair, Audit Committee

Des Powell AM

Des was appointed a director of Ports Victoria on 1 July 2021.

Des has extensive experience in executive management and board roles in the public, private and not-for-profit sectors. In particular, he has specialist expertise in the ports and freight and logistics sector in Australia and Asia.

He is a director of Barwon Water Corporation, Cambridge Box Hill Learning Assessment and Chisholm Institute.

Board committee membership:

- Chair, Risk Committee
- People, Culture and Remuneration Committee

Aarin Moon

Aarin was appointed a director of Ports Victoria in August 2025. He is a Victorian assistant branch secretary of the Maritime Union of Australia.

Aarin has extensive experience in the maritime industry as well as serving as the chair of Transport and Distribution and Training Victoria. He is a member of the Transport and Logistics Advisory Group for the Victorian Skills Authority.

Board committee membership:

- Audit Committee (from January 2026)

Board and committee meetings

Audit Committee

The Standing Directions under the *Financial Management Act 1994* (Vic) (FMA) require Ports Victoria to appoint an audit committee to, among other responsibilities, independently review and assess the effectiveness of Ports Victoria's systems and controls for financial management, performance and sustainability, including risk management. The board has allocated the risk function to the Risk Committee given the complex risk environment that Ports Victoria works within.

Members in 2025–26

- Catherine Hopper, chair
- Howard Ronaldson, committee member
- Aarin Moon, committee member (from January 2026)
- Rob Hogarth, committee member (non-director appointed by the board)

The responsibilities of the Audit Committee are set out in Standing Direction 3.2.1.1 and include:

- independently reviewing and assessing the effectiveness of Ports Victoria's systems and controls for financial management, performance and sustainability, including risk management
- overseeing the internal audit function under Direction 3.2.2
- reviewing and reporting independently to the board on the annual report and the financial information in it
- reviewing and monitoring compliance, including with the FMA and the Standing Directions and Instructions
- maintaining effective communication with external auditors
- considering recommendations made by internal and external auditors and reviewing the implementation of actions to resolve issues raised
- reviewing the implementation of actions in response to internal and external audits.

People, Culture and Remuneration Committee

Members in 2025–26

- Elaine Carbines AM, chair
- Terry Garwood PSM, committee member
- Des Powell AM, committee member

This committee assists the board to fulfil its governance responsibilities by ensuring that Ports Victoria has executive remuneration policies, guidelines and practices that are consistent with government policy and by reviewing policies and processes relating to the development of the organisation's people and its culture.

Risk Committee

Members in 2025–26

- Des Powell AM, chair
- Howard Ronaldson, committee member
- Elaine Carbines AM, committee member
- Penny Alexander, committee member
- Rob Hogarth, committee member (non-director appointed by the board)

The primary role of the committee is to oversee the effective operation of the risk management framework to assist the board in fulfilling its governance responsibilities. The Committee also evaluates the effectiveness of risk identification and management, and compliance with internal guidelines and external requirements.

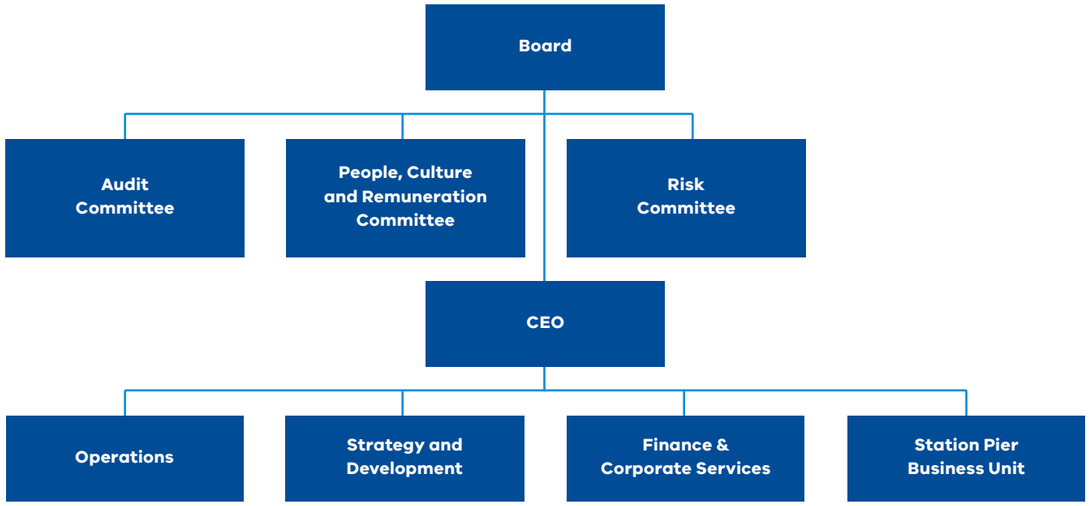
Board and committee meeting attendance

Name	Board*	Committee		
		Audit*	People, Culture and Remuneration*	Risk*
Howard Ronaldson, chair	6/6	4/5	N/A	3/4
Elaine Carbines AM, deputy chair	6/6	N/A	3/3	2/4
Penny Alexander, director	5/6	N/A	N/A	4/4
Terry Garwood PSM, director	6/6	N/A	2/3	N/A
Catherine Hopper, director	6/6	5/5	N/A	N/A
Des Powell AM, director	6/6	N/A	3/3	4/4
Aarin Moon, director (from August 2025)	4/4	3/3 (from January 2026)	N/A	N/A
Rob Hogarth, independent member, Audit and Risk Committee	N/A	4/5	N/A	4/4

* Number attended/number eligible to attend

Organisational structure

Lines of responsibility



Executive leadership team

Craig Walker, Chief Executive Officer

Craig was appointed to the role of chief executive officer of Ports Victoria in December 2023. He implements the strategy guided by the board and leads and manages Ports Victoria's operations, people and resources.

Jacinta Mackey, Chief Financial Officer and Head of Corporate Services

Jacinta leads the division responsible for the organisation's finance, legal and procurement services, information management, governance and future planning for cruise ships.

Nick Ellul, Chief Operating Officer

Nick is responsible for navigation services and maritime safety for Victoria's 4 commercial ports of Melbourne, Geelong, Hastings and Portland. His role includes leading the teams responsible for port safety and environment, risk management, emergency management, business continuity and operational systems, regulatory compliance and licensing. He also leads the harbour master teams across Melbourne, Geelong, Hastings and Portland.

Jeff Bazelmans, Chief Strategy and Development Officer

Jeff leads the division responsible for business strategy, corporate planning, port planning, trade and port logistics and information technology, as well as providing specialist advice on environmental, planning, heritage and sustainability matters.

Section 3

Workforce data

Public sector values and employment principles

Ports Victoria aims to maintain a positive workplace culture where people perform well because they are engaged, valued and supported to achieve in a high-performance environment.

Our vision, purpose and values guide our operations and activities. These are closely aligned with the public sector values.

We are an equal opportunity employer, and we embrace the benefits that diversity in our workplace brings. We adhere to the public sector employment principles.

Workforce inclusion policy

At Ports Victoria, we continuously review opportunities to diversify our workforce through the *Diversity, Equity and Inclusion Action Plan*. The people matter survey from May 2026 had a 63% response rate. Among respondents:

- 2% were Aboriginal or Torres Strait Islanders (meeting the target set in Ports Victoria's *First Peoples Action Plan* of 2%)
- 5% were people with a disability
- 24% were born overseas
- 11% spoke a language other than English with family.

Globally, gender diversity in the maritime sector is a significant challenge. International Maritime Organisation and the Women's International Shipping and Trading Association (IMO-WISTA) *Women in Maritime Survey 2024* figures show women account for less than 19% of the total workforce in the maritime sector. Ports Victoria's commitment to gender diversity sees women making up 25% of the workforce, surpassing the international average.

We are focused on supporting inclusion across all diverse and priority communities, including LGBTIQA+ communities, people with disability and those from culturally and linguistically diverse communities. We are consulting with employees who identify themselves in these cohorts to make adjustments to remove any barriers to inclusion.

Drug and alcohol policy

This policy aims to reduce the likelihood of injury and damage resulting from alcohol and/or drug (including prescription drug) use. It informs employees about expected behaviours and provides a testing mechanism to monitor compliance.

Occupational health and safety policy

This policy sets the standards that enable Ports Victoria to conduct its activities in the safest manner possible. By implementing and maintaining systems, competencies and processes to support a proactive safety culture, Ports Victoria aims to identify, assess and manage physical and psychosocial safety and health hazards that may arise from our activities, so far as is reasonably practicable. The policy sets out Ports Victoria's legislated requirements under the *Occupational Health and Safety Act 2004* (Vic) and the *Port Management Act 1995* (Vic).

Enterprise agreement

Ports Victoria's current enterprise agreement will expire on 1 November 2027. Planning for its renewal will commence with informal discussions with employee representatives from November 2026. Formal discussions are due to begin in May 2027.

Occupational health and safety data

Ports Victoria fosters a safety culture that prioritises the health, wellbeing and safety of its workers and contractors. This commitment extends beyond employees to ensure that our operations do not place the wider port community at unnecessary risk of injury or illness.

The CEO chairs the Occupational Health, Safety and Environment (OHS&E) Committee, which meets quarterly with designated health and safety representatives (HSRs) from across our organisation.

Management of hazards and incidents

We have improved our management of hazards and incidents through a new digital incident and hazard reporting system, ERIC, which comprises modules to inform risk management and governance processes and procedures.

We are increasing our focus on reporting of hazards, near misses and incidents to help create corrective actions that will reduce risks so far as reasonably practicable.

As a result of these improvements, a significantly higher number of potential incidents and hazards were captured in the reporting system in 2025–26. This provides us with greater visibility to deliver a more focused approach to reducing risks in the workplace. It does not necessarily reflect an increase in incidents occurring.

Measure	KPI	2025–26	2024–25	2023–24	2022–23
Incidents and hazards	Number of incidents reported	60	9	0	6
	Number of hazards identified	782	96	87	43
	Number of employee injuries—minor (no medical treatment)	1	3	8	3
	Number of employees medically treated injuries	1	0	4	0
	Lost time injury rate per 100 FTE	1	0	2	0
Claims	Number of lost time standard claims	1	1	2	0
	Rate per 100 full-time equivalent employees (FTE)	1*	1*	1.7	0
	Average cost per standard claim	$130,668	$183,000	$19,536**	0
Fatalities	Fatality claims	0	0	0	0

* Ongoing claim from 2023–24
** Adjusted from $7,250 reported in the 2023–24 annual report following receipt of a backdated claim

The average cost per claim for 2025–26 is related to an ongoing claim from the 2023–24 financial year.

We have introduced a process that captures the number of low probability, high consequence events (LPHC) that occur. These are captured in the plan-on-a-page monthly reporting process. When they occur, they are investigated by an executive employee member from an area of the business outside the one within which the incident occurred. The investigation report with the lessons learned is then shared with the executive leadership team, where the matter is discussed and findings incorporated where appropriate.



Workforce data

Executive remuneration

Annualised total remuneration, by $20,000 for executives

Income band (salary)	Executives
< $160,000	0
$160,000–$179,999	0
$180,000–$199,999	0
$200,000–$219,999	0
$220,000–$239,999	3
$240,000–$259,999	5
$260,000–$279,999	3
$280,000–$299,999	1
$300,000–$319,999	1
$320,000–$339,999	2
$340,000–$349,999	0
$350,000+	4
Total	**19**

Details of employment levels in June 2025 and June 2026

The following tables disclose the headcount and full-time employee equivalent (FTE) of all Ports Victoria employees, employed in the last full pay period in June of the current reporting period and in the last full pay period in June of the previous reporting period (2025).

JUNE 2026

	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
Gender							
Male	73	64.82	47	2	1.12	24	16.7
Female	26	22.7	18	0	0	8	4.7
Self-described	0	0	0	0	0	0	0
Age							
15–24	0	0	0	0	0	0	0
25–34	9	8.8	8	0	8	1	0.8
35–44	28	25.6	19	0	19	9	6.6
45–54	29	27.9	22	1	22.8	6	5.1
55–64	19	18.1	13	0	13	6	5.1
65+	14	7.12	3	1	3.32	10	3.8
Classification							
EBA employees	80	69.12	65	2	66.12	13	3
Executives	19	18.4	0	0	0	19	18.4
Total employees	**99**	**87.52**	**65**	**2**	**66.12**	**32**	**21.4**

Workforce data

JUNE 2025

	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
Gender							
Male	75	62.72	46	2	46.92	26	15.8
Female	25	24	18	2	19.2	6	4.8
Self-described	0	0	0	0	0	0	0
Age							
15–24	0	0	0	0	0	0	0
25–34	8	7	6	0	6	12	1
35–44	35	30.6	24	1	24.6	10	6
45–54	22	20.2	15	2	16.2	5	4
55–64	23	20.8	15	0	15	8	5.8
65+	12	8.12	4	1	4.32	7	3.8
Classification							
EBA employees	80	67.12	64	4	66.12	12	1
Executives	20	19.6	0	0	0	20	19.6
Total employees	**100**	**86.72**	**64**	**4**	**66.12**	**32**	**20.6**



Section 4

Other disclosures

Emergency preparedness and response

Maritime emergency, maritime casualties and pollution response

Ports Victoria has a statutory role as the control authority for Level 1 maritime emergencies (non-search and rescue), maritime casualties within declared port waters, and maritime-sourced pollution incidents in state waters. This function is delivered under the Victorian State Emergency Management Plan (SEMP) framework, supported by clearly defined governance arrangements, operational procedures and trained incident management personnel. These arrangements ensure a coordinated and scalable response to maritime emergencies across the ports of Melbourne, Geelong and Hastings, aligned with state and national response frameworks.

During the reporting year, we managed several maritime incidents in and around commercial port waters. Agencies responded in accordance with the SEMP, while post-incident reviews identified lessons and strengthened preparedness, coordination and response capability.

Preparedness, capability and stakeholder coordination

During 2025–26, Ports Victoria led and participated in multi-agency exercises with Australian Maritime Safety Authority, Victoria Police, Fire Rescue Victoria, Country Fire Authority and Department of Transport and Planning. We also contributed to state and national planning forums, helping strengthen response arrangements, improve coordination and enhance preparedness for maritime emergencies.

Continuous improvement

We strengthened our emergency preparedness and risk management frameworks by incorporating lessons from incidents, exercises and industry developments. This approach supports the safe and resilient operation of Victoria's commercial ports while driving continuous improvement in emergency response capability and stakeholder collaboration.

Incident management

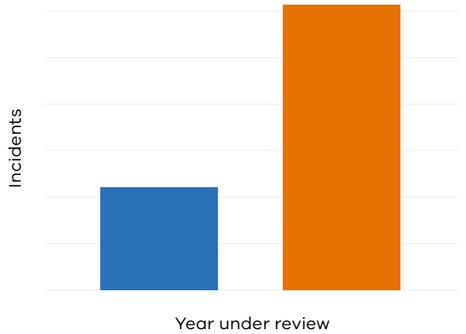
During 2025–26, Ports Victoria assisted in the management of 122 shipping incidents, including vessel machinery failures and breakdowns, cargo hold fires, maritime casualty events and marine pollution events.

2025–26 NOTABLE INCIDENTS BY TYPE



- Storm damage / pollution **10%**
- Collision **10%**
- Fire **10%**
- Search and rescue / casualty **20%**
- Machinery casualty failure / deadship tow **50%**

TOTAL SHIPPING INCIDENTS



- 2024–25
- 2025–26

CASE REPORT 1 : MSC ACAPULCO

Machinery failure and coastal risk response

In May 2026, the MSC Acapulco suffered a machinery breakdown in Commonwealth waters off Lorne. The disabled vessel was assessed as presenting a potential threat to the Victorian shoreline and required a deadship tow. Ports Victoria assisted the broader maritime response, drawing on its navigational safety, incident-management and inter-agency coordination capability to support the movement of the vessel away from immediate coastal risk.

The incident highlights Ports Victoria's ability to support complex maritime emergencies beyond declared port waters where the consequences could affect Victoria's coastline, communities, marine environment or commercial shipping network. It also demonstrates the importance of established relationships with Commonwealth agencies, towage providers, harbour masters and other response partners. This role builds on Ports Victoria's 24-hour navigational safety capability and its responsibilities for maritime emergencies, casualties and marine-pollution response.

CASE REPORT 2: MORNINGTON PENINSULA STORM AND MOONRAKER

Coordinated casualty, pollution and salvage response

In June 2026, a severe storm affected the Mornington Peninsula and damaged more than 20 vessels. The domestic commercial vessel MoonRaker was washed onto rocks, resulting in the reported loss of approximately 1,500 litres of diesel. Marine-pollution mitigation measures were implemented to contain the fuel, followed by a salvage operation to remove the vessel.

The event demonstrates Ports Victoria's operational role where maritime casualty management, environmental protection and multi-agency emergency coordination converge. The response required the rapid assessment of multiple affected vessels, pollution containment and coordination of specialist salvage activity. It also illustrates the value of maintaining trained incident-management personnel, marine-pollution response arrangements and established relationships with emergency services, government agencies, contractors and local maritime stakeholders.

The notable incidents are outlined in the following table.

Date	Operation type	Incident name	Region	Location
July 2025	Fire in hold on ship in port. Excavator being used to discharge grain cargo in ships hold caught fire. Fire made safe with no injuries and minimal ship damage.	*Neptune* excavator—fire on board in hold.	Port of Melbourne	Qube terminal
August 2025	Operational debrief, ship breakdown in channel. Deadship tow. Incident resolved.	*AAL Genoa* (Dec 2024) Victorian agencies debrief	Port Phillip	South Channel
August 2025	Ship breakdown (engine)—car carrier. Weather (current and predicted to worsen) conditions and drift pattern had the ship predicted to be on the coast off Phillip Island by the following day. Emergency tugs towed the vessel clear of the coast while repairs were made. Incident resolved.	*Gan Jiang Kou*	Bass Strait	Off Port Phillip Heads
September 2025	Ship breakdown (oil and chemical tanker). Towage went to the aid of the vessel to ensure it did not drift onto the coastline. Vessel was able to make repairs.	*Jal Siddhi*	Bass Strait	Off Portland
October 2025	Search and rescue and sinking of domestic commercial fishing vessel in Commonwealth waters. All hands rescued and vessel located on seabed.	*Gabo Bay*	Bass Strait—Gippsland	Off Port Albert
December 2025	Ship breakdown. Mechanical failure. Ship towed to safety.	*MSC Maritina V*	Port Phillip	South Channel
April 2026	Collision of 2 domestic commercial vessels at night. All persons recovered from water and vessel recovered.	*Mundu v Hire drive vessel*	Port Phillip	Richards Channel Geelong

Date	Operation type	Incident name	Region	Location
May 2026	Search and rescue. Missing seafarer after dark from outbound ship departing Melbourne. Search and rescue party located deceased male the following day.	*Chem Cobalt*, missing Seafarer, Search and Rescue	Port Phillip	Fairway
May 2026	Ship breakdown in Commonwealth waters threatening to impact shoreline. Deadship tow.	*MSC Acapulco*	Commonwealth Waters	Lorne
June 2026	A severe storm impacted the Mornington Peninsula and saw more than 20 vessels damaged including a domestic commercial vessel being washed up onto the rocks. Marine pollution mitigation measures were implemented to contain the loss of 1,500 litres of diesel fuel and a salvage operation was undertaken to remove the vessel.	Domestic Commercial Vessel - *MoonRaker*	Port Phillip	Mornington Peninsula

Safety and environment management plans

The *Port Management Act 1995* (Vic) (PMA) requires Ports Victoria to prepare and implement approved and audited safety and environment management plans (S&EMPs) for the port waters of each of the commercial ports of Geelong, Melbourne and Hastings. The S&EMPs are publicly available on our website ports.vic.gov.au.

As required, the S&EMP annual reports are presented to the Minister for Ports and Freight, WorkSafe Victoria, Safe Transport Victoria and the Environment Protection Authority Victoria (EPAV).

Ports Victoria's S&EMPs were independently audited by an approved auditor in 2025. All were determined to comply with PMA requirements. We achieved our overall objectives nominated in our 2025–26 S&EMPs.

Managing our impact on the environment

Ports Victoria's environmental management supports environmental, social and governance (ESG) commitments under the port system facilitation and engagement strategic theme. This section sets out our environmental policies, performance data and compliance reporting.

We value the environment in which we operate and are mindful that the Victorian public is deeply connected to the ports and waterways of which it is the custodian.

As part of our business-as-usual practices, we consider the environmental impacts of all our works and broader port operations.

We are committed to compliance with all relevant Commonwealth and Victorian statutory environmental requirements, including our general environmental duty.

The *Transport Integration Act 2010* (Vic) (TIA) requires us to plan and provide infrastructure that has regard to environmentally sustainable transport system objectives and environmental, social and governance assessment decision-making principles.

Our ESG policy sets out our commitment to delivering positive environmental, social and economic outcomes and provides guidance to employees, contractors and other stakeholders on how we will deliver on these commitments together with our sustainability obligations under the TIA.

The ESG policy represents Ports Victoria's primary position for environmental and sustainability management. It includes a commitment to contribute to the low-carbon transition of the commercial port system and continue to reduce our reliance on fossil fuels for our direct transport and energy needs in accordance with the Victorian Government's policy of achieving net zero carbon emissions by 2045.

Key activities during the period included:

- reviewing and updating environmental risk registers
- completing a climate impact risk assessment
- developing and progressing a decarbonisation pathway
- reviewing and updating scope 1 and scope 2 greenhouse gas (GHG) measures calculations.

Environmental data and performance

For the 2025–26 period, we are reporting in accordance with FRD24 reporting requirements for a 3b entity. Our reporting boundary includes assets and activities directly owned and controlled by Ports Victoria. During the period, we obtained third party review of our FRD24 calculation methodology and, as a result, some of the figures reported below differ slightly from previous years.

The focus of the environmental reporting for this financial year is on direct (scope 1) emissions arising from transport usage for Ports Victoria-owned motor vehicles, marine vessels and stationary energy used by back-up generators, and indirect (scope 2) emissions arising from electricity usage at our offices and other directly controlled assets.

Other disclosures

The total energy use in 2025–26 for petroleum fuels used by Ports Victoria's motor vehicles, marine vessels and back-up generators was 1,392.38 GJ. This represented a 10% reduction from the previous year's total fuels energy use of 1,581.20 GJ.

The total energy use in 2025–26 related to electricity at all locations was 3,445.93 GJ. This represented a 15% reduction from the previous year's total electricity energy use of 4,059 GJ .

In line with Victorian Government policy, we substantially increased our purchased electricity from renewable sources. It now sits at 75% of electricity purchased, making up 54.4% of total energy from transport and electricity. The largest contributor to our energy consumption during the period was the operational activity at Station Pier in Port Melbourne.

More detail on the breakdown of fuel and electricity consumption for the past 3 years is provided in the tables below.

ELECTRICITY

Indicator		FY24	FY25	FY26
EL1	**Total electricity consumption (MWh)**			
	Station Pier - Outer Terminal (Cruise Terminal) & Pier	686.50	499.67	439.94
	Port Operations Control Centre	298.15	275.20	226.4
	Station Pier - Inner Terminal & Freight Yard	38.89	123.15	111.39
	Head Office: Geelong	87.88	94.62	101.42
	Point Lonsdale Lighthouse	63.83	53.04	47.45
	Radio Broadcast Station, Drysdale	33.58	39.42	0.00
	Floyd Lodge, Williamstown	25.54	19.27	18.22
	Point Nepean Road, Portsea	19.31	16.87	10.12
	Waterfront Place, Port Melbourne	6.64	5.95	1.94
	Marine Beacon, Ventnor	0.95	1.10	0.68
	Boat Berth at Pier 35, Port Melbourne	0.40	0.08	0.36
	Office: 530 Collins Street, Melbourne	7.50	0.00	0.00
	Total EL1 Usage	**1,269.18**	**1,128.38**	**957.92**

Indicator		FY24	FY25	FY26
EL2	**On-site electricity generated (MWh)**			
	On beacons at various locations	0.02	0.02	0.02
EL3	**On-site installed generation capacity (MWh)**			
	Nil locations	0.00	0.00	0.00
EL4	**Total electricity offsets (MWh)**			
	None	0.00	0.00	0.00

STATIONARY FUEL USE

Indicator	Source	FY24	FY25	FY26
F1	**Total fuels used in buildings and machinery segmented by fuel type (GJ)**			
	Gas—back-up generators	74.80	27.20	45.33
	Diesel—back-up generators	85.25	117.15	129.81
	Total	**160.05**	**144.35**	**175.14**
F2	**Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (t CO2-e)**			
	Gas—back-up generators	4.53	1.65	2.75
	Diesel—back-up generators	5.98	8.22	9.11
	Total	**10.52**	**9.87**	**11.86**

TRANSPORT FUEL USE

Indicator	Source	FY24	FY25	FY26
T1	**Total energy used in transport (GJ)**			
	Marine vessels	1,393.10	957.97	906.14
	Motor vehicles	611.00	478.88	311.09
	Total	**2,004.10**	**1,436.85**	**1,217.23**
T2	**Number and proportion of vehicles**			
	Marine vessels	3	3	2
	Motor vehicles (unleaded petroleum fuel)	6	3	1
	Motor vehicles (diesel fuel)	1	1	1
	Motor vehicles (hybrids)	5	8	6
	Motor vehicles (EV)	1	1	0
T3	**Greenhouse gas emissions from vehicle fleet segmented by fuel type and vehicle category (t CO2-e)**			
	Diesel fuels (automotive)	13.15	9.33	3.18
	Unleaded petroleum fuels (automotive)	28.23	23.37	17.98
	Diesel fuels (marine)	98.09	67.45	63.80
	Total	**139.46**	**100.16**	**84.96**

TOTAL ENERGY USE

Indicator	Source	FY24	FY25	FY26
E1	**Total energy usage from fuels (GJ)**			
	Transportation (marine vessels & motor vehicles)	2,004.10	1,436.85	1,217.23
	Stationary (back-up generators)	160.05	144.35	175.15
	Total	**2,164.16**	**1,581.20**	**1,392.38**
E2	**Total energy usage from electricity (GJ)**			
	Electricity supply	4,565.40	4,058.94	3,445.87
	Solar panels	0.06	0.06	0.06
	Total	**4,565.46**	**4,059.00**	**3,445.93**
E3	**Total energy usage segmented into renewable and non-renewable sources (GJ)**			
	Non-renewable sources	6,729.56	5,640.14	2,206.50
	Renewable sources	0.06	0.06	2,631.81
	Percentage from green energy sources	0.0009%	0.0010%	54.4%
	Total	**6,729.61**	**5,640.20**	**4,838.31**
E4	**Units of energy used normalised by FTE*, headcount, floor area or other**			
	Fuel (GJ) per FTE	25.48	18.03	15.91
	Electricity (GJ) per FTE	53.76	46.27	39.37

* Full time employee

GREENHOUSE GASES

Indicator	Source	FY24	FY25	FY26
G1	**Total scope 1 emissions (t CO2-e) (direct GHG emissions)**			
	Fuel (transport)	139.46	100.16	84.96
	Fuel (stationary)	10.52	9.87	11.86
	Total	**149.98**	**110.03**	**96.82**
G2	**Total scope 2 emissions (t CO2-e) (indirect GHG emissions from electricity)**			
	Electricity	1,002.65	868.86	747.20
	Total scope 1 and scope 2	**1,152.63**	**978.89**	**844.03**



Local Jobs First Policy

The *Local Jobs First Act 2003* (Vic) requires public sector bodies to apply the Local Jobs First Policy in projects valued at $3 million or more in metropolitan Melbourne or for statewide projects, or $1 million or more for projects in regional Victoria.

Projects started – Local Jobs First Standard

During 2025–26, we started 1 Local Jobs First Standard project in metropolitan Melbourne for total of $3 million. The outcomes expected from the implementation of the Local Jobs First Policy to this project were as follows:

- a commitment for 90 per cent local content
- 12.75 jobs (AEE*) were committed, including the creation of 3.08 new jobs and the retention of 9.67 existing jobs
- 0 new positions for apprentices, trainees and cadets were committed
- 0 existing positions for apprentices, trainees and cadets were retained
- 0 small to medium-sized enterprises prepared a Local Industry Development Plan (LIDP) for contracts, successfully appointed principal contractor. 17 small to medium-sized businesses were engaged through the supply chain on the commenced Standard project.

Projects completed – Local Jobs First Standard

During 2025–26, Ports Victoria completed 1 Local Jobs First Standard project in metropolitan Melbourne for a total of $3 million. The outcomes expected from the implementation of the Local Jobs First Policy to this project were as follows:

- a commitment for an average of 90 per cent local content
- 9.96 jobs (AEE*) were committed, including the creation of 1.21 new jobs and the retention of 8.74 existing jobs (AEE*)
- 0 new positions for apprentices, trainees and cadets were committed
- 0 existing positions for apprentices, trainees and cadets were retained
- 0 small to medium-sized enterprises prepared an LIDP for contracts, successfully appointed principal contractor. 15 small to medium-sized businesses were engaged through the supply chain on the completed Standard project.

* AEE = annualised employee equivalent

Advertising

In 2025–26, Ports Victoria did not undertake any advertising campaigns with a total media spend of $100,000 or greater (exclusive of GST).

Details of consultancies under $10,000

During the period 1 July 2025 to 30 June 2026, 5 consultants were engaged where the value of the consulting was less than $10,000. The total expenditure was $0.02 million excluding GST.

Details of consultancies over $10,000

During the period 1 July 2025 to 30 June 2026, 35 consultants were engaged where the value of the consulting was greater than $10,000.

The total expenditure was $2.3 million excluding GST. Details of individual consultancies can be found on our website ports.vic.gov.au.

Reviews and studies

During 2025–26, Ports Victoria undertook one review and study at a total cost of $42,000.

Name of the review	Next Generation VTS
Reasons for review/study	Ports Victoria is developing a strategic vision for Vessel Traffic Services (VTS) to support safe, efficient and pollution-free ship transits while meeting Victoria's growing trade demands.
Terms of reference/scope	Assessment of the current VTS, regulatory requirements, operational risks, global trends and emerging technologies to inform development of a future-ready VTS for Ports Victoria.
Timeline	March–July 2026
Anticipated outcomes	Strategic Roadmap (addressing people, processes and technology) which enables PV to deliver a future-ready VTS capability that continues to support safe, efficient and sustainable vessel traffic management across Victorian waters.
Estimated cost for the year (excl GST)	$42,000
Final costs if completed (excl GST)	$60,000
Publicly available	No

Information and communication technology (ICT) expenditure

For the 1 July 2025 to 30 June 2026 reporting period, Ports Victoria had a total information and communication technology (ICT) expenditure of $7.9 million excluding GST, with the details shown below.

Note:

- ICT expenditure refers to Ports Victoria's costs in providing business enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and Non-Business as Usual (Non-BAU) ICT expenditure.
- Non-BAU ICT expenditure relates to extending or enhancing Ports Victoria's current ICT capabilities.
- BAU ICT expenditure is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.



Freedom of information

Under the *Freedom of Information Act 1982* (Vic) (FOI), the public has the right to request access to documents held by Ports Victoria. This includes reports, emails, maps, photographs and digital files created by or provided to Ports Victoria.

Some documents may be exempt from release, such as internal working documents, legal advice protected by privilege, personal information about other individuals, law enforcement materials and documents provided in-confidence or classified as confidential under another Act.

Requests are generally processed within 30 calendar days. However, when external consultation is required under sections 29, 29A, 31, 31A, 33, 34 or 35 of the Act, an automatic 15-day extension applies. Additional extensions of up to 30 days can be made with the applicant's agreement, provided this is done before the decision deadline.

If an applicant is not satisfied with the decision made by Ports Victoria, they may seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving the decision.

Making a request

Requests for access to documents under the FOI should:

- be made in writing
- identify the documents or types of information being sought
- include the prescribed application fee of $33.60.

FOI requests can be submitted:

- by email to: foi@ports.vic.gov.au
- by mail to:
  Freedom of Information Officer
  Ports Victoria
  GPO Box 1135
  Geelong VIC 3220

Access charges may also apply, depending on the volume and complexity of the request (for example, photocopying and search time).

To assist in processing, we encourage applicants to be as specific as possible when describing the documents they are seeking. This helps reduce processing time and the likelihood of needing clarification.

Freedom of information statistics

Ports Victoria received 3 FOI requests during 2025–26.

More information

More information regarding the operation and scope of freedom of information can be found in the FOI, the regulations made under the Act and from the OVIC website ovic.vic.gov.au.

More information regarding the process for making a freedom of information request to Ports Victoria can be found on our website ports.vic.gov.au.

Compliance with the *Building Act 1993* (Vic)

Ports Victoria maintains buildings in accordance with relevant building and maintenance provisions in the *Building Act 1993* (Vic) and Building Regulations 2018 (Vic).

To ensure buildings conform with relevant standards, we retain experienced building maintenance contractors who must comply with all relevant standards.

We use an asset management system for recording maintenance requests, essential service inspections, reporting, scheduling, and rectification and maintenance works on existing buildings.

During the 2025–26 reporting period, the following applied to buildings owned by Ports Victoria:

- there were 3 major works projects (greater than $50,000) commenced and due for completion in 2026–27
- no building permits and no certificates of final inspection were issued
- no emergency orders or building orders were issued
- no buildings were brought into conformity with building standards.

Competitive neutrality policy

Competitive neutrality requires government businesses to ensure where services compete—or potentially compete—with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation.

This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

Ports Victoria continues to comply with the requirements of the competitive neutrality policy.

Social Procurement Framework

Ports Victoria considers direct and indirect sustainable procurement in accordance with the Victorian Government Purchasing Board (VGPB) requirements and in accordance with its Social Procurement Framework.

The prioritised social procurement objectives are:

(a) to actively consider direct social procurement where social enterprises are within the supply market for goods and services

(b) to evaluate indirect social procurement using a weighting in the evaluation criteria in accordance with the threshold requirements of the VGPB. Evaluation criteria and weighting are clearly identified in request for quote/tender documentation.

The key achievements in delivering social procurement objectives for 2025–26 were:

(a) encouraging organisations in our supply chain to engage in direct social procurement

(b) including direct and indirect social procurement enterprises in the mix of suppliers for the awarding of a new security contract that sourced uniforms and PPE supplies from a Geelong-based social enterprise

(c) considering indirect social procurement weighting as part of procurements above $68,000.

Disclosure of Emergency Procurement

In 2025–26, Ports Victoria had no emergency procurements.

Disclosure of procurement complaints

Under the governance policy of the VGPB, Ports Victoria must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

Ports Victoria did not receive any formal complaints relating to the procurement of goods and services in 2025–26.

Public interest disclosures

The *Public Interest Disclosures Act 2012* (Vic) encourages members of the public to report improper conduct by public officers and bodies. It protects those who make disclosures and establishes a system to investigate the issues and take corrective action.

Ports Victoria is committed to transparency and accountability. We do not tolerate improper conduct by employees or reprisals against those who make disclosures. We actively support disclosures related to corrupt conduct, substantial mismanagement of public resources, or risks to public health, safety or the environment. We will take all reasonable steps to protect those who make such disclosures from detrimental action and will ensure that the person subject to the disclosure is afforded natural justice, so far as legally possible.

Reporting procedures

Ports Victoria cannot directly accept disclosures. Disclosures of improper conduct or detrimental action by Ports Victoria or any of its members, officers or employees should be made directly to one of the following bodies:

Independent Broad-based Anti-Corruption Commission (IBAC)

Postal:
GPO Box 24234
Melbourne VIC 3001
Telephone: +61 1300 735 135
Email: info@ibac.vic.gov.au
Website: ibac.vic.gov.au

Ombudsman

Postal:
Level 2, 570 Bourke Street
Melbourne VIC 3000
Telephone: +61 3 9613 6222
Email: vomedia@ombudsman.vic.gov.au
Website: ombudsman.vic.gov.au

Integrity Oversight Victoria

Postal:
PO Box 617 Collins Street West
Melbourne VIC 8007
Telephone: +61 3 8614 3225
Email: info@integrityoversight.vic.gov.au
Website: integrityoversight.vic.gov.au

More information

Ports Victoria's public interest disclosures procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by Ports Victoria or any of our members, employees or officers, are available on our website ports.vic.gov.au.

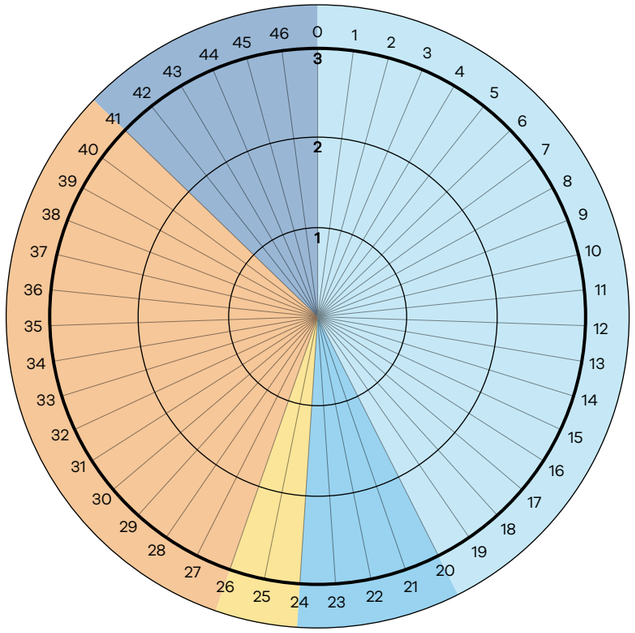
Compliance with the *Carers Recognition Act 2012* (Vic) and the *Disability Act 2006* (Vic)

While these Acts do not specifically apply to Ports Victoria, we acknowledge that all employers have responsibilities in terms of supporting carers and ensuring workplaces are providing fair opportunity for people with disabilities to participate actively in the workforce.



Asset Management Accountability Framework (AMAF) maturity assessments

A summary of Ports Victoria's maturity assessment against the AMAF is provided below. The figure depicts a maturity level of 3 (Competence) across all categories, shown on the outer circle.



MATURITY LEVEL

1 Awareness — 1st inner circle

2 Developing — 2nd middle circle

3 Competence — 3rd outer circle

Ports Victoria's Asset Management Accountability Framework maturity rating for 2025–26

AMAF Requirement #	Category	Maturity Level
1–19	Leadership and Accountability	3 — Competence
20–23	Planning	3 — Competence
24 and 25	Acquisition	3 — Competence
26–40	Operation	3 — Competence
41–46	Disposal	3 — Competence

Statement of availability of other information

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994* (Vic), details in respect of the items listed below have been retained by Ports Victoria and are available on request, subject to the provisions of the *Freedom of Information Act 1982* (Vic):

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- details of publications produced by Ports Victoria about Ports Victoria and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by Ports Victoria
- details of any major external reviews carried out on Ports Victoria
- details of major research and development activities undertaken by Ports Victoria
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by Ports Victoria to develop community awareness of the organisation and its services
- a general statement on industrial relations within Ports Victoria and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by Ports Victoria, the purposes of each committee and the extent to which the purposes have been achieved
- details of consultancies and contractors including consultants/contractors engaged, services provided and expenditure committed to for each engagement.

Additional information included in the report

The following details are included in the annual report on the page indicated:

- details of assessments and measures undertaken to improve the occupational health and safety of employees—see occupational health and safety data.

Additional information that is not applicable to Ports Victoria

The following information is not applicable to Ports Victoria:

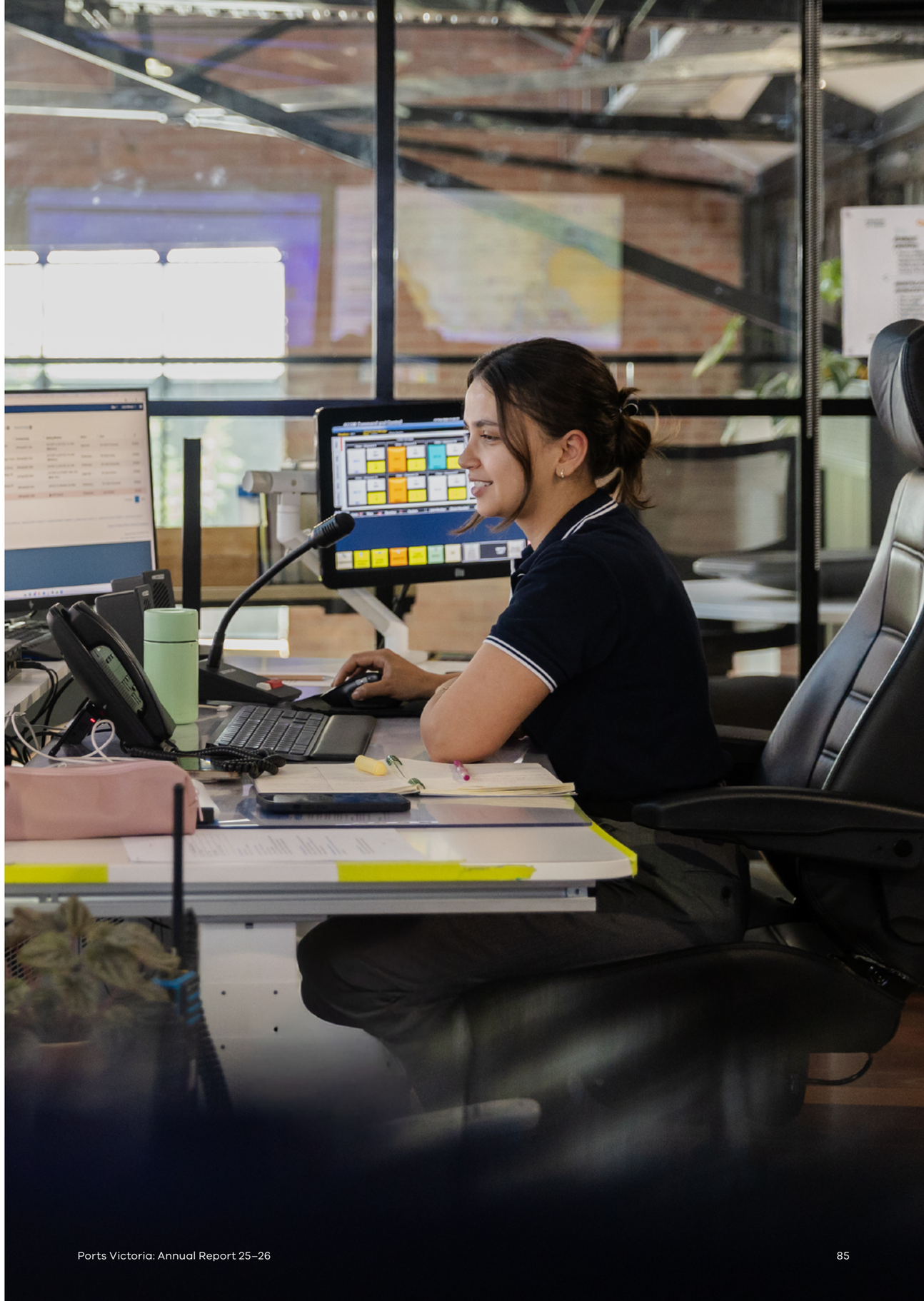
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.

Financial management compliance attestation

Ports Victoria's financial management compliance attestation statement

I, Howard Ronaldson, on behalf of the Responsible Body, certify that Ports Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* (Vic) and Instructions.

Howard Ronaldson
Chair



Section 5

Financial statements

About these financial statements

These financial statements support the financial sustainability strategic theme, demonstrating how Ports Victoria's financial performance underpins the delivery of its services and strategic objectives.

Ports Victoria has presented its audited general purpose financial statements for the financial year ended 30 June 2026 in the following structure to provide users with information about Ports Victoria's stewardship of resources entrusted to it.

- Certification of Financial Statements
- Comprehensive Operating Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement

Ports Victoria
Table of contents
For the year ended 30 June 2026

How this report is structured

Ports Victoria has presented its audited general purpose financial statements for the financial year ended 30 June 2026 in the following structure to provide users with the information about Ports Victoria's stewardship of resources entrusted to it.

Certification of Financial Statements 89

Financial statements
Comprehensive Operating Statement 92
Balance Sheet 93
Statement of Changes in Equity 94
Cash Flow Statement 95

Notes to the financial statements

1. About this report 96
The basis on which the financial statements have been prepared and compliance with reporting regulations

2. Funding delivery of our services
Revenue recognised from sales of goods and services and other sources
2.1 Revenue 99

3. The cost of delivering services
Operating expenses of Ports Victoria
3.1 Summary of expenses 101
3.2 Employee benefits 101
3.3 Other operating expenses 108
3.4 Other economic flows included in net result 108

4. Key assets available to service delivery
Land, Buildings, infrastructure, plant and equipment and intangible assets
4.1 Property, Infrastructure, plant and equipment 109

5. Other assets and liabilities
Working capital balances and other key assets and liabilities
5.1 Receivables 116
5.2 Contract assets 116
5.3 Payables 117

6. Financing our operations
Borrowings, cash flow information, leases and commitments
6.1 Leases 118
6.2 Cashflow information and balances 119
6.3 Commitments for expenditure 120

Ports Victoria
Table of contents
For the year ended 30 June 2026

Notes to the financial statements (continued)

7. Taxation and transactions with the State
Items subject to income taxation and other transactions with the State

7.1 Income tax 121
7.2 Deferred tax 122
7.3 Dividends 123

8. Risks, contingencies and valuation judgements
Financial risk management, contingent assets and liabilities as well as fair value determination

8.1 Financial instruments specific disclosures 124
8.2 Contingent assets and contingent liabilities 126
8.3 Fair value determination 126

9. Other disclosures

9.1 Ex-gratia expenses 131
9.2 Equity disclosure 131
9.3 Responsible persons 133
9.4 Remuneration of executives 134
9.5 Related parties 134
9.6 Remuneration of auditors 137
9.7 Subsequent events 137

Ports Victoria
Certification of Financial Statements
30 June 2026

We certify that the attached financial statements for Ports Victoria have been prepared in accordance with the Direction 5.2 of the Standing Directions of the Minister for Finance under the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards, including Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions for the year ended 30 June 2026 and the financial position of Ports Victoria as at 30 June 2026.

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

We authorise the attached financial statements for issue on 30 September 2026.

Mr Howard Ronaldson
Chair

30 September 2026

Mr Craig Walker
Chief Executive Officer

30 September 2026

Ms Jacinta Mackey
Chief Financial and Accounting Officer
30 September 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Ports Victoria

Opinion

I have audited the financial report of Ports Victoria (the authority) which comprises the:

- balance sheet as at 30 June 2026
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- certification of financial statements.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards – Simplified Disclosures.

Basis for Opinion

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

My independence is established by the *Constitution Act 1975.* My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Board's responsibilities for the financial report

The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
2 October 2026

Paul Martin
as delegate for the Auditor-General of Victoria

Ports Victoria
Comprehensive Operating Statement
For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Continuing operations			
Revenue	2.1	43,018	44,600
Finance income	8.1.2	1,681	2,205
Other income		159	203
Total revenue and income		**44,858**	**47,008**
Expenses	3.1	(52,221)	(51,200)
Finance costs	8.1.2	(138)	(142)
Total expenses		**(52,359)**	**(51,342)**
Net result		**(7,501)**	**(4,334)**
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	3.4	-	(6,657)
Other gain/(loss) from other economic flow	3.4	53	(268)
Total other economic flows included in net results		53	(6,925)
Net result before income tax		**(7,448)**	**(11,259)**
Income tax benefit	7.1	-	322
Net result after income tax		**(7,448)**	**(10,937)**
Other comprehensive income / (loss)			
Items that will not be reclassified to net result after income tax			
Physical asset revaluation surplus	9.2.2	-	23,564
Adjustment to opening balance asset revaluation reserve	9.2.2	(5)	-
Employee Benefits Reserve:			
Remeasurements	3.2.3	1,989	1,938
Deferred tax assets recognised via equity	9.2.2	1	(484)
Transfer out Defined Benefit Superfund reserve	9.2.2	(12,497)	-
Transfer of Defined Benefit Superfund to accumulated losses	9.2.2	12,502	-
Other comprehensive income / (loss) for the year, net of tax		**1,990**	**25,018**
Total comprehensive income / (loss) for the year		**(5,458)**	**14,081**

The accompanying notes form part of these financial statements.

Ports Victoria
Balance Sheet
As at 30 June 2026

	Notes	2026 $'000	2025 $'000
Current assets			
Cash and cash equivalents	6.2	37,107	48,248
Receivables	5.1	3,286	1,566
Contract assets	5.2	4,015	3,730
Current tax asset	7.1	99	99
Other non-financial assets		1,927	1,895
		46,434	**55,538**
Non-current assets			
Property, plant and equipment	4.1	88,836	88,270
Intangible assets		140	175
		88,976	**88,445**
Total assets		**135,410**	**143,983**
Current liabilities			
Payables	5.3	4,414	4,542
Provisions - employee benefits	3.2.2	4,014	6,074
Interest bearing liabilities - leases	6.1.2	365	299
		8,793	**10,915**
Non-current liabilities			
Provisions - employee benefits	3.2.2	439	473
Interest bearing liabilities - leases	6.1.2	2,453	2,612
		2,892	**3,085**
Total liabilities		**11,685**	**14,000**
NET ASSETS		**123,725**	**129,983**
Equity			
Contributed capital		114,882	114,882
Reserves	9.2.2	29,700	40,212
Accumulated losses		(20,857)	(25,111)
TOTAL EQUITY		**123,725**	**129,983**

The accompanying notes form part of these financial statements.

Ports Victoria
Statement of Changes in Equity
For the year ended 30 June 2026

	Notes	Contributed capital $'000	Physical asset revaluation surplus $'000	Employee benefits reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2025		114,882	29,705	10,507	(25,111)	129,983
Net result after income tax		-	-	-	(7,448)	(7,448)
Other comprehensive income	9.2.2	-	(5)	(10,507)	12,502	1,990
Total comprehensive income for the year		**-**	**(5)**	**(10,507)**	**5,054**	**(5,458)**
Transactions with owners in their capacity as owners:						
Dividend provided for or paid	7.3	-	-	-	(800)	(800)
		-	**-**	**-**	**(800)**	**(800)**
Balance at 30 June 2026		**114,882**	**29,700**	**-**	**(20,857)**	**123,725**

	Notes	Contributed capital $'000	Asset revaluation reserve $'000	Employee benefits reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2024		**114,882**	**6,141**	**9,053**	**(14,174)**	**115,902**
Net result after income tax		-	-	-	(10,937)	(10,937)
Other comprehensive income	9.2.2	-	23,564	1,454	-	25,018
Total comprehensive income for the year		**-**	**23,564**	**1,454**	**(10,937)**	**14,081**
Balance at 30 June 2025		**114,882**	**29,705**	**10,507**	**(25,111)**	**129,983**

The accompanying notes form part of these financial statements.

Ports Victoria
Cash Flow Statement
For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers		40,306	45,071
Payments to suppliers and employees		(48,179)	(48,851)
Interest received		1,681	2,205
Interest paid on lease payments		(138)	(142)
Income tax instalments (paid)/refund	7.1(d)	-	1,080
Goods and Services Tax (paid)/refund		190	(1)
Other receipts		457	203
Net cash inflow/(outflow) from operating activities		**(5,683)**	**(434)**
Cash flows from investing activities			
Payments for infrastructure, plant and equipment		(4,430)	(5,120)
Proceeds from sale of infrastructure, plant and equipment		88	114
Net cash (outflow) from investing activities		**(4,342)**	**(5,006)**
Cash flows from financing activities			
Principal elements of lease payments		(316)	(271)
Dividend		(800)	-
Net cash inflow/(outflow) from financing activities		**(1,116)**	**(271)**
Net increase/(decrease) in cash and cash equivalents		**(11,141)**	**(5,711)**
Cash and cash equivalents at the beginning of the financial year		48,248	53,959
Cash and cash equivalents at end of the financial year	6.2	**37,107**	**48,248**

The accompanying notes form part of these financial statements.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

1 ABOUT THIS REPORT

Introduction
This section provides overall information about Ports Victoria and its framework for the preparation of these financial statements.

Structure
1.1 Corporate information
1.2 Basis of preparation
1.3 Compliance information
1.4 Critical accounting estimates and judgements

1.1 Corporate information

Ports Victoria is a Government Business Enterprise established by the Victorian Government under the Transport Integration Act 2010 (Vic) (TIA). The Board of Ports Victoria is directly accountable to the Victorian Government through the Minister for Ports and Freight and the Treasurer. Ports Victoria came into existence on 1 July 2021 as a for profit entity.

The main objective of Ports Victoria is to ensure that port waters and channels are managed for access on a fair and reasonable basis. Ports Victoria is responsible for the navigation of commercial shipping in the Port Phillip, Geelong and Hastings shipping channels, together with the management and maintenance of Station Pier and West Finger Pier, the Geelong channel and the Hastings channel. Additionally, Ports Victoria is responsible for ensuring the port operator in the Port of Portland is managing and maintaining the Portland shipping channels in accordance with the port operator's contractual obligations.

These financial statements incorporate all activities of Ports Victoria as an individual reporting entity.

Ports Victoria principal address is East 1E, 13-35 Mackey Street, North Geelong, 3215.

1.2 Basis of preparation

These financial statements are Tier 2 general purpose financial statements prepared in accordance with AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and Financial Reporting Direction 101 Application of Tiers of Australian Accounting Standards (FRD 101).

Ports Victoria has applied Tier 2 Simplified Disclosures since the year ended 30 June 2025. Accordingly, the financial year ended 30 June 2026 represents the second year in which Tier 2 reporting has been applied.

Comparative information for the year ended 30 June 2025 has been presented on the same measurement and recognition basis and is consistent with Tier 2 presentation requirements.

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 financial statements have been prepared on a going concern basis.

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

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Ports Victoria. Additions to net assets which have been designated as contributions by owners are recognised as contributed capital.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

1 ABOUT THIS REPORT

1.2 Basis of preparation (continued)

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 have been 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.

Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in note 1.4 under the heading: 'Critical accounting estimates and judgements.

All amounts in the financial statements have been rounded to the nearest $1,000 unless otherwise stated. Figures in the financial statements may not equate due to rounding.

1.3 Compliance information

These general-purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (Vic) and applicable 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.

The annual financial statements were authorised for issue by the Board of Ports Victoria on 30 September 2026

1.4 Critical accounting estimates and judgements

Critical judgements that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognised in the financial statements are:

(i) Recovery of deferred tax assets
Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Refer to note 7.2 Deferred tax.

(ii) Defined benefit superannuation plan
The value of the defined benefit superannuation plan, that applies to some employees, has been calculated using the Projected Unit Credit method, as required by AASB 119. The objective under this method is to expense each member's benefits in the Fund as they accrue, taking into consideration future salary increases and the benefit allocation formula. Thus the total benefit to which each member is expected to become entitled is broken down into units, each associated with a year of past or future credited service. Refer to Note 3.2.3 Defined benefit superannuation.

Effective 29 November 2019, the Port of Melbourne Superannuation Fund was transferred into the Emergency Services Superannuation Scheme (ESSSuper) with the Emergency Services Superannuation Board as the Trustee. Ports Victoria remained the employer responsible for meeting the accruing costs and liabilities of the transferred members of the PMSF. During the year, an agreement was reached between Ports Victoria and the Victorian Department of Treasury and Finance (DTF) for the fully-funded pension liabilities in respect of former Ports Victoria employees to be taken over by the State, effective 30 April 2026. As a result of this settlement, Ports Victoria's obligation in respect of these defined benefit liabilities has been fully extinguished.

1 ABOUT THIS REPORT

1.4 Critical accounting estimates and judgements (continued)

(iii) Fair value of infrastructure, property, plant and equipment
All non-current physical assets are measured initially at cost and subsequently revalued at fair value in accordance with FRD 103.

The Valuer-General of Victoria (VGV) undertakes an independent revaluation every five years. Ports Victoria is scheduled to undertake an independent revaluation as at 30 June 2030 (unless there is an indication of an asset class having a movement of 40% or more).

In accordance with FRD 103, a fair value assessment was undertaken by management to determine if the carrying amount of all non-current physical assets reasonably approximated their fair value. Land, building, infrastructure property, plant and equipment assets were allocated to a Cash Generating Unit (CGU) and valued using a discounted cash flow method (Value in Use) or Fair Value Less Cost of Disposal (FVLCD). The Value in Use method was used where there was no market based evidence of fair value (value through sale) of these style of assets given the specialised nature of the assets in question.

Management assessed whether there had been any material movement in the fair value of infrastructure, property, plant and equipment since the last valuation. Based on this assessment, any changes in fair value were not considered material and therefore no managerial revaluation was required at 30 June 2026. Accordingly, the carrying amounts of these assets are considered to be a reasonable approximation of their fair values.

During the prior year, an elevated alpha was applied to the Melbourne Shipping, Geelong Channel and Hastings Channel CGUs to reflect uncertainty associated with the proposed introduction of the Navigation and Port Safety (NaPS) fee regime. Following implementation of the regime on 1 January 2026 and the collection of fees during the period to 30 June 2026, management reassessed the level of forecast uncertainty and concluded that a lower asset-specific risk adjustment was appropriate. As a result, the alpha applied to these CGUs was reduced in the current year.

In the absence of observed market inputs, future-oriented estimates are necessary to measure the recoverable amount of classes of land, buildings, infrastructure, plant and equipment. Determining the carrying amounts of the CGU requires estimation of the effects of uncertain future events on the CGU at the end of the reporting period. The major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of the channel asset within the next financial year are disclosed in Note 8.3.

Right of use assets that are allocated to the non-financial asset class 'buildings' have been measured based on AASB 16 and their carrying value approximate their fair value.

Refer to Note 4.1 Property, infrastructure, plant and equipment.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

2 FUNDING DELIVERY OF OUR SERVICES

Introduction
This section provides additional information about how Ports Victoria is funded and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

2.1 Revenue

	2026 $'000	2025 $'000
Channel fees	16,593	16,437
Anchorage fees	1,638	1,036
Berth hire and Site Occupation charge	4,612	6,455
Port Manager contribution	15,707	14,982
Navigation and Port Services Fee	1,957	-
Other charges for services	2,511	5,690
Total revenue	**43,018**	**44,600**

Ports Victoria recognises revenue when or as the performance obligation 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 a period of time depending upon the satisfaction of performance obligations. Please refer below for further details.

Revenue is recognised for the major business activities as follows:

(i) Channel fees
Channel revenue represents revenue earned from the levying of channel fees (use of shipping channels). The performance obligation allocated to the contract with the customer is when Ports Victoria has fulfilled its contractual obligations (generally the use of the shipping channel by a customer). Revenue is recognised after the vessel’s departure from the channel, at a point in time.

(ii) Anchorage fees
Anchorage fees are charged for the provision of an area for use by vessels seeking safe anchorage in lieu of mooring at a port berth. Fees are charged based on time spent in port waters with a minimum charge of 24 hours. Revenue is recognised over time.

(iii) Berth hire and Site Occupation Charge
Berth hire is a time-based fee charged for the provision of berths for the purpose of loading or discharging specialised cargo and lay-up or other purpose approved by Ports Victoria. Berth hire is not applicable to passenger vessels to which a Site Occupation Charge (SOC) will be levied. The SOC is a charge levied in reference to both the number of incoming passengers arriving on the cruise vessel and the amount of time for which the site was reserved or occupied by such cruise vessel. Revenue is recognised over time.

(iv) Port Manager Contribution
Contribution by the Port Manager under the Port Concession Deed and Port Operations Service Deed. Revenue is recognised on an annual basis over the term of the Deed. Revenue is recognised over time.

2 FUNDING DELIVERY OF OUR SERVICES

(v) Navigation and Port Services Fee (NaP Services Fee)
A NaP Services Fee was introduced on and from 1 January 2026 to recover those costs associated with providing and maintaining navigational and port services to all commercial ships using the ports of Melbourne, Geelong and Hastings on a gross tonne (GT) basis. Revenue is recognised once per voyage and at a point in time.

(vi) Other charges for services
Services recognised at the time the service to which the revenue relates, is provided or work is undertaken and the revenue is receivable, the revenue is recognised at a point in time. For services provided over a period of time, the revenue is recognised over a period of time. This includes cruise related security, water services, waste removal, gangway hire, traffic management and luggage handling.

(vii) Disaggregation of revenue

	2026	2025
Timing of revenue recognition	**$'000**	**$'000**
At a point in time	19,179	18,528
Over a period of time	23,839	26,072
Total revenue	**43,018**	**44,600**

3 THE COST OF DELIVERING SERVICES

Introduction
This section provides additional information about how Ports Victoria's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

Structure
3.1 Summary of expenses
3.2 Employee benefits
3.3 Other operating expenses
3.4 Other economic flows included in net result

3.1 Summary of expenses

	Notes	2026 $'000	2025 $'000
Employee benefits expense	3.2.1	21,802	19,900
Depreciation	4.1.3	3,996	3,612
Amortisation		35	78
Other operating expenses	3.3	26,388	27,610
Total expense		**52,221**	**51,200**

3.2 Employee benefits

3.2.1 Employee benefits in the comprehensive operating statement

	Notes	2026 $'000	2025 $'000
Defined contribution superannuation expense		2,225	2,068
Salaries and employee benefits expenses		19,577	17,832
Total employee expenses	3.1	**21,802**	**19,900**

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, WorkCover premiums, defined benefits superannuation plans, and defined contribution superannuation plans. Ports Victoria does not recognise any defined benefit liability in respect of the State Superannuation Scheme. Department of Treasury and Finance (DTF) recognises and discloses the defined benefit liabilities for the State Superannuation Scheme in its financial report.

The amount recognised in the comprehensive operating statement in relation to superannuation is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

Defined Benefits under the Port of Melbourne Superannuation Fund are disclosed under Note 3.2.3.

3 THE COST OF DELIVERING SERVICES

3.2.2 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 inclusive of on-costs and recorded as an expense during the period the services are delivered.

	Notes	2026 $'000	2025 $'000
Current employee benefits:			
Annual leave entitlements		1,151	1,243
Long service leave entitlements		2,470	2,395
Defined benefits superannuation fund liability	3.2.3	-	2,079
Provision for on-costs		393	357
Total current employee benefits and on-costs		**4,014**	**6,074**
Non-current employee benefits			
Long service leave entitlements		410	447
On-costs		29	26
Total non-current employee benefits and on-costs		**439**	**473**
Total employee benefits and related on-costs		**4,453**	**6,547**

Wages, salaries and sick leave

Liabilities for wages and salaries, expected to be settled within 12 months of the reporting date, are measured at their nominal amounts (including on-costs) using the remuneration rates expected to apply at the time of the settlement and are recognised as current liabilities. Ports Victoria does not have an unconditional right to defer settlement of these liabilities. No liability is recognised for non-vesting sick leave as the anticipated pattern of future sick leave taken indicates that accumulated non-vesting leave will not be used. 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.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

3 THE COST OF DELIVERING SERVICES

Employee benefits in the balance sheet (continued)

Annual leave

Annual leave entitlements are accrued on a pro-rata basis in respect of services provided by employees up to the reporting date, having regard to rates expected to apply when the liabilities are settled. The entire obligation has been recognised as a current liability as Ports Victoria does not have an unconditional right to defer settlement. Those liabilities which are expected to be wholly settled within 12 months of the reporting period, are measured at their undiscounted (nominal) values.

Long service leave

Long service leave entitlements are assessed at balance date having regard to expected employees' remuneration rates on settlement, employment related on-costs and other factors including expected accumulated years of employment on settlement and past experience. Bond rates are used for discounting future cash flows.

Unconditional long service leave is disclosed as a current liability even when the liability is not expected to settle within 12 months as Ports Victoria does not have an unconditional right to defer the settlement. Those liabilities which are expected to be wholly settled within 12 months of the reporting period, are measured at their undiscounted (nominal) values. Those liabilities that are not expected to be wholly settled within 12 months are measured at present value.

Conditional long service leave is disclosed as a non-current liability as there is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. Conditional long service leave is disclosed as a non-current liability measured at present value.

3 THE COST OF DELIVERING SERVICES

3.2.3 Defined benefit superannuation

Defined benefit superannuation plan

In prior years a liability in respect of the Port of Melbourne Superannuation Fund (PMSF) had been recognised in the Balance Sheet, and measured in accordance with AASB 119 as the present value of the Defined Benefit Obligation at year end less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The value of the defined benefit superannuation plan was calculated using the Projected Unit Credit method, as required by AASB 119. The objective under this method is to expense each member's benefits in the Fund as they would accrue, taking into consideration future salary increases and the benefit allocation formula. Thus the total benefit to which each member is expected to become entitled is broken down into units, each associated with a year of past or future credited service.

The PMSF was transferred into the State Superannuation Fund with the Emergency Services Superannuation Scheme (ESSS), effective 29 November 2019. Ports Victoria remained the employer responsible for meeting the accruing costs and liabilities of the transferred members of the PMSF. There were no scheme amendments, curtailments and/or settlements of which Ports Victoria is aware.

The PMSF is a legacy fund that as at 30 June 2026 had 0 active member, 0 deferred pension member and 32 members drawing on a pension (at 30 June 2025 had 1 active member, 0 deferred pension member and 31 members) . The total annual pensions were $2.2M (2025: $2.1M).

The Fund only had defined benefit members and is closed to new members. Members receive pension benefits on retirement, death and disablement. On withdrawal, members have a choice of receiving a lump sum benefit and/or a deferred pension benefit.

Future taxes, such as taxes on investment income and employer contributions, are taken into account in the actuarial assumptions used to determine the relevant components of Ports Victoria's defined benefit liability.

The Superannuation Industry Supervision (SIS) legislation governs the superannuation industry and provides the framework within which superannuation plans operate. The SIS Regulations require an actuarial valuation to be performed for each defined benefit superannuation plan every three years, or every year if the plan pays defined benefit pensions unless an exemption had been obtained. An actuarial valuation had been undertaken as at 30 June 2024.

During the year, an agreement was reached between Ports Victoria and the Victorian Department of Treasury and Finance (DTF) for the fully-funded pension liabilities in respect of former Ports Victoria employees to be taken over by the State, effective 30 April 2026. As a result of this settlement, Ports Victoria's obligation in respect of these defined benefit liabilities was fully extinguished and no liability is recognised in the Balance Sheet as at 30 June 2026.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

3 THE COST OF DELIVERING SERVICES

3.2.3 Defined benefit superannuation (continued)

(a) Balance sheet

	Notes	2026 $'000
Defined Benefit Obligation	3.2.3 (e)	-
Scheme Assets	3.2.3 (d)	-
Deficit/(Surplus)		-
Net liability/(asset)	3.2.3 (b)	**-**

(b) Reconciliation of the Net Defined Benefit Liability/(Asset)

Movements in the net defined benefit liability/(asset) were as follows:

	Notes	2026 $'000
Net defined benefit liability/(asset) at start of the year		**2,079**
Current services cost	3.2.3 (e)	(10)
Net interest		92
Settlement (gain) / loss		(161)
Remeasurement in Other Comprehensive Income		(1,989)
Employer contributions		(11)
Net defined benefit liability/(asset) at end of the year	3.2.3 (a)	**-**

(c) Other Comprehensive Income

	Notes	2026 $'000
Remeasurement in Other Comprehensive Income		
Actuarial (gain)/loss for year arising from changes in financial assumptions	3.2.3 (e)	(1,739)
Actuarial (gain)/loss for year arising from changes in demographic assumptions	3.2.3 (e)	-
Actuarial (gain)/loss for year arising from experience	3.2.3 (e)	(79)
Return on assets less interest income	3.2.3 (d)	(171)
Total remeasurements recognised in Other Comprehensive Income before tax	3.2.3 (b)	**(1,989)**

3 THE COST OF DELIVERING SERVICES

3.2.3 Defined benefit superannuation (continued)

(d) Reconciliation of Fair Value of Fund Assets

Movements in the fair value of the Defined Benefit Fund assets were as follows:

	Notes	2026 $'000
Fair value of Fund assets transferred		**32,671**
Interest income		1,401
Actual return on Fund assets less interest income	3.2.3 (c)	171
Employer contributions		11
Contributions by Fund participants	3.2.3 (e)	4
Benefits paid	3.2.3 (e)	(1,777)
Taxes, premiums and expenses paid	3.2.3 (e)	(10)
Settlement assets		(32,471)
Fair value of Fund assets at end of the year	3.2.3 (a)	**-**

Ports Victoria are not aware of the Fund assets including amounts relating to any of Ports Victoria's own financial instruments

(e) Reconciliation of Defined Benefit Obligation

Movements in the defined benefit obligation were as follows:

		2026 $'000	2025 $'000
Present value of Defined Benefit Obligation at beginning of the year		**34,750**	**35,952**
Current service cost	3.2.3 (b)	(11)	58
Interest cost		1,493	1,898
Contributions by Fund participants	3.2.3 (d)	4	9
Actuarial (gain)/loss arising from changes in financial assumptions	3.2.3 (c)	(1,739)	940
Actuarial (gain)/loss arising from changes in liability experience	3.2.3 (c)	(79)	(1,000)
Actuarial (gain)/loss for year arising from changes in demographic assumptions	3.2.3 (c)	-	156
Benefits paid	3.2.3 (d)	(1,777)	(3,218)
Taxes, premiums and expenses paid	3.2.3 (d)	(10)	(45)
Settlement liabilities		(32,631)	-
Present value of Defined Benefit Obligation at end of the year	3.2.3 (a)	**-**	**34,750**

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

3 THE COST OF DELIVERING SERVICES

3.2.3 Defined benefit superannuation (continued)

(f) The percentage invested in each asset class at reporting date

	2026 %	2025 %
Australian equity	-	23.5
International equity	-	33.0
Domestic and international debt assets	-	14.0
Property	-	8.5
Alternatives/Other	-	15.0
Cash	-	6.0
	-	**100.0**

(g) Significant actuarial assumptions at the reporting date

Assumptions to determine Defined Benefit Cost	2026 %	2025 %
Discount rate p.a.	5.9	5.3
Future salary increase p.a.	n/a	3.0
First year pension indexation	3.3	2.8
Long-term pension indexation p.a.	2.5	2.5
Mortality	As per the most recent valuation of the State's pension schemes (30 June 2026)	As per the most recent valuation of the State's pension schemes (30 June 2025)
Expected remaining lifetime at age 65		
Male	25.9	25.8
Female	27.3	27.2

(h) Funding arrangements and funding policy

Employer contributions are based on recommendations by the plan's actuary. The objective of funding is to ensure that the benefit entitlements of members and other beneficiaries are fully funded by the time they become payable. Ports Victoria had no legal obligation to settle this liability with an immediate contribution or additional one-off contributions.

For the year ended 30 June 2026, based on the actuary's recommendation, Ports Victoria contributed the following to the Fund:

- 20% (2025: 20%) of superannuation salaries , and
- Expenses were met by PMSF at a rate proposed by the Emergency Services Superannuation Fund.

3 THE COST OF DELIVERING SERVICES

3.3 Other operating expenses

	Notes	2026 $'000	2025 $'000
Contractors and consultant expenses		20,323	21,845
Operating lease expenses - minimum lease payments		256	261
Other expenses		5,809	5,504
Total operating expenses	3.1	**26,388**	**27,610**

Other operating expenses from transactions are recognised as they are incurred and reported in the financial year to which they relate. Operating expenses generally represent day-to-day running costs incurred in normal operations.

The following operating lease payments are recognised on a straight-line basis:
- short-term leases – leases with a term less than 12 months; and
- low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset leased) is no more than $10,000.

3.4 Other economic flows included in net result

		2026 $'000	2025 $'000
Net gain/(loss) on non-financial assets			
Loss on sale of asset		-	28
Transfer for asset revaluation reserve		-	(6)
Impairment of property, infrastructure, plant & equipment	4.1.4	-	(6,679)
Total		**-**	**(6,657)**
Other gain/(loss) from other economic flow			
Defined benefit superannuation gain/(expense)		53	(268)

4. KEY ASSETS AVAILABLE TO SERVICE DELIVERY

Introduction
Ports Victoria controls non-current physical assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to Ports Victoria for delivery of those services.

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment and revalued in accordance with Financial Reporting Direction (FRD) 103 Non-Financial Physical Assets.

An independent valuation of Ports Victoria's non-financial physical assets is undertaken every five years in accordance with FRD 103. The most recent independent valuation was performed by the Valuer-General Victoria with an effective date of 30 June 2025 and remains current for the purposes of the 30 June 2026 financial statements. The majority of Port Victoria's owned non-current physical assets were subject to the independent valuation to determine their fair value. Refer to the table in Note 4.1.3 for impairment details across asset classes and Note 8.3.1 regarding estimation uncertainties. Management has assessed whether there were indicators of material movements in fair value during the year ended 30 June 2026 and concluded that no further revaluation was required, other than impairment considerations disclosed in Notes 3.4 and 8.3.

Structure
4.1 Property, Infrastructure, plant and equipment
4.1.1 Right-of-use assets: land, buildings, plant, equipment and motor vehicles
4.1.2 Depreciation amortisation and impairment
4.1.3 Reconciliation of movements in carrying amount of property, Infrastructure, plant and equipment

4.1 Property, Infrastructure, plant and equipment

As at 30 June 2026	Gross carrying amount 2026 $'000	Accumulated depreciation 2026 $'000	Net carrying amount 2026 $'000
Property, Infrastructure, plant and equipment			
Land, at fair value	3,840	-	3,840
Buildings, at fair value	21,502	(742)	20,760
Infrastructure, at fair value	45,442	(1,589)	43,853
Plant and equipment & motor vehicles, at fair value	8,862	(1,288)	7,574
Cultural assets, at fair value	817	-	817
Assets under construction, at cost	9,473	-	9,473
	89,936	(3,619)	86,317
Right-of-use Assets			
Land, at cost	265	(80)	185
Buildings, at cost	3,552	(1,295)	2,257
Motor Vehicle, at cost	78	(1)	77
	3,895	(1,376)	2,519
Net carrying amount	**93,831**	**(4,995)**	**88,836**

4. KEY ASSETS AVAILABLE TO SERVICE DELIVERY

4.1 Property, Infrastructure, plant and equipment (continued)

As at 30 June 2025	Gross carrying amount 2025 $'000	Accumulated depreciation 2025 $'000	Net carrying amount 2025 $'000
Property, Infrastructure, plant and equipment			
Land, at fair value	3,840	-	3,840
Buildings, at fair value	21,502	-	21,502
Infrastructure, at fair value	51,208	-	51,208
Plant and equipment & motor vehicles, at fair value	1,319	1	1,320
Cultural assets, at fair value	817	-	817
Assets under construction, at cost	6,917	-	6,917
	85,603	1	85,604
Right of Use Assets			
Land, at cost	262	(64)	198
Buildings, at cost	3,409	(941)	2,468
	3,671	(1,005)	2,666
Net carrying amount	**89,274**	**(1,004)**	**88,270**

Initial recognition
Items of property, infrastructure, plant and equipment, are measured initially at cost (excluding assets contributed by owner under FRD 119) and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount via contributed capital (as a contribution by owner). All items with a cost or value in excess of $1,000 and with a useful life greater than one year are recognised as assets, provided the recognition criteria of future economic benefits exist.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction 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.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

4. KEY ASSETS AVAILABLE TO SERVICE DELIVERY

4.1 Property, Infrastructure, plant and equipment (continued)

Subsequent measurement
Items of property, infrastructure, plant and equipment, are subsequently measured at their fair value in accordance with FRD 103.

The revaluation is based upon the asset's classification under the Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

If an asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to equity under the heading of asset revaluation reserve net of applicable tax and shown in the Comprehensive Operating Statement under "Other Comprehensive Income". However, the increase is recognised in the Comprehensive Operating Statement under "Other economic flows included in net result" to the extent that it reverses a revaluation decrease previously recognised in the net result in respect of that asset.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the Comprehensive Operating Statement under "Other economic flows included in net result". However, the decrease is debited directly to equity under the heading of physical asset revaluation surplus to the extent of any credit balance existing in the physical asset revaluation surplus in respect of that asset.

Gains and losses on disposals of assets are determined by comparing proceeds from sale with the carrying amount and selling costs. These are included in profit or loss. Upon disposal or derecognition, any physical asset revaluation surplus relating to the particular asset being sold or written off is transferred to accumulated losses.

Refer to Note 8.3 for additional information on fair value determination of land, buildings, infrastructure (including shipping channels), plant and equipment.

Initial measurement - Right-of-use asset acquired by lessees
Ports Victoria recognises a right-of-use assets and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:
- Any lease payments made at or before the commencement date less any lease incentive received; plus
- Any initial direct costs incurred; and
- An estimate of costs to dismantle and remove or to restore the underlying asset or the site on which it is located.

Subsequent measurement - Right-of-use asset
Right-of-use assets are subsequently measured at cost less accumulated depreciation, impairment losses and any adjustments arising from the remeasurement of lease liabilities.

Ports Victoria depreciates the right-of-use assets (ROU) 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. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

4. KEY ASSETS AVAILABLE TO SERVICE DELIVERY

4.1.1 Right-of-use assets: land, buildings, plant, equipment and motor vehicles

At 30 June 2026	Gross carrying amount 2026 $'000	Accumulated amortisation 2026 $'000	Net carrying amount 2026 $'000
Land at cost	265	(80)	185
Building at cost	3,552	(1,295)	2,257
Motor Vehicles at cost	78	(1)	77
Net carrying amount	**3,895**	**(1,376)**	**2,519**

	Land and buildings at cost 2026 $'000	Plant and equipment & motor vehicles at cost 2026 $'000	Total 2026 $'000
Carrying amount 1 July 2025	2,667	-	2,667
Additions	82	78	160
Remeasurement	64	-	64
Depreciation	(371)	(1)	(372)
Carrying amount 30 June 2026	**2,442**	**77**	**2,519**

At 30 June 2025	Gross carrying amount 2025 $'000	Accumulated amortisation 2025 $'000	Net carrying amount 2025 $'000
Land at cost	262	(64)	198
Plant and equipment & motor vehicles at cost	-	-	-
Building at cost	3,410	(941)	2,469
Net carrying amount	**3,672**	**(1,005)**	**2,667**

	Land and buildings at fair value 2025 $'000.	Plant and equipment & motor vehicles at fair value 2025 $'000.	Total 2025 $'000.
Carrying amount 1 July 2024	2,885	-	2,885
Additions	45	-	45
Remeasurement	63	-	63
Depreciation	(326)	-	(326)
Carrying amount 30 June 2025	**2,667**	**-**	**2,667**

Note:
Right-of-use assets are measured at cost as at 30 June 2026. This reflects a change in FRD 104 Leases, effective for reporting periods ending on or after 30 June 2026, which requires right-of-use assets to be measured using the cost model rather than being subsequently measured in accordance with the fair value requirements applicable to the underlying class of asset.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

4. KEY ASSETS AVAILABLE TO SERVICE DELIVERY

4.1.2 Depreciation, amortisation and impairment

Depreciation expense
Land and cultural assets held by Ports Victoria are not depreciated. All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives (or, in the case of leasehold improvements and certain leased plant and equipment, the lease term if shorter) as follows:

Buildings	40 - 50 years
Infrastructure	5 - 60 years
Plant, equipment and vehicles	1 - 50 years

Assets under construction are not depreciated. At the point the asset has been constructed and is available for use, the asset is transferred to the appropriate asset class and then depreciated.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where Ports Victoria obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial reporting period and, where revised, are accounted for as a change in an accounting estimate. Where depreciation rates or methods are changed, the net written down value of the asset is depreciated from the date of the change in accordance with the new depreciation rate or method.

4. KEY ASSETS AVAILABLE TO SERVICE DELIVERY

4.1.2 Depreciation, amortisation and impairment (continued)

Recoverable amount and impairment
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimate recoverable amount (impairment of assets). Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to profit or loss except to the extent that the write-down can be debited to a physical asset revaluation surplus amount applicable to that specific asset. The recoverable amount for an asset 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.

As part of the most recent independent valuation undertaken by the Valuer-General Victoria, with an effective valuation date of 30 June 2025, impairment indicators were identified as a result of negative cash flows in all 10 forecast years for the Station Pier CGU. The valuer concluded that the value of Station Pier and its associated assets was negative $113 million (or constituted a liability) which meant that for accounting purposes, the Board concluded that the accounting value would be impaired to its recoverable amount of zero. The carrying amounts recognised as at 30 June 2026 reflects this impairment outcome, together with movements arising from depreciation and other asset activity during the reporting period. Refer to note 8.3.1 (i – iii) for disclosures regarding the non-recognition of the liability.

Repairs and maintenance
Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold, the cost is capitalised and depreciated, with the exception of all costs incurred for Station Pier which are expensed as incurred, given that currently no future economic benefit exists.

Major maintenance dredging costs
The shipping channels in port waters are subject to deterioration through siltation, which reduces the depth of water available to commercial shipping. The channels are restored to proper depths by routine maintenance dredging. Dredging and associated costs (including all costs incurred under the dredging contract to restore the channels to original depths) are expensed as incurred. Dredging and associated costs (where the shipping channels are widened and improved) are capitalised and depreciated over its useful life (once the asset is ready for use).

4.1.3 Reconciliation of movements in carrying amount of property, Infrastructure, plant and equipment

Year ended 30 June 2026	Notes	Land $'000	Buildings $'000	Plant and equipment & motor vehicles $'000	Infrastructure $'000	Cultural assets $'000	Assets under construction $'000	Total $'000
Carrying amount 1 July 2025		4,038	23,970	8,017	44,511	817	6,917	**88,270**
Transfer of assets under construction		-	-	940	931	-	(1,871)	**-**
Additions		-	82	78	-	-	4,564	**4,724**
Disposals		-	-	(89)	-	-	-	**(89)**
Expensed		-	-	-	-	-	(137)	**(137)**
RoU Remeasurement		3	61	-	-	-	-	**64**
Depreciation charge		(16)	(1,096)	(1,295)	(1,589)	-	-	**(3,996)**
Carrying amount 30 June 2026		**4,025**	**23,017**	**7,651**	**43,853**	**817**	**9,473**	**88,836**

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

4. KEY ASSETS AVAILABLE TO SERVICE DELIVERY

4.1.4 Reconciliation of movements in revaluation and impairment

Year ended 30 June 2026	Notes	Land $'000	Buildings $'000	Plant and equipment & motor vehicles $'000	Infrastructure $'000	Total $'000
Revaluation		-	-	-	-	-
Impairment loss	3.4	-	-	-	-	-
Net adjustment to carrying amount 30 June 2026	4.1.3	**-**	**-**	**-**	**-**	**-**

Year ended 30 June 2025	Notes	Land $'000	Buildings $'000	Plant and equipment & motor vehicles $'000	Infrastructure $'000	Total $'000
Revaluation		2,743	15,395	3,597	1,679	23,414
Impairment loss	3.4	(2,360)	(573)	(3,462)	(284)	(6,679)
Net adjustment to carrying amount 30 June 2025	**4.1.3**	**383**	**14,822**	**135**	**1,395**	**16,735**

5 OTHER ASSETS AND LIABILITIES

Introduction
This section sets out any other assets and liabilities that arose from Ports Victoria's operations.

Structure
5.1 Receivables
5.2 Contract assets
5.3 Payables

5.1 Receivables

	Notes	2026 $'000	2025 $'000
Current			
Contractual			
Trade receivables	8.1.1	2,907	1,284
Other accruals		287	-
		3,194	**1,284**
Statutory			
GST receivables		92	282
Total Receivables		**3,286**	**1,566**

Receivables
Receivables consist of contractual receivables. Contractual receivables mainly include trade receivables in relation to goods and services, are classified as financial instruments in Note 8 and include amounts arising from the Navigation and Port Services (NaPS) Fee introduced on 1 January 2026.

Trade receivables are amounts due for services rendered to customers of Ports Victoria in the ordinary course of business and generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are held with the objective to collect contractual cashflows and therefore measured at amortised cost using the effective interest method, less provision for impairment.

Ports Victoria applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. Details of Ports Victoria's Impairment Policy are set out in Note 8.1.

A provision of $0.3M for expected credit loss has been recognised for the current year (2025: $0.3M).

5.2 Contract assets

	2026 $'000	2025 $'000
Sundry debtors	3,986	3,701
Currency deposits	29	29
	4,015	**3,730**

Contract assets relate to Ports Victoria's right to consideration in exchange for services transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, at this time an invoice is issued. This usually occurs when PV issues an invoice to the customer.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

5 OTHER ASSETS AND LIABILITIES

5.3 Payables

	Notes	2026 $'000	2025 $'000
Current			
Contractual			
Trade payables *(i)*		478	2,131
Accrued expenses *(i)*		3,900	2,385
	8.1.1	**4,378**	**4,516**
Statutory			
FBT payable		36	26
		36	**26**
Total payables		**4,414**	**4,542**
(i) Maturity analysis of contractual payables			
Less than 1 month		4,378	4,516
		4,378	**4,516**

Payables
Payables consist of contractual payables and statutory payables. Contractual payables include mainly trade payables creditors in relation to goods and services. Statutory payables include GST payable and fringe benefits tax. Contractual payables are classified as financial instruments in Note 8. Statutory payables are not classified as financial instruments as they do not arise from a contract.

Trade payables are carried at amortised cost. Due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to Ports Victoria prior to the end of the financial year that are unpaid as at year end. The amounts are unsecured and are usually paid within 30 days of recognition.

6 FINANCING OUR OPERATIONS

Introduction
This section provides information on the sources of finance utilised by Ports Victoria during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Ports Victoria.

Structure
6.1 Leases
6.2 Cashflow information and balances
6.3 Commitments for expenditure

6.1 Leases

As lessee
Ports Victoria lease properties in Geelong, Melbourne and a number of sites for radar transmitters and navigational aids. Rental contracts are typically made for fixed periods of 5 years to 10 years but may have extension options.
Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leased assets may not be used as security for borrowing purposes.

6.1.2 Amounts recognised in the Balance Sheet

	Notes	2026 $'000	2025 $'000
Lease liabilities			
Current		365	299
Non-current		2,453	2,612
	8.1.1	**2,818**	**2,911**

6.1.3 Amounts recognised in the Comprehensive Operating Statement

	Notes	2026 $'000	2025 $'000
Depreciation charge of right-of-use assets			
Land and buildings		371	326
Plant and equipment & motor vehicles		1	-
	4.1.1	**372**	**326**
Expenses relating to short term leases		256	261

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

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

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

6 FINANCING OUR OPERATIONS

6.1 Leases (continued)

Recognition and measurement of leases as a lessee
The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Ports Victoria incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease liability – subsequent measurement
Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets
Ports Victoria has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.
Ports Victoria is party to low value leases for seabeds and locations where navigational equipment is maintained on crown land. These leases are generally for a period greater than 12 months and a nominal annual amount of $1 is payable on demand. These leases are recorded at cost.

Presentation of right-of-use assets and lease liabilities
Ports Victoria presents right-of-use assets as 'Property, plant and equipment'. Lease liabilities are presented as 'Interest bearing liabilities in the balance sheet.

6.1.5 Future lease payments

	2026 $'000	2025 $'000
Not longer than 1 year	483	426
Longer than 1 year but not longer than 5 years	1,772	1,668
Longer than 5 years	1,082	1,438
Minimum future lease payments	**3,337**	**3,532**
less future finance charges	(519)	(621)
Present value of minimum lease payments	**2,818**	**2,911**

6.2 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid

	Notes	2026 $'000	2025 $'000
Cash and cash equivalents			
Cash at bank and in hand *(i)*		37,107	48,248
	8.1.1	**37,107**	**48,248**

(i) Cash at bank earns a weighted average interest rate of 3.98% at 30 June 2026 (2025 4.00%).

6 HOW WE FINANCED OUR OPERATIONS

6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

(a) Commitments for expenditure

Capital expenditure commitments		
- within one year	1,850	1,532
- later than one year but not later than five years	176	611
Total capital expenditure commitments (inclusive of GST)	**2,026**	**2,143**
Operating expenditure commitments (excluding lease commitments)		
- within one year	26,553	10,785
- later than one year but not later than five years	6,400	10,863
- later than five years	10	70
Total operating expenditure commitments (excluding lease commitments)	**32,963**	**21,718**
Total commitments for expenditure (inclusive of GST)	**34,989**	**23,861**
Less GST recoverable	(3,181)	(2,169)
Total commitments for expenditure (exclusive of GST)	**31,808**	**21,692**

Capital expenditure commitments relate to commitments for the construction and acquisition of land, buildings, infrastructure, plant and equipment, contracted for at balance date but not incurred or recognised as liabilities.

Operating expenditure commitments relate to commitments for the payments of operating expenditure excluding lease commitments contracted for at balance date but not incurred or recognised as liabilities.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

7 TAXATION AND TRANSACTIONS WITH THE STATE

Ports Victoria is subject to the National Tax Equivalent Regime (NTER). In accordance with this legislation, Ports Victoria is required to pay to the State Government Consolidated Fund, amounts determined to be equivalent to the amounts that would be payable by Ports Victoria if it was subject to the Income Tax Assessment Act 1936 (Cwlth) and Income Tax Assessment Act 1997 (Cwlth).

Structure
7.1 Income tax
7.2 Deferred tax
7.3 Dividends

7.1 Income tax

	Notes	2026 $'000	2025 $'000
(a) Income tax expense			
Net reduction of Deferred Tax Asset for decrease in tax rate	7.1 (b)	-	1,085
DTA recognised to offset new DTL on Equity reserve movements	7.1 (b)	-	(1,409)
Reflect 2023 ITR amendment	7.1 (b)	-	2
Income tax expense/(benefit) recognised in the statement of comprehensive income		**-**	**(322)**

The tax expenses or income represents the tax payable on the current year's taxable income or tax loss based on the prevailing income tax rate, adjusted for changes in deferred tax assets and liabilities. For 2025-26, the income tax rate is 25.0% (2024-25: 25.0%).

		2026 $'000	2025 $'000
(b) Reconciliation of income tax expense to prima facie tax payable			
Profit/(loss) before income tax expense		(7,448)	(11,259)
Tax/(benefit) at the Australian tax rate of 25.0% (2024-25: 25.0%)		(1,862)	(2,814)
Tax effect of non deductible/(taxable) and other reconciling items		-	313
Recognition of Deferred Tax Asset to offset change in tax rate	7.1 (a)	-	1,085
Deferred movement in Equity	7.1 (a)	-	(1,409)
Net deferred tax not recognised (brought to account)	7.1 (a)	-	799
Deferred tax benefit on deductible temporary differences not recognised		(647)	
Tax losses not recognised		2,509	1,702
Reflect 2023 ITR amendment	7.1 (a)	-	2
Income tax expense/(benefit) recognised in the statement of comprehensive income		**-**	**(322)**

7 TAXATION AND TRANSACTIONS WITH THE STATE

7.1 Income tax (continued)

(c) Tax expense/(benefit) relating to items of other comprehensive income	Notes	2026 $'000	2025 $'000
Employee benefits reserve	9.2.2	-	(485)
Asset revaluation reserve		-	(924)
		-	**(1,409)**

(d) Movement in current tax (assets)/liabilities:	Notes	2026 $'000	2025 $'000
Carrying amount 1 July		(99)	(1,178)
Charged to income tax expense	7.1(a)	-	-
Income tax instalment paid		-	(191)
Income tax refund for FY24		-	1,270
Carrying amount 30 June		**(99)**	**(99)**

7.2 Deferred tax

(a) Deferred tax assets

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Movement in deferred tax assets:		2026 $'000	2025 $'000
Carrying amount 1 July		-	-
Deferred tax assets opening balance recognised to offset deferred tax liability		-	4,394
Deferred tax asset on property, plant and equipment (including Right of Use Asset)		750	-
Deferred tax asset on prepayments and other assets		1	-
Deferred tax asset on provisions and other liabilities		(34)	-
Deferred tax asset on employee entitlements		3	-
Deferred tax asset on lease liability		24	-
Equity movement via Other Comprehensive Income		-	(1,409)
Deferred tax liability offset against deferred tax asset	7.2 (b)	-	(3,784)
Net deferred tax assets recognised		(744)	799
Carrying amount 30 June	7.1 (a)	**-**	**-**

Deferred tax assets not brought to account, the benefits of which will only be recognised when it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised:

Temporary differences	9,581	10,600
Tax losses		
- revenue losses	5,593	3,084
- capital	291	291

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

7 TAXATION AND TRANSACTIONS WITH THE STATE

7.2 Deferred tax (continued)

(b) Deferred tax liabilities

Deferred income tax liabilities are recognised for all taxable temporary differences.

Movement in deferred tax liabilities:		2026 $'000	2025 $'000
Carrying amount 1 July		-	-
Deferred tax liability balance recognised to offset against deferred tax assets		-	3,784
Equity movement via Other Comprehensive Income	7.2 (a)	-	(3,784)
Carrying amount 30 June		**-**	**-**
Net deferred tax (asset)/liability		**-**	**-**

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and Ports Victoria intends to settle its current tax assets and liabilities on a net basis.

7.3 Dividends

Ports Victoria is required to pay an efficiency savings payment to the Victorian State Government. Only dividends declared on or before reporting date are recognised as a liability.

A dividend of $0.8 M relating to the 2024–25 financial year was paid during 2025–26 (2024–25: nil).

8 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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

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

8.1 Financial instruments specific disclosures

Introduction

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

Categories of financial instruments

(i) Financial assets at amortised cost
Financial assets measured at amortised cost are financial instruments which meet both of the following criteria and are not designated at fair value through profit or loss:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Ports Victoria recognises the following financial assets in this category:
- cash and deposits; and
- contractual receivables.

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

Ports Victoria recognises the following financial liabilities in this category:
- contractual payables; and
- interest bearing liabilities.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

8 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

8.1 Financial instruments specific disclosures (continued)

(iii) Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:
- the rights to receive cash flows from the asset have expired; or
- Ports Victoria retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Ports Victoria has transferred its rights to receive cash flows from the asset and either:
  • has transferred substantially all the risks and rewards of the asset; or
  • has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

(iv) Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

(v) Impairment of financial assets
Under AASB 9, loss allowances are measured on the following basis:
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

8.1.1 Financial instruments: Categorisation

	Notes	2026 $'000	2025 $'000
Contractual financial assets at amortised cost			
Current assets			
Cash and cash equivalents	6.2	37,107	48,248
Trade receivables	5.1	2,907	1,284
Total contractual financial assets		**40,014**	**49,532**
Contractual financial liabilities at amortised cost			
Liabilities			
Interest bearing liabilities	6.1.2	2,818	2,911
Payables	5.3	4,378	4,516
Total contractual financial liabilities		**7,196**	**7,427**

8.1.2 Financial instruments: Net holding gain/(loss) on financial instruments by category

	2026 $'000	2025 $'000
Interest income on contractual financial assets (i)	1,681	2,205
Interest expense on contractual financial liabilities (ii)	-	-
Interest expense on Interest bearing liabilities	(138)	(142)
	(138)	(142)
Total	**1,543**	**2,063**

(i) The net holding gain/(loss) on contractual financial assets equates to the interest income on cash and cash equivalents.

(ii) The net holding gain/(loss) on contractual financial liabilities equates to the interest expense on interest bearing liabilities.

Interest expense includes costs incurred relating to the interest component of lease repayments. Interest expense is recognised in the period in which it is incurred.

8 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

8.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.
These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Ports Victoria has no contingent assets as at the reporting date.

Contingent liabilities

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

Ports Victoria has no contingent liabilities as at the reporting date.

8.3 Fair value determination

Ports Victoria's property, plant and equipment assets are measured and disclosed at fair value for financial reporting purposes as per Note 4.1. In order to determine fair value of an asset or a liability, Ports Victoria uses market-observable data to the extent it is available. The carrying value of all of Ports Victoria's financial assets and liabilities approximate their fair value.

8.3.1 Fair value of non-financial physical assets

In accordance with FRD 103, management assesses the fair value of non-financial physical assets at each reporting date and undertakes a scheduled independent valuation every five years. For the year ended 30 June 2026, the carrying values of non-financial physical assets are based on the independent valuation undertaken by the Valuer-General Victoria with an effective date of 30 June 2025, adjusted for depreciation, impairment and asset movements occurring in the current reporting period.

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.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

8 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

8.3 Fair value determination (continued)

8.3.1 Fair value of non-financial physical assets (continued)

(a) Key assumption used in determining the fair value at 30 June 2026

Based on the specialised nature of Ports Victoria non-financial assets, Value in Use valuations were performed for the identified Cash Generating Units (CGUs). The Value in Use calculations were assessed against the carrying value of the non-financial assets to determine the recoverable amount.

A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The CGUs identified are:
- Geelong Channel: representing the channel, navigational aids and Vessel Traffic Services (VTS) for access to the Port of Geelong.
- Hastings Channel: representing the channel, navigational aids and VTS for access to the Port of Hastings.
- Station Pier: representing the assets for access to Station Pier.
- Melbourne Shipping: representing the VTS and services provided to the Port of Melbourne under the Port Operation Services Deed.

(i) Station Pier and Melbourne Shipping CGU - Land

Land is held at fair value. The fair value has been initially determined on the basis of comparable land sales / market-based evidence (Level 2 in nature) prior to the consideration of economic obsolescence for the land allocated to the CGU. Comparable land sales are based on an independent valuation report obtained for the year ended 30 June 2025. The land is within a port zone and considered specialised land. To assess economic obsolescence, a discounted cash flow (DCF) model, representing a Value In Use calculation, for the CGUs has been used to cross-check for potential economic obsolescence and impairment of the carrying value. For Station Pier, the DCF model yields negative cash flows in all years. Therefore, the assessment of the Station Pier CGU (including the land) for independent valuation purposes has been determined by the office of the Valuer General of Victoria (VGV) based on it constituting a liability. The valuers acknowledged in their report that the recognition or not of a liability in the accounts is to be determined by Ports Victoria in accordance with the applicable accounting standards. As the requirements for recognition of a liability under the accounting standards have not been met, a liability has not been recognised under AASB 137, however the land at Station Pier has been impaired to zero.

(ii) Station Pier and Melbourne Shipping CGU - Buildings, Plant and Equipment

Buildings, infrastructure and plant and equipment are held at fair value. These assets have been measured at fair value based initially on their FVLCD (considering the current replacement cost, less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset), prior to the consideration of economic obsolescence. Classification with respect to the fair value hierarchy has been determined as being Level 3 in nature. To assess economic obsolescence, a discounted cash flow (DCF) model, representing a Value In Use calculation, for the CGUs has been used to cross-check for potential economic obsolescence and impairment of the carrying value. When evaluating the fair value of the assets included in the Station Pier CGU, it is noted that this CGU has negative future economic cash outflows (based on the Value in Use calculation) due to ongoing operations and maintenance. Therefore, the assessment of Station Pier for independent valuation purposes has been determined by the office of the Valuer General of Victoria (VGV) based on it constituting a liability. The valuers acknowledged in their report that the recognition or not of a liability in the accounts is to be determined by Ports Victoria in accordance with the applicable accounting standards. As the requirements for recognition of a liability under the accounting standards have not been met, a liability has not been recognised under AASB 137.

8 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

8.3 Fair value determination (continued)

8.3.1 Fair value of non-financial physical assets (continued)

(iii) Station Pier and Melbourne Shipping CGU - Infrastructure
Infrastructure is held at fair value. Piers and other port related assets were valued using a discounted cash flow method (value in use). This method was applied to piers and other port as there was no market based evidence of fair value (value through sale) of these type of assets given the specialised nature of the assets in question (the assets would rarely be sold (if ever), except as part of a continuing business.

When evaluating the fair value of the infrastructure assets included in the Station Pier CGU, it is noted that this CGU has negative future economic cash outflows (based on the value in use calculation) due to ongoing operations and maintenance. Therefore, the assessment of Station Pier for independent valuation purposes has been determined by the office of the Valuer General of Victoria (VGV) based on it constituting a liability. The valuers acknowledged in their report that the recognition or not of a liability in the accounts is to be determined by Ports Victoria in accordance with the applicable accounting standards. As the requirements for recognition of a liability under the accounting standards have not been met, a liability has not been recognised under AASB 137.

During the prior year, an elevated alpha was applied to the Melbourne Shipping, Geelong Channel and Hastings Channel CGUs to reflect uncertainty associated with the proposed introduction of the Navigation and Port Safety (NaPS) fee regime. Following implementation of the regime on 1 January 2026 and the collection of fees during the period to 30 June 2026, management reassessed the level of forecast uncertainty and concluded that a lower asset-specific risk adjustment was appropriate. As a result, the alpha applied to these CGUs was reduced in the current year.

(iv) Geelong Channel and Hastings Channel CGU - Infrastructure
Infrastructure is held at fair value. Channel asset and navigation aids were valued using a discounted cash flow method (value in use). This method was applied to channel asset and navigational aids as there was no market based evidence of fair value (value through sale) of these type of assets given the specialised nature of the assets in question (the channel assets and navigational aids would rarely be sold (if ever), except as part of a continuing business). Carrying value approximated fair value for these assets.

(v) Geelong Channel and Hastings Channel CGU - Plant and Equipment
Plant and equipment are held at fair value. Fair value is determined using the current replacement cost, less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Carrying value approximated fair value for these assets.

(vi) Corporate assets not assigned to a CGU
Buildings are held at fair value and represent a right-of-use asset under AASB 16 (refer note 4.1). Management makes an assessment each period of the contractual terms that support the right of use asset against current market conditions, noting carrying value approximated fair value for these assets. The motor vehicles are measured at fair value and determined with reference to market values as at 30 June 2026 based on applicable observable market prices.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

8 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

8.3 Fair value determination (continued)

8.3.1 Fair value of non-financial physical assets (continued)

(vii) Value in Use assumptions 2026	Geelong Channel	Hastings Channel	Station Pier	Melbourne Shipping
Cash flows:				
Cash flow period	40 years	40 years	10 years	41 years
Growth rate - annual	2.5%	2.5%	2.5%	2.5%
Discount Rate post tax:	**11.30%**	**11.30%**	**10.40%**	**11.30%**
Risk free rate	3.80%	3.80%	3.80%	3.80%
Equity market risk premium	6.00%	6.00%	6.00%	6.00%
Equity beta	0.82	0.82	0.94	0.82
Gamma	20.00%	20.00%	0.00%	20.00%
Alpha risk	3.25%	3.25%	0.00%	3.25%

2025	Geelong Channel	Hastings Channel	Station Pier	Melbourne Shipping
Cash flows:				
Cash flow period	40 years	40 years	10 years	42 years
Growth rate - annual	2.5%	2.5%	2.5%-3.25%	2.5%
Discount Rate post tax:	**13.00%**	**13.40%**	**5.50%**	**13.00%**
Risk free rate	3.75%	3.75%	3.75%	3.75%
Equity market risk premium	6.50%	6.50%	0.00%	6.50%
Equity beta	1.04	1.04	2.00	1.04
Gamma	20.00%	20.00%	0.00%	20.00%
Alpha risk	6.60%	6.60%	0.00%	6.60%

Cash flows:
Cash flow projections are based on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the period of the cash flows. Cash flow projections are consistent with the most recent financial budgets/forecasts, in line with the corporate plan, approved by the Board and exclude any estimated future cash inflows or outflows expected to arise from future restructurings. Estimated cash flow projections beyond the period covered by the most recent budgets/forecasts have been extrapolated by applying a using a growth rate for subsequent years and adjusting for specific planned future cash flows events.

***Risk free rate** : Based on 10-year Australian Government bond rate.*
***Equity market risk premium** : Based on Industry valuations practices survey.*
***Equity beta** : Professional judgement based on Australian companies who operate Infrastructure assets or operating in the transportation industry.*
***Gamma** : Professional judgement based on dividend drop-off studies to derive an implied market value.*
***Alpha risk** : Represents additional risks regarding the operations and nature of the CGU. Primary Alpha applied to the Navigational and Port Services Fee cashflows for the Melbourne Shipping, Geelong Channel and Hastings Channel CGUs.*

8 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

8.3 Fair value determination (continued)

8.3.2 Description of significant assumptions applied to fair value measurement at 30 June 2026 and 2025

	Valuation technique	Significant unobservable inputs	Range/Weighted Average
Land	Market approach adjusted for economic obsolescence (where applicable) via a Value in Use calculation.	Refer note 8.3.1(i)-(vi)	N/A
Buildings	Current replacement cost adjusted for economic obsolescence via a Value in Use calculation.	Refer note 8.3.1(i)-(vi)	N/A
Infrastructure	Current replacement cost adjusted for economic obsolescence via a Value in Use calculation.	Refer note 8.3.1(i)-(vi)	N/A
Plant & equipment	Current replacement cost.	Refer note 8.3.1(i)-(vi)	N/A
Motor vehicles	Current replacement cost.	Cost per Unit Useful life of plant and equipment	$33,156 Note 4.1.2

9 OTHER DISCLOSURES

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

Structure
9.1 Ex-gratia expenses
9.2 Equity disclosure
9.3 Responsible persons
9.4 Remuneration of executives
9.5 Related parties
9.6 Remuneration of auditors
9.7 Subsequent events

9.1 Ex-gratia expenses

In accordance with FRD 11 Disclosure of Ex-Gratia Expenses Ports Victoria must disclose in aggregate the total amount of material (greater than $5,000) expenses.

For 2025-26, Ports Victoria incurred $58K ex-gratia expenses ($Nil for 2024-25) in relation to employee separations. The payments primarily comprised separation payments as part of resignation arrangements. These expenses were recognised within Employee Benefits Expense in the Comprehensive Operating Statement. No amounts were written off during the reporting period.

9.2 Equity disclosure

9.2.1 Contributed capital

Consistent with applicable Australian reporting requirements and the Financial Management Act 1994 (Vic), transfers and appropriation for additions of net assets between Ports Victoria and State Government Departments designated as a contribution by owner (via contributed capital), are recognised as capital transactions. Transfers of net assets arising from administrative restructures and/or from all other arrangements which are deemed to be contributions by owners, where there is insufficient contributed capital for distribution, are recognised as an expense by the transferor and income by the transferee in accordance with FRD 119 - Transfers through Contributed Capital.

9 OTHER DISCLOSURES

9.2 Equity disclosure (continued)

9.2.2 Reserves

	Notes	2026 $'000	2025 $'000
Reserves			
Physical asset revaluation surplus		29,700	29,705
Employee benefits reserve		-	10,507
		29,700	**40,212**

Movement in physical asset revaluation surplus:	2026 $'000	2025 $'000
Carrying amount 1 July	**29,705**	**6,141**
Gain/loss from asset revaluation	-	23,564
Adjustment to opening balance asset revaluation reserve	(5)	-
Total movement	**(5)**	**23,564**
Carrying amount 30 June	**29,700**	**29,705**

Ports Victoria has a separate physical asset revaluation surplus for Land, Buildings & Infrastructure and Plant & Equipment. The reserves record the increments and decrements in the fair value of the assets net of the tax effect.

Movement in employee benefits reserve:		2026 $'000	2025 $'000
Carrying amount 1 July		**10,507**	**9,053**
Actual return on Fund assets less interest income	3.2.3(d)	171	2,035
Actuarial gain/(loss) arising from changes in financial assumptions	3.2.3(e)	1,739	(940)
Actuarial gain/(loss) arising from changes in liability experience	3.2.3(e)	79	1,000
Deferred tax assets recognised via equity	7.1(c)	1	(485)
Actuarial gain/(loss) for year arising from changes in demographic assumptions	3.2.3(e)	-	(156)
Transfer out Defined Benefit Superfund reserve		(12,497)	-
Total movement		**(10,507)**	**1,454**
Carrying amount 30 June		**-**	**10,507**

This reserve was established in accordance with the revised AASB 119 *Employee Benefits* to capture the movements in the actuarial gains and losses in respect of the Port of Melbourne Superannuation Fund. Refer to Note 3.2.3 for further details.

During the year, an agreement was reached between Ports Victoria and the Victorian Department of Treasury and Finance (DTF) for the fully-funded pension liabilities in respect of former Ports Victoria employees to be taken over by the State, effective 30 April 2026. As a result of this settlement, Ports Victoria's obligation in respect of these defined benefit liabilities was fully transferred to State.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

9 OTHER DISCLOSURES

9.3 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994* , the following disclosures are made regarding responsible persons for the reporting period.

(a) Names

The names of persons who held the positions of Ministers and Accountable Officers in Ports Victoria at any time during the financial year were:

Responsible Ministers:		
The Hon. Melissa Horne MP	Minister for Ports and Freight since December 2018	
The Hon. Jaclyn Symes MLC	Treasurer of Victoria since December 2024	(until 4 August 2026)
Directors		
Mr H Ronaldson	Chairman	
Ms E Carbines	Deputy Chair	
Mr D Powell		
Ms P Alexander		
Mr T Garwood		
Ms C Hopper		
Mr A Moon		(from 1 October 2025)
Accountable Officer:		
Mr Craig Walker	Chief Executive Officer	

(b) Remuneration

Remuneration received or receivable by responsible persons in connection with the management of Ports Victoria during the reporting period was:

Income band	2026	2025
$0 to $9,999	2	2
$40,000 to $49,999	1	-
$60,000 to $69,999	3	3
$100,000 to $109,999	1	1
$460,000 to $469,999	1	1
Total number of responsible persons	8	7
Total remuneration ($'000)	**844**	**754**

9 OTHER DISCLOSURES

9.4 Remuneration of executives

The number of executive officers, other than Ministers and accountable officers, 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 (as defined in AASB 119 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. Accordingly, remuneration is determined on an accrual basis.

Remuneration of executive officers (Including Key Management Personnel - see related parties note)	**2026 $'000**	**2025 $'000**
Total remuneration	5,682	5,090
Total number of executives (i)	21.0	21.0
Total annualised employee equivalents (ii)	18.2	17.1

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

(ii) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

9.5 Related parties

Ports Victoria is a wholly owned and controlled entity of the State of Victoria.
Related parties of Ports Victoria include:
- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all Cabinet Ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm’s length basis.

Significant transactions with government-related entities

The Victorian State Government prepares consolidated financial statements relating to its controlled entities. For the purpose of preparing the State Government's Annual Financial Report (AFR), transactions which Ports Victoria has undertaken with other State Government controlled entities will be eliminated in the State Government's AFR.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

9 OTHER DISCLOSURES

9.5 Related parties (Continued)

The aggregate amounts of Ports Victoria's transactions conducted during the year and its assets and liabilities at the end of the year which relates to State Government controlled entities are as follows:

	Notes	2026 $'000	2025 $'000
Operating revenue and (expenses)			
Department of Transport and Planning		(152)	-
Department of Treasury and Finance		(800)	-
State Revenue Office		(1,091)	(1,028)
Victorian Workcover Authority		(266)	(184)
Other State Government entities		(517)	(426)
Income tax instalments			
Department of Treasury and Finance	7.1(d)	-	(191)

9 OTHER DISCLOSURES

9.5 Related parties (continued)

Key management personnel (KMP) are those who, directly or indirectly, have authority and responsibility for planning, directing and controlling the activities of Ports Victoria. This includes responsible Ministers, Directors, Chief Executive Officer and Executive Managers. The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the Parliamentary Salaries and Superannuation Act 1968 and is reported within the State's Annual Financial Report.

Mr H Ronaldson - Chair
Ms E Carbines - Deputy Chair
Mr D Powell - Director
Ms P Alexander - Director
Mr T Garwood - Director
Ms C Hopper - Director
Mr A Moon - Director (from 1 October 2025)
Mr C Walker - Chief Executive Officer
Ms J Mackey - Chief Financial Officer and Head of Corporate Services
Mr N Ellul - Chief Operating Officer
Mr J Bazelmans - Chief Strategy and Development Officer
Mr D Henderson - Head of Infrastructure and Projects (until 31 December 2025)

	2026	2025
	$'000	$'000
Compensation of KMP (i)		
Total	**2,175**	**2,606**

(i) Note that KMPs are also reported in the disclosure of remuneration of responsible persons (Note 9.3) and executive officers (Note 9.4).

Transactions and balances with key management personnel and other related parties

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

The terms and conditions of transactions entered into with responsible persons' related entities occurred within a normal customer and supplier relationship on terms and conditions no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to other entities on an arm's length basis.

No transactions have occurred with KMP and their related parties. There are no outstanding balances, including commitments, with such parties.

Ports Victoria
Notes to the Financial Statements
For the year ended 30 June 2026

9 OTHER DISCLOSURES

9.6 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditors of Ports Victoria:

Victorian Auditor-General's Office	2026 $'000	2025 $'000
Audit of financial reports	68	59

9.7 Subsequent events

Subsequent to 30 June 2026, the Victorian Government determined that responsibility for the administration and management of certain maritime permissions and related functions previously undertaken by Safe Transport Victoria would transfer to Ports Victoria, effective 1 October 2026.

As a result of this transfer, Ports Victoria will assume responsibility for the delivery of these functions and the associated operational activities.

The transfer represents a non-adjusting event occurring after the reporting date. Consequently, no adjustments have been made to the amounts recognised in these financial statements as at 30 June 2026.

Disclosure index

Legislation	Requirement	Page		
Standing Directions (SD) and Financial Reporting Directions (FRD)				
Report of operations				
Charter and purpose				
FRD 22	Manner of establishment and the relevant ministers	10		
FRD 22	Purpose, functions, powers and duties	11–12		
FRD 22	Nature and range of services provided	12–13		
Management and structure				
FRD 22	Organisational structure	52		
Financial and other information				
FRD 10	Disclosure index	138–139		
FRD 15	Executive disclosures	133–134		
FRD 22	Employment and conduct principles	54–55		
FRD 22	Occupational health and safety policy	55		
FRD 22	Summary of the financial results for the year	39		
FRD 22	Significant changes in financial position during the year	40		
FRD 22	Major changes or factors affecting performance	40–41		
FRD 22	Subsequent events	41		
FRD 22	Application and operation of	*Freedom of Information Act 1982*	(Vic)	77
FRD 22	Compliance with building and maintenance provisions of	*Building Act 1993*	(Vic)	78
FRD 22	Statement on National Competition Policy	78		

Legislation	Requirement	Page		
FRD 22	Application and operation of the	*Public Interest Disclosures Act 2012*	(Vic)	80
FRD 22	Compliance with the	*Carers Recognition Act 2012*	(Vic)	81
FRD 22	Details of consultancies over $10,000	74		
FRD 22	Details of consultancies under $10,000	74		
FRD 22	Disclosure of government advertising expenditure	74		
FRD 22	Disclosure of ICT expenditure	76		
FRD 22	Reviews and studies expenditure	75		
FRD 22	Statement of availability of other information	83		
FRD 22	Disclosure of emergency procurement	79		
FRD 22	Disclosure of procurement complaints	79		
FRD 24	Environmental reporting	67–72		
FRD 25	Local Jobs First	73		
FRD 29	Workforce data disclosures	58–60		
Compliance attestation and declaration				
SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	84		
SD 5.2.3	Declaration in report of operations	4		

References

[1] Ports Victoria 2024–25 Annual Report Final.pdf

PORTS VICTORIA

