VICTORIAN CURRICULUM AND ASSESSMENT AUTHORITY

VICTORIA State Government

Annual Report 2025–26



Acknowledgement of Country

The Victorian Curriculum and Assessment Authority proudly acknowledges and pays respect to Victoria's Aboriginal and Torres Strait Islander communities and their rich and enduring cultures.

We acknowledge Aboriginal and Torres Strait Islander people as Australia's first peoples and as the Traditional Owners and custodians of the lands and waters on which we rely. We pay respect to Elders past and present of the lands where we conduct our work and recognise their ongoing contributions as the first educators on the land now known as Victoria.

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Responsible body's declaration

Gabrielle Williams MP

Deputy Premier of Victoria, Minister for Education, Minister for Skills and Training, Minister for First Peoples and Minister for Women and Gender Equality

Dear Minister

In accordance with the *Education and Training Reform Act 2006* (Vic) and the *Financial Management Act 1994* (Vic), I am pleased to present the Victorian Curriculum and Assessment Authority's annual report for the year ending 30 June 2026.

Yours sincerely



Dr David Howes
VCAA Board Chair
08 October 2026

Chair's foreword

The Victorian Curriculum and Assessment Authority (VCAA) plays an important role in supporting students and schools across Victoria by providing high-quality curriculum, assessment and reporting for all sectors of our education system.

Over the reporting period, the organisation has continued to strengthen its work through improvements to quality assurance and project management, helping to support the successful delivery of the 2025 VCE examinations.

The 2026–27 State Budget also provided a significant investment of $222.2 million over 5 years to support the VCAA's core operations and implement its reform priorities. This funding will also help the organisation develop and begin implementing a technology roadmap, while also modernising and maintaining the technology infrastructure that schools and students rely on.

This year, the VCAA Board was expanded to include representation from school sectors, higher education and the wider community. I would like to thank the Board members for their thoughtful advice, diligence and commitment. Their contribution is helping to ensure the VCAA is well placed to meet the needs and expectations of schools, students and the broader Victorian community.

With the support of this refreshed Board, Chief Executive Officer Andrew Smith is leading significant reforms to the VCAA's systems, processes and workplace culture. Alongside a new executive team, he has worked to rebuild relationships with stakeholders and strengthen confidence in the VCAA as a trusted partner in curriculum and assessment. We have also established an Education Advisory Committee, bringing together education leaders from across all sectors to support stronger advice, collaboration and engagement.

The Board and I acknowledge the work of Dr Yehudi Blacher PSM on the Organisational Review of the VCAA. The review provided an important blueprint for change and has played a central role in restoring public trust in the organisation. I also thank Margaret Crawford PSM for her ongoing contribution as Independent Monitor, providing oversight and support in the development of the 2025 and 2026 VCE examinations.

Thank you to all VCAA staff for their professionalism, care and commitment throughout the year. I want to pay special tribute to Sue Bell, Executive Director, Senior Secondary Certificate Reform, who retired after 48 years of service to Victorian education. Sue's thoughtful, creative and steadfast leadership has made a lasting contribution to improving equity and access across our senior secondary pathways.

Finally, I extend my sincere thanks to Victorian teachers and educators for the extraordinary work they do every day to bring learning to life for students, and for the invaluable feedback and support they continue to provide.

Dr David Howes PSM

VCAA Board Chair

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Section 1 Year in review

About the Victorian Curriculum and Assessment Authority

The Victorian Curriculum and Assessment Authority (VCAA) is a statutory authority established under the *Victorian Curriculum and Assessment Authority Act 2000* (Vic). It continues to operate under, and is subject to, the *Education and Training Reform Act 2006* (Vic) (ETR Act).

The VCAA is primarily accountable to the Minister for Education and serves government and non-government schools.

It is also responsible to the Minister for Children, the Minister for Skills and Training, and the Minister for Economic Development in relation to the sections in Part 2.5 of the ETR Act for which these ministers are responsible.

Vision, mission and values

As part of a comprehensive transformation, the VCAA has established a vision and mission to put students at the centre of its work. This guides our decision-making and engagement.

Our vision

The VCAA's vision is to provide a trusted and coherent Victorian learning continuum, where rigorous standards and equitable pathways allow all Victorian learners to thrive.

Our mission

The VCAA will set and uphold curriculum, assessment and reporting standards, and ensure they are coherent and accessible, so that teachers and schools can deliver a high-quality, fair and connected learning journey with clearly defined and inclusive pathways.

Our values

The VCAA upholds the Victorian Public Sector (VPS) values of:

- Responsiveness
- Integrity
- Impartiality
- Accountability
- Respect
- Leadership
- Human rights.

Chief Executive Officer's report

The VCAA exists to serve Victorian schools and students, along with their teachers and families. This year we have taken important steps to reset our vision and mission to put students at the centre of everything we do.

Our vision is to provide a trusted and coherent Victorian learning continuum, where rigorous standards and equitable pathways allow all Victorian learners to thrive.

Our mission articulates what our vision looks like in practice. We set and uphold curriculum, assessment and reporting standards, and ensure they are coherent and accessible, so that teachers and schools can deliver a high-quality, fair and connected learning journey with clearly defined and inclusive pathways.

This year, we have made a strong commitment to listening more closely to the people we serve. We have worked to strengthen our relationships with schools, educators and stakeholders across all sectors, and to ensure that our engagement is transparent, inclusive, responsive and accountable. That work matters, because trust is built through listening, consistency and action.

Last year, the VCAA delivered the Victorian Certificate of Education (VCE) examinations to more than 92,000 students. A record 65,000 students earned their VCE, including almost 10,000 who completed the VCE Vocational Major (VCE VM).

The number of students enrolled in the VCE VM continues to grow, up almost 15% from the previous year to more than 30,000 students.

Notably, the proportion of girls completing the VCE VM surpassed 40% for the first time.

Vocational Education and Training (VET) enrolments grew for the fifth consecutive year, increasing by almost 19% since 2021 to more than 61,500 students in 2025.

The VCAA supported the implementation of National Assessment Program – Literacy and Numeracy (NAPLAN) testing for more than 315,000 students at 2,376 schools, marking and processing more than 1.2 million individual tests.

To support implementation of the Victorian F–10 Curriculum Version 2.0, we released a comprehensive suite of resources on our new Resource Hub. The Foundation Levels A to D and English as an Additional Language curriculums are now published on the Victorian Curriculum F–10 Version 2.0 website.

The VCE Season of Excellence, our annual festival held at Melbourne's leading cultural institutions and regional venues, received more than 2,300 applications. The final program showcased the work of 303 exceptional VCE students from 125 schools across all parts of the state, and representing all school sectors.

We are continuing to implement improvements, as we address recommendations from the Independent Review led by Dr Yehudi Blacher released last September. These changes are laying the foundations for a much stronger and more accountable VCAA, so students, families and schools can have full confidence in our organisation's work, including VCE examinations.

During the reporting period, we confirmed key leadership positions across the organisation and have made significant improvements to the way we work together.

I want to thank staff for their professionalism, resilience and commitment, remaining focused on delivering quality work during a year of considerable change.

Likewise, the dedication of the 5,000 assessors, panel members and processing staff – the majority of whom are teachers from across all 3 school sectors – whose work was integral to the success of the 2025 VCE examinations program.

Finally, I want to thank Victorian principals and teachers. We value the leadership, care and commitment you bring to your schools each day and the VCAA remains committed to working alongside you to support every learner to thrive.

Andrew Smith

VCAA Chief Executive Officer

Purpose and functions

The VCAA is registered as a senior secondary and foundation awarding body on the State Register maintained by the Victorian Registration and Qualifications Authority (VRQA) under the ETR Act.

The VCAA is responsible for developing high-quality courses and curriculum and assessment products and services.

As part of its functions under the ETR Act, the VCAA develops policies, criteria and standards for:

- learning, development and assessments that relate to early childhood
- curriculum, assessments and courses for school-aged students.

The VCAA designs and implements the:

- Victorian Certificate of Education (VCE) – a registered senior secondary qualification with the VRQA
- Victorian Pathways Certificate (VPC) – an accredited foundation secondary qualification under the ETR Act.

The VCAA develops and implements accredited senior secondary and foundation courses (studies) that lead to awarding the VCE and VPC. It is also responsible for authorising VRQA-registered schools to deliver the VCE and VPC.

To deliver on its learning and development and curriculum responsibilities, the VCAA designs, publishes, supports and monitors implementation of the Victorian Curriculum Foundation to Year 10 as well as the VCE and VPC, including the VCE VM and Vocational Education and Training (VET) for senior secondary students.

The VCAA is the Victorian Test Administration Authority for NAPLAN and other National Assessment Program (NAP) assessments.

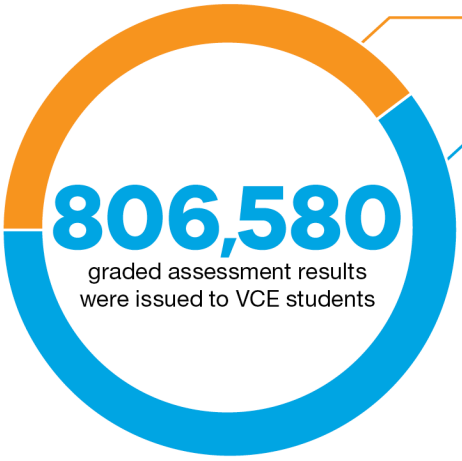
The VCAA performs other statutory functions under delegation from the Secretary to the Department of Education in relation to the Victorian Student Register established under the ETR Act.

Key achievements

65,670
students completed the VCE, including

9,807
who completed the VCE VM program

1,161
students completed the VPC



39.8% external assessments

60.2% school-based assessments

Table 1 VCE Study scores

	2025	2024	2023	2022	2021
Study scores issued	266,666	258,459	246,439	240,515	247,486
Students with at least one study score	78,524	76,831	73,650	71,656	73,831
Students with at least one study score of 40+	15,350	14,916	14,071	13,613	13,940
Students with at least one study score of 50	664	639	595	571	612
Study scores of 50	719	689	658	641	667

Table 2 Senior secondary certifications

	2025	2024	2023	2022	2021
VCE completions	65,670	62,083	57,736	49,638	50,774
VCE VM completions	9,807	8,290	6,454	–	–
Students awarded the VCE (Baccalaureate)	3,479	3,162	3,049	3,351	3,574
VPC completions	1,161	1,105	806	–	–
Students who successfully completed at least one unit of higher education study	718	615	634	498	560

Table 3 Results delivered to students*

	2025	2024	2023	2022	2021
VCE Statements of Results	188,696	185,315	171,637	144,273	144,707
General Achievement Test (GAT) Statements	92,688	89,341	84,574	78,902	72,658
VET Statements of Results	57,644	54,387	50,357	48,479	52,642
VPC Statements of Results	4,035	3,551	4,661	24,975	25,105
Statements of Equivalent Qualification	117	194	129	201	167

* Student results are delivered to their home address or school at the end of the academic year. Depending on the student's enrolment, the results package may include a statement of results for VCE, VPC, GAT and VET.

Table 4 Results delivered to overseas students and providers

	2025	2024	2023	2022	2021
Certificates to overseas students	561	428	421	546	757
Statements of Results to overseas students	1,352	1,116	866	663	807
GAT Statements to overseas students	662	534	476	471	382

Table 5 VCAA and Victorian Tertiary Admissions Centre end-of-year results service

	2025	2024	2023	2022	2021
Students who accessed their results online	57,809	53,430	43,460	47,272	47,016
Students who accessed their online results via mobile phones	5,500	4,275	4,332	4,530	5,399

Table 6 Victorian Student Number (VSN)

	2025	2024	2023	2022	2021
New VSN allocated*	105,046	146,386	93,353	114,554	100,189
VSN enquiry records sent*	41,158	39,586	37,555	25,497	19,740

*based on calendar years

Table 7 NAPLAN

	2026	2025	2024	2023	2022
Tests completed by Year 3, 5, 7 and 9 students	1,236,136	1,239,075	1,210,923	1,195,302	1,147,054
Number of schools conducting NAPLAN tests*	2,376	2,356	2,338	2,339	2,318
Number of students participating in NAPLAN tests*	315,175	315,336	309,189	305,049	298,146

*Based on tests completed by Year 3, 5, 7 and 9 students.

VCAA objectives, indicators and outputs

In 2025–26, the VCAA made significant progress in delivering our Strategic Plan.

Table 8 VCAA strategic priorities 2025–26

Our priorities	Our progress
Continued and improved delivery of high-quality curriculum, assessment and reporting	↗ Continued revision and publication of the Victorian Curriculum F–10, including Phase 3 Languages and English as an Additional Language, Foundation Levels A to D English, The Arts, Health and Physical Education, Personal and Social Capability, and Critical and Creative Thinking ↗ Published 366 curriculum resources across all learning areas to support schools and teachers to plan and implement the Victorian Curriculum F–10 ↗ Supported Victorian Curriculum F–10 assessments, with almost 300,000 assessments accessed through the Digital Assessment Library (DAL) ↗ Delivered VCE and VPC certification and results to senior secondary students ↗ Published 3 elective VPC studies (VPC Food Studies, VPC Digital Literacy and VPC Art and Design), accredited by the VRQA in 2025, introduced in 2026 with enrolments at 49 providers ↗ Continued implementing recommendations from all reviews to improve processes and procedures for developing and delivering exams ↗ Offered students the choice of 54 Higher Education Studies (HES) courses as part of their VCE ↗ Oversaw 10 new licence applications for the VCE Offshore Program ↗ Continued the ongoing audit program to assure the quality of school-based assessments, including 1,501 VCE school-based assessment audits across 604 schools and providers, 248 audits for the VCE VM and 125 audits for the VPC ↗ Processed 39 provider applications for permission to deliver a senior secondary certificate: 15 for VCE, 24 for VCE VM and 12 for VPC ↗ Delivered the General Achievement Test (GAT), which included the assessment of Victorian Literacy and Numeracy Standards to over 100,000 students ↗ Delivered the 2025 VCE examinations to over 92,000 senior secondary students at 598 schools

Our priorities	Our progress
More targeted and deeper engagement with the education community	↗ Maintained strong stakeholder engagement with teachers and principals ↗ Published a public commitment to engaging with stakeholders on the VCAA website to improve transparency ↗ Established ongoing CEO stakeholder groups with primary principals, secondary principals, parent associations and unions ↗ Established an Education Advisory Committee to provide independent, evidence-informed advice to the VCAA Board on emerging education trends affecting, or likely to affect, curriculum, assessment, and reporting. ↗ Conducted engagement sessions with teaching associations and made presentations at conferences, expos and events to key stakeholders, including keynote presentations at the Government Schools Principals Conference and *The Age* Schools Summit ↗ Provided various modes of professional learning on the VPC and VCE VM, including 31 workshops and webinars, strengthening teacher capability in schools ↗ Delivered the VCE Season of Excellence, a 5-month annual festival showcasing outstanding senior secondary student work, celebrating work from 303 exceptional VCE students, representing 18% of Victoria's senior secondary providers ↗ Delivered 35 webinars to more than 2,500 teachers as part of the Unpacking the 2025 External Assessment Report series ↗ Published 4 additional professional learning modules supporting Victorian teachers to better understand and implement Victorian Curriculum F–10 English Version 2.0 ↗ Delivered 3 introductory webinars to support teachers and school leaders to understand Victorian Curriculum F–10 Version 2.0
Embedding our knowledge of learners and education professionals into the design and delivery of curriculum, assessment and reporting products and services	↗ Added enhanced functionality to the Victorian Curriculum F–10 Version 2.0 website, including the new Resources Hub (a centralised hub for curriculum-aligned resources with advanced search filters and direct connections between individual resources, individual content descriptions and achievement standards) and new export functionality for users (including customisable Word, CSV and PDF options) ↗ Continued to make it easier for teachers to see the connections between content descriptions and achievement standards on the Victorian Curriculum F–10 Version 2.0 website, including connections to elaborations and cross-curriculum priorities
Strengthening the integration of curriculum, assessment and reporting to support learning	↗ Updated the DAL content to align to Version 2.0 of the curriculum, including Science and Health and Physical Education ↗ Merged the DAL with the Insight Assessment Platform so teachers can access suites of assessments and results data on one connected platform ↗ Increased use of DAL assessments by approximately 85% in Term 1, 2026 compared to the same period the year before

Curriculum and assessment

Early Years

In response to the Independent Review of the VCAA Stage Two Report by Dr Yehudi Blacher PSM, responsibility for finalising and publishing the VEYLDF was transferred to the Department of Education's Early Childhood Education group.

The VCAA continued to partner with the Department of Education (the department) and key stakeholders to support the delivery of the revised VEYLDF.

Victorian Curriculum F–10

The Victorian Curriculum F–10 Version 2.0 sets out the knowledge and skills that students need in their first 11 years of schooling to become lifelong learners and confident, active and informed citizens who are prepared to navigate a diverse and changing world.

In 2025–26, the VCAA released curriculums for Foundation Levels A to D for The Arts, English, Health and Physical Education, Critical and Creative Thinking, and Personal and Social Capability. Curriculums were also released for English as an Additional Language (EAL) and 9 Languages curriculums – Arabic, Classical Greek, Framework for Classical Languages, Hindi, Latin, Non-Roman Alphabet Languages, Roman Alphabet Languages, Turkish and Vietnamese.

We published supportive curriculum resources, including templates and illustrative examples, to support schools with curriculum planning and implementation. We delivered 3 interactive webinars for Foundation Levels A to D English, EAL and Languages, and 4 on-demand modules for English, adding to a growing suite of professional learning to support the implementation of curriculum.

We also continued to enhance the new Victorian Curriculum F–10 Version 2.0 website. Additions included an easy-to-search Resource Hub with high-quality, curriculum-aligned resources. The hub allows users to move seamlessly between the curriculum content and related planning resources.

F–10 assessment

The DAL offers teachers high-quality online classroom student assessments. These provide meaningful and timely information about students' learning progress.

In 2025–26, we focused on finalising alignment of assessments to the Victorian Curriculum F–10 Version 2.0, supporting schools and department regions to use the DAL and interpret assessment data effectively. We also merged the DAL into the Insight Assessment Platform. This means teachers can now access both on the one platform, reducing administration and enhancing reporting.

From July 2025 to June 2026, over 650,000 assessments were accessed via the Insight Assessment Platform. These include approximately:

- 300,000 DAL assessments across English, Mathematics, Science, and Health and Physical Education
- 350,000 Insight assessments (including the department's Year 1 Phonics Check, Foundation Assessment – Literacy, and Mathematics Online Interview).

NAPLAN

Australian students in Years 3, 5, 7 and 9 undertake NAPLAN testing. The VCAA, as the Testing Administration Authority, conducts NAPLAN in Victoria on behalf of the Australian Curriculum, Assessment and Reporting Authority (ACARA).

The testing examines students' proficiency in conventions of language (spelling, grammar and punctuation), as well as in writing, reading and numeracy, to measure whether young Australians are meeting important educational outcomes.

In July 2025, we provided schools with a range of NAPLAN school summary and item-level reports. These included student reports and a Year 9 certificate of achievement for eligible students who met the 'exceeding' proficiency level in reading and/or numeracy tests, or demonstrated high growth and increased proficiency between Year 7 and Year 9.

In March 2026, we oversaw the successful administration of NAPLAN across Victoria. NAPLAN testing participation included 315,175 students in 2,376 Victorian schools.

Senior secondary curriculum

VCE including VCE VM

Two revised VCE studies – Systems Engineering and Auslan – were implemented in the 2025 school year.

The VCE VM continues to provide increasing numbers of students with greater flexibility to pursue their strengths and interests and develop the skills and capabilities needed to succeed in further education, work and life. Since the introduction of the VCE VM in 2023, enrolments have grown by 36.5%, with 30,460 students enrolled in the program in 2025. VCE VM completion rates have also increased year on year.

VET

We continued to support the delivery and assessment of VET delivered to secondary students. This included supporting schools, TAFEs, registered training organisations, Structured Workplace Learning Recognition and School-based Apprenticeships and Traineeships.

The VCAA worked with the Victorian Skills Authority to put in place 2 new renewable energy certificates for secondary students. This meant liaising with 2 Victorian TAFE providers, from program development to delivery. The 2 certificates – 22696VIC Certificate II in Renewable Energy Technologies and 22695VIC Certificate III in Renewable Energy Industry Pathways – are now included in the suite of VCE VET approved programs (VCE VET offering).

HES

In 2025, 735 students were enrolled in a Higher Education Studies (HES) course. These courses broaden and enhance learning opportunities for high-achieving, interested and able VCE students. A HES course can count towards the VCE as an unscored Unit 3 and 4 sequence and may contribute to the student's Australian Tertiary Admission Rank (ATAR) as a fifth or sixth study via an increment. Students who successfully complete a HES course can progress to second-year study in that discipline at the participating university.

VPC

The VPC is an inclusive Years 11 and 12 certificate for students needing a more individualised and flexible program for their last 2 years of secondary schooling.

The VPC provides an enriched curriculum and excellent support for students. This allows them to focus on developing the skills, knowledge and qualities needed for success in their personal and working lives, and as a member of the community.

Since the introduction of the VPC in 2023, enrolments have grown by 27.5%, with 5,114 students enrolled in the qualification in 2025. Enrolment in the VPC increased year on year by 16.6%.

VCE Offshore Program

In 2025–26, 5 Victorian schools delivered the VCE Offshore Program in partnership with 32 schools overseas. Of these, 23 are in China, 3 in Vietnam and one each in Indonesia, Malaysia, Timor-Leste, Vanuatu, Papua New Guinea (new) and Singapore (new).

We completed 10 audits of the VCE Offshore Program, in line with the annual audit cycle. Three schools delivered VCE studies on the Northern Hemisphere Timetable (NHT), to 3 schools in China and one in Vietnam. VCE delivery on the NHT ceased in May 2026.

In 2025, 676 students completed the VCE Offshore Program, representing a 31% increase compared to 2024.

Senior secondary assessments

Between October and November 2025, the VCAA delivered the 2025 VCE examinations to over 92,000 senior secondary students. These took place at 598 schools that operated as examination centres across Victoria and internationally. The examinations included oral, written and performance examinations.

On 11 December 2025, results were successfully released to senior secondary students via mail and the Joint Results Release services. They were also delivered by email.

The Post Results and ATAR Service answered 796 phone enquiries over 5 days, supporting students and teachers with results-related enquiries.

VCAA reviews

In response to the issues arising from the 2024 VCE examinations, on 15 November 2024, the Victorian Minister for Education announced a root-and-branch review into the VCAA. Dr Yehudi Blacher PSM was announced as Lead Reviewer.

The review had 2 concurrent streams of enquiry:

- Stage One: a review of the issues associated with the production of the 2024 VCE exams to determine what happened, why and how
- Stage Two: a review of the VCAA's structure, operations, culture and capability to advise on whether all aspects of the VCAA are working in the best way possible to deliver on its statutory functions.

On 22 September 2025, Dr Blacher delivered Stage Two, *Organisational Review of the Victorian Curriculum and Assessment Authority* with 11 primary recommendations:

1. Retain the VCAA as a statutory authority.
2. Strengthen governance focus of the Board on key reforms and refreshed oversight committees.
3. Clarify the VCAA's relationship with the Department of Education.
4. Establish a sustainable VCAA budget.
5. Implement structural changes to strengthen accountability and refocus the organisation on critical capability uplifts.
6. Reset organisational leadership, capabilities and culture, commencing with a progressive spill-and-fill of senior roles.
7. Critically review and redesign operating policies and processes.
8. Continue strengthening examination processes end to end with a focus on stronger process management in the early stages and enhanced integrity controls.
9. Establish a clear technology roadmap with priority focusing on the most critical operational risks.
10. Reset external stakeholder relationships and strengthen the focus on external 'customer' needs.
11. Maintain an Independent Monitor for a further 12 months or until the Minister is satisfied that the VCAA has the systems and processes to undertake its functions effectively.

All 11 recommendations were accepted. Ten of these recommendations have several sub-recommendations, with a total of 42 recommendations.

Implementation of the Stage Two recommendations requires a significant program of reform, which will continue across a 3-year timeline.

At 30 June 2026, 11 of these recommendations had been formally approved by the VCAA Board as actioned and complete. These include:

- The VCAA to continue as a statutory authority
- Clarifying key short-term and medium-term priorities for the Board consistent with the ETR Act
- Strengthening the VCAA Board's governance role with a focus on overseeing necessary reforms
- Resetting VCAA Board governance committees with clear reporting requirements and oversight accountabilities

- Establishing a sustainable VCAA budget
- Creating shared responsibility for – and robust processes to support – enterprise-wide decision-making about financial resources
- Reorganising the leadership structure to establish 3 senior executives accountable for examinations and assessment, curriculum and enabling services respectively
- Transferring ongoing responsibility for the VEYLDF from the VCAA to the Department of Education
- Increasing the focus of leadership on the culture of the organisation and the patterns of acceptable behaviour to achieve its goals
- Revising the special provisions process to streamline handling
- Maintaining an Independent Monitor for a further 12 months or until the Minister is satisfied that the VCAA has the systems and processes to undertake its functions effectively.

An additional 13 recommendations are well progressed, with further significant milestones set for December 2026. Other actions will be completed over the reform program's 3-year horizon.

Additionally, Ms Margaret Crawford, the Independent Monitor responsible for providing advice and assurance regarding the VCAA's end-to-end preparation and delivery of the VCE examinations, delivered her Final Report into the VCAA's preparation and delivery of the 2025 VCE examinations to the Secretary of the Department of Education in March 2026.

The report provided assurance that the 2025 exams were delivered effectively and in accordance with legislative obligations and published guidelines, and made observations around future opportunities for improvement.

The Independent Monitor was re-engaged for 2026 to provide assurance regarding the adequacy and progress of each stage of the 2026 examinations development and delivery process, including the GAT. The extended engagement also tasks the Independent Monitor with responsibility to assess the adequacy of VCAA's refreshed governance framework, change management processes and their supporting internal systems to ensure that they are effective to enable VCAA to implement the recommendations of previous reviews.

Recommendations and observations from the Stage Two report and the Independent Monitor's Final Report are continuing to be implemented, including ongoing improvements to processes and procedures.

Our year by numbers

VCE Exams

92,641
students sat at least one examination

598
schools operated as examination centres

Oral examinations

42 language studies

8,324 students

644 assessors

39 venues

Performance examinations

7 performing arts studies

4,646 VCE/VCE VET students

458 assessors

68 venues

Written examinations

115 examinations

111 VCE studies

32 days
starting 6 October with the Collaborative Curriculum and Assessment Framework for Languages (CCAFL) examinations

NAPLAN

1,236,136
tests completed by Year 3, 5, 7 and 9 students, including Year 3 writing tests on paper

2,376 schools

VET

61,513
students enrolled

660
providers

VPC

5,114
students enrolled

1,161
certificates awarded

Applications for Special Examination Arrangements (SEA)



Access to information

VCAA website views

16,280,824

Victorian Curriculum F–10 Version 2.0 website views

11,464,321

e-Newsletters

20

Performance against output performance measures

School Education – Senior Secondary Reform

The School Education – Secondary output involves providing education and support services to improve student learning.

These VCAA-supported services include those to improve pathways to further education, training and employment.

Table 9 sets out performance against the 2025–26 targets.

Table 9 Key performance measures

Performance measure	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Quantity					
Number of students enrolled in a Victorian senior secondary certificate	Number	190,745	170,000	12.2	✓
This performance measure relates to the calendar year. The 2025–26 actual outcome was higher than the 2025–26 target due to senior secondary reforms having positive effects on enrolments.					
Quality					
Victorian senior secondary certificate completion rate	%	97.4	95.0	2.5	✓
This performance measure relates to the calendar year.					

Key

✓ Performance target achieved or exceeded.

○ Performance target not achieved – less than 5% variance.

■ Performance target not achieved – more than 5% variance.

Financial year review

The VCAA recorded a net surplus of $0.4 million in 2025–26. This compares with a net surplus of $0.4 million in 2024–25.

In 2025–26, the VCAA recorded expenditure of $118.6 million, representing a $5.2 million (4%) decrease from 2024–25. This follows the elevated expenditure in the prior year, which was driven by increased employee costs associated with the transition of casual staff to hourly pay rates and additional expenditure related to the rectification of the 2024 examination errors. With the full-year impact of hourly casual rates reflected in 2025-26 expenditure, the overall result reflects effective management of expenditure in a constrained funding environment.

The table below summarises financial information for 2025–26 and compares this with past years.

Table 10 Five-year financial summary

	2025–26 ($'000)	2024–25 ($'000)	2023–24 ($'000)	2022–23 ($'000)	2021–22 ($'000)
Income from government	112,467	118,318	107,395	92,836	81,276
Total income from transactions	120,317	124,091	112,852	98,506	86,732
Total expenses from transactions	118,566	123,718	99,209	97,653	87,310
Net result from transactions	1,751	373	13,643	853	(578)
Net result for the period	442	373	13,658	853	(629)
Net cash flow from operating activities	12,285	(7,315)	(8,282)	3,464	3,417
Financial assets	48,497	49,566	43,413	31,897	29,354
Total assets	51,230	52,775	48,084	37,163	36,718
Total liabilities	12,472	14,459	10,141	12,878	9,338

Section 2 Governance and organisational structure

Our structure and governance arrangements

The VCAA is primarily accountable to the Minister for Education. We are also responsible to Minister for Children, Minister for Skills and Training, and Minister for Economic Development in relation to the sections in Part 2.5 of the ETR Act for which those ministers are responsible.

Ministers

Deputy Premier, Minister for Education, Minister for WorkSafe and the TAC, and Minister for Medical Research

The Hon. Ben Carroll MP

The Hon. Ben Carroll MP was appointed as the Deputy Premier and Minister for Education in October 2023, as Minister for WorkSafe and the TAC in December 2024, and as Minister for Medical Research in April 2026.

The Minister for Education is responsible for overseeing Victoria's Education State reforms and providing education to more than a million Victorian students. This portfolio includes Victorian Government investment in school infrastructure and programs.

Deputy Leader of the Government in the Legislative Council, Minister for Children and Minister for Disability

Hon Lizzie Blandthorn MP

Hon Lizzie Blandthorn MP was appointed as the Minister for Children in October 2023. She is also the Minister for Disability.

The Minister for Children oversees Victoria's early childhood education and care system, and the delivery of the Best Start, Best Life reforms, including universally funded 3-Year-Old Kinder and more hours of 4-Year-Old Kinder.

The Minister is also responsible for driving improvements to Victoria's child protection and family services systems, with a government focus on child development and wellbeing.

Minister for Skills and TAFE and Minister for Water

The Hon. Gayle Tierney MP

The Hon. Gayle Tierney MP was the Minister for Skills and TAFE, and the Minister for Water, until April 2026. During the reporting period, the Minister for Skills and TAFE was responsible for Victoria's VET and adult community education system and played a key role in achieving the economic and social objectives of government, industry, local communities and individual learners.

Minister for Skills and TAFE, Minister for Industry and Advanced Manufacturing, and Minister for Defence Industry

Hon. Colin Brooks

Hon. Colin Brooks was appointed Minister for Skills and TAFE in April 2026 and is also the Minister for Industry and Advanced Manufacturing, and Minister for Defence Industry.

Minister for Economic Growth and Jobs, and Minister for Finance

The Hon. Danny Pearson MP

The Hon. Danny Pearson MP was the Minister for Economic Growth and Jobs and the Minister for Finance until April 2026.

Minister for Economic Growth and Jobs, Minister for Sport, and Major Events

Mr Steve Dimopoulos

Mr Steve Dimopoulos was appointed Minister for Economic Growth and Jobs in April 2026. He is also the Minister for Sport and Major Events.

VCAA Board as at 30 June 2026

Tony Bates PSM (Department of Education)

Tony Bates was appointed Chair of the VCAA Board in April 2025.

Tony Bates was Acting Secretary of the department from February 2025 until his appointment in August 2025, and a senior executive in the Victorian Public Service (VPS) for more than 25 years. As Secretary of the department Tony has responsibility for the management, oversight and delivery of the government school system in Victoria, as well as landmark reforms in early childhood education, aiming to deliver transformative social as well as economic benefits for the state.

He has a breadth of experience leading significant strategic reforms to public sector governance, corporate services, fiscal strategy and performance measurement. Previously, Tony worked at the former Department of Justice and Regulation, Department of Premier and Cabinet (DPC), Department of Treasury and Finance (DTF) and Victoria Police. Tony holds a Bachelor of Science (Honours) and Master of Science and is a member of the Australian Institute of Company Directors, and an alumnus of the Australia and New Zealand School of Government Executive Fellows Program.

Tony was awarded a Victorian Fellowship by the Institute of Public Administration Australia in 2019 and a Public Service Medal (PSM) in 2016 for outstanding public service to fiscal management in Victoria.

Professor Elizabeth Labone

Professor Elizabeth Labone was appointed to the VCAA Board in April 2025.

Professor Elizabeth Labone is the Chief Executive Officer (CEO) of the Victorian Catholic Education Authority (VCEA). As CEO, Elizabeth is responsible for the leadership, stewardship and management of the VCEA.

A highly experienced senior executive leader with extensive experience in the field of education, particularly Catholic education, Elizabeth brings expertise in learning and teaching, strategic development and stakeholder engagement with government and industry.

Having started her career as a primary school teacher, Elizabeth subsequently held several senior leadership positions over 3 decades at Australian Catholic University and the University of Notre Dame Australia, where she was most recently Deputy Vice-Chancellor (Learning and Teaching).

She has served on the National Schools Resourcing Board and is currently a board member of the Initial Teacher Education Quality Assurance Oversight Board as well as ACARA.

She has a Doctor of Philosophy and Master of Education (with Merit) from the University of Sydney and a Bachelor of Education from the University of Canberra.

Rachel Holthouse

Rachel Holthouse was appointed to the VCAA Board in April 2025.

Rachel is the CEO of Independent Schools Victoria. She has held senior appointments in the education sector for several years, the most senior being Deputy Vice-Chancellor Global Development and Vice-President at RMIT University, where she was accountable for international partnerships and RMIT's major offshore operations in Vietnam and Europe.

Before that role, she was CEO of RMIT Training, a company owned by the University, which provides pathways for international students into higher education and vocational education programs.

Rachel has experience working in and with complex organisations and operating in multi-sectoral and multi-jurisdictional contexts. Her roles involved balancing the requirements of international regulatory frameworks, such as the Ministry of Education and Training in Vietnam and Singapore's Private Education Act, with Australian regulatory frameworks, such as the *Education Services for Overseas Students Act 2000* (Cth) implemented by the Tertiary Education Quality Standards Agency and Australian Skills Quality Authority. She frequently provided advice on issues related to the delivery of programs to international students and helped inform the university's response to reforms related to this cohort.

Jane Brockington

Jane Brockington was appointed to the VCAA Board in April 2025 and chairs the VCAA's Audit and Risk Committee. Jane is a non-executive director, independent reviewer and adviser in the public and not-for-profit sectors, working across regulation, governance, integrity and transformation. Jane has a particular interest in risk as a dynamic strategic enabler that informs decisions to deliver outcomes and impact.

Jane also chairs the Audit and Risk Committee of the Department of Justice and Community Services (Vic), is a member of the Department of Treasury and Finance (Vic) Audit and Risk Committee and an independent advisor to the Victorian Conservation Regulator and Agriculture Victoria. Previously, Jane held leadership roles in the Commonwealth and Victorian public sectors.

David Sacks

David Sacks was appointed to the VCAA Board in August 2025 and chairs the People, Culture and Performance Committee.

David Sacks has over 25 years of experience driving business growth and impact. He is passionate about building and leading high performing teams that make a huge impact and drive change in performance.

David is a board member at Australian Council for Educational Research and has a Bachelor of Arts (Psychology) from the University of Melbourne.

David is an executive at St John of God Healthcare with responsibility for commercial performance.

Karen Weston

Karen Weston was appointed to the VCAA Board in August 2025.

Karen is an accomplished leader in Australian education. She has held executive early childhood leadership roles in the Victorian, South Australian and Northern Territory Departments of Education.

Karen's current role is Chief Executive Officer of Gowrie Victoria.

Professor Joanna Barbousas

Professor Joanna Barbousas was appointed to the VCAA Board in August 2025.

Professor Barbousas is Pro Vice-Chancellor, Education, Impact and Innovation and Dean of the School of Education at La Trobe University. As a transformational leader with over 29 years of experience in education, she has fundamentally reshaped both teacher education and education policy in Australia. Since joining La Trobe University in 2016, she has positioned the School of Education as a leading provider of teacher education through evidence-based innovation and sector partnerships.

Professor Barbousas' research focuses on education transformation and evidence-based practices, examining the critical role of partnerships in elevating the teaching profession. Through significant research funding, including support from the Bertalli Foundation, she has advanced evidence-informed approaches to structured learning and innovative teaching practices. Her policy expertise and research inform ministerial decisions and strategic directions in Australian education.

As founder and leader of the award-winning Nexus program, Professor Barbousas has secured over $17 million in funding through the Commonwealth Government High Achievers Teachers Program and the Victorian Government. This innovative employment-based teacher education program serves regional, rural and hard-to-staff schools across Victoria and New South Wales. She serves as a key advisor on numerous government steering committees and expert panels, continuing to drive transformative change in education policy and teacher education across Australia.

Simon Hamilton

Simon Hamilton was appointed to the VCAA Board in November 2025.

Simon is a former department executive with extensive leadership experience in management, school leadership, school improvement and extensive operations experience in both the school and the corporate sectors over 40 years before retiring in 2025. Simon's last substantive role was as Executive Director for the Bayside Peninsula Area.

Simon has led and developed many high-performing teams across strategic and operational functions. This has required high-level strategic planning skills, strong stakeholder management, project management and governance.

Simon has experience leading school transformation and major department organisational change initiatives over many years. He demonstrates strong stakeholder engagement and communication skills

across the department and the non-government sector. This has included providing high-level and expert advice to senior levels within the corporate sectors.

Simon has worked in a range of schools, as a teacher and principal, in corporate settings in rural and metropolitan contexts as an educator and in corporate roles.

Simon holds a Diploma of Teaching (Primary), a Bachelor of Education and a Master of Educational Studies, and has completed the Australian Institute of Company Directors course.

Justin Hanney

Justin Hanney was appointed to the VCAA Board in February 2026.

Justin's current role is Partner with business advisory firm, Strategy EQ. Justin previously was CEO at the City of Melbourne, City of Yarra and the Rural City of Wangaratta and held various roles with the Victorian Government including Deputy Secretary, Department of Premier and Cabinet and Head of Employment, Economic, Trade and Industry Department. Justin is a Director with Yurringa Energy, Save the Children Australia Pacific and Chair of Goulburn Murray Water.

Executive team

Chief Executive Officer

Andrew Smith

The CEO is responsible to the VCAA Board for policy and operational matters, and to the Secretary of the department for budgetary, personnel and other administrative matters.

Andrew Smith commenced as CEO of the VCAA in June 2025.

Andrew is an accomplished strategic leader with a proven track record in delivering large-scale reform in complex multi-stakeholder contexts. His leadership is marked by his ability to engender trust, build capability and pursue opportunities to innovate. He is a highly effective communicator and change agent who can progress complex reform agendas by connecting with the values and aspirations of those he leads.

Andrew's practical leadership experience and depth of theoretical insight are drawn from his time as a teacher, senior executive and CEO. He believes deeply in the value of learning and the transformative impact that education can have in people's lives.

Prior to joining the VCAA, Andrew was CEO of Education Services Australia, Vice-President (Engagement) at Swinburne University of Technology and a teacher in Victorian Government schools.

Deputy Chief Executive Officer

Ella McPherson

The Deputy CEO oversees the VCAA's operations, ensuring the smooth running of the organisation. The Deputy CEO also ensures the organisation meets its compliance and other obligations and deputises for the CEO as required.

Ella McPherson joined the VCAA in March 2025.

Ella has held a number of senior executive roles in the Victorian Public Service, including leading Communications for the Department of Health and Human Services, and Executive and Knowledge Services in the Department of Education.

She worked as the Chief Operating Officer of the Victorian School Building Authority and Assistant Deputy Secretary and COVID-19 Commander for Education during the pandemic. After this, she took on the role of Deputy Commissioner of the Victorian Public Sector Commission.

Ella holds a Master of Arts (Communications) from RMIT, and a Bachelor of Arts (Hons), Master of Business Administration and Master of Public and International Law from the University of Melbourne.

Executive Director, Assessment

Dr Kelly Jarvis

The Executive Director, Assessment is responsible for the end-to-end development, delivery and reporting of F–10 assessment, VCE examinations, GAT and NAPLAN tests. This includes the full assessment lifecycle: development of frameworks and blueprints, panel appointments, content development, editorial and design services, logistics, administration, marking, data processing, and reporting of outcomes.

Kelly was the Executive Director, Assessment and Reporting in 2025 and was appointed as the Executive Director, Assessment in January 2026. She has significant public service leadership experience across the Victorian Public Service. Kelly previously served as Deputy CEO, Schools at VRQA, overseeing school registration, review and compliance. Before then, she led the Senior Secondary Certificate Reform Division at the VCAA, where she oversaw the development of major reforms including new senior secondary certificates and curriculum.

Kelly holds a PhD in Economics from the University of Melbourne, with expertise in applied economics and public policy.

Executive Director, Curriculum

Dr Sean Butler

The Executive Director, Curriculum is responsible for the development of curriculum for children from birth to 18 and associated supporting resources. This includes leadership of Early Years, Victorian Curriculum F–10 Version 2.0, VCE, VPC, and VET delivered to school students. The division develops, implements and supports the enacting of school-level curriculum in Victoria as well as coordinating permissions and school-based assessment audits, senior secondary reform and the VCE Offshore Program.

Dr Sean Butler joined the VCAA in this role at the start of Term 1, 2026. Before then, he was principal of Preston High School and Network Chair for Darebin and Yarra Schools. In addition to his frontline educational leadership, Sean also brings public service leadership expertise as a former director in the establishment of the Victorian Academy of Teaching and Leadership, and as Director of Implementation in the department.

Sean has a PhD in Education from the University of Melbourne.

Executive Director, Corporate Services

Jake Hawley

The Executive Director, Corporate Services is responsible for providing corporate support and information services. This includes overseeing the VCAA's finance, human resources, technology applications and infrastructure, risk and assurance, and communication functions.

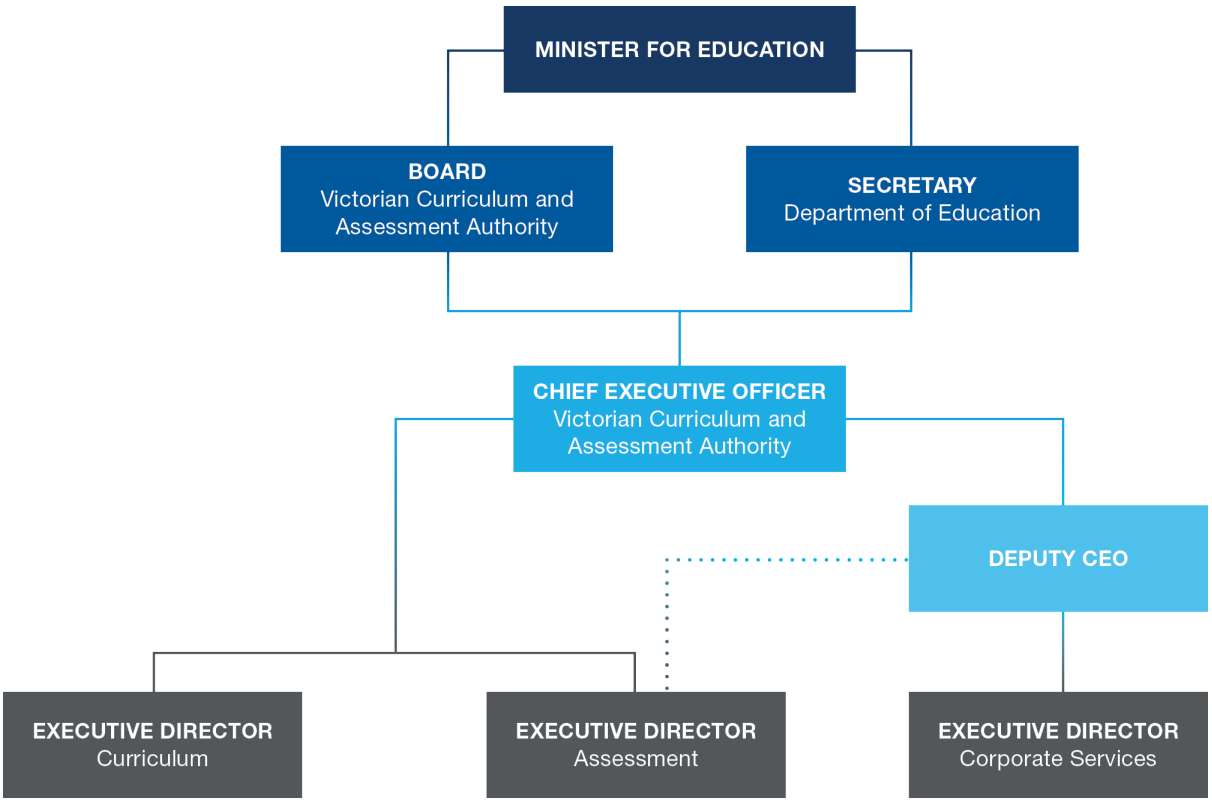
Jake Hawley joined the VCAA in November 2025. Jake has previously held the position of Executive Director, Strategy and Corporate Services at the Magistrates' Court of Victoria where he was responsible for strategy, finance and budget management, procurement, information technology, strategic communications, legal policy, data analysis, research and evaluation and Koorie strategy and engagement.

Jake has held roles in the department, including the Victorian School Building Authority and assisting with the COVID-19 response. He has also held various executive roles in Corrections Victoria at the Department of Justice and Community Safety in strategy, corporate and service reform.

Jake has a Master of Business Administration with a specialisation in strategic management from Charles Sturt University and a Bachelor of Arts from RMIT.

Organisational structure

Figure 1. Organisational structure at 30 June 2026



Governance structure

The Board of the VCAA sets the strategic direction for the organisation and is primarily accountable to the Minister for Education.

The Board is supported by the following committees.

Audit and Risk Committee

The Audit and Risk Committee (ARC) supports the VCAA Board to fulfil its governance responsibilities and obligations under the *Financial Management Act 1994* (Vic) (FMA).

ARC was established under the FMA in accordance with the Standing Directions 2018.

ARC advises the VCAA Board on governance, risk management, audit, compliance and control assurance activities.

ARC comprises the following members:

- Jane Brockington (Chair)
- Trevor Plowman, independent member
- Shannon Buckley, independent member
- Toni McGrath, independent member.

Former ARC member Stuart Alford was also on the ARC during the reporting period.

Executive Committee

The Executive Committee is constituted by the VCAA in accordance with the ETR Act.

The Executive Committee convenes as required by the VCAA. This includes between scheduled meetings of the VCAA and in instances where a quorum for a meeting of the VCAA is not available and there are matters for consideration requiring urgent decision.

The committee will, from matters arising in its proceedings, make recommendations to the VCAA Board and act under any power delegated to it by the VCAA Board.

The Executive Committee comprises the following members:

- Tony Bates PSM (Chair)
- Andrew Smith
- Jane Brockington
- Rachel Holthouse
- Elizabeth Labone.

People, Culture and Performance Committee

The People, Culture and Performance Committee (PCPC) is established to provide oversight, advice and assurance on the organisation's operational performance and reform priorities.

The PCPC monitors key operational metrics, the progress of major projects, organisational culture, stakeholder engagement, exam development and organisational reform to support sustainable delivery of strategic objectives.

The PCPC comprises the following members:

- David Sacks (Chair)
- Karen Weston
- Simon Hamilton
- Daniel Wellesley.

Education Advisory Committee

The Education Advisory Committee is cross-sectoral and established to provide independent, evidence-informed advice to the Board on emerging education trends affecting, or likely to affect, curriculum, assessment and reporting for the attention of the VCAA Board. It also provides advice on the impact of VCAA policies and practices on curriculum, assessment and reporting.

The committee ensures that the perspectives of early childhood educators, teachers and school leaders inform the Board's decision-making on emerging education trends and issues. It also provides advice relating to these perspectives about the impact of VCAA policies and practices in Victorian early childhood settings and schools.

The Education Advisory Committee comprises the following members:

- Andrew Smith (Chair)
- Amanda Ellaby, Principal, Woorranna Park Primary School, Department of Education, Schools & Regional Services Group
- Cameron Peverett, Principal, Lake Colac School, Principals Association of Specialist Schools
- Charlotte Forwood, Professor of Practice, LaTrobe University, Tertiary Sector
- Debbie Cottier, Principal, Springvale Rise Primary School, Department of Education, First Nations Schools Policy and Program Group
- Fiona Lennon, Lead Education Strategy and Curriculum, Victorian Catholic Education Authority
- John Pardy, Principal Policy Advisor, Vocational Education, Victorian Skills Authority
- Natalie Grieve, Principal, Mt Waverley North Primary School, Department of Education, Schools & Regional Services Group
- Peggy Mahy, Head of Teaching & Learning, Wesley College, Independent Schools
- Rhonda Rawlings, Principal, Dandenong Valley Special Development School, Principals Association of Specialist Schools
- Robert Pyers, Executive Principal – School Finance Management Advisor, Department of Education, Schools & Regional Services Group
- Tim Wilson, Executive Director, Curriculum and Teaching Practice, Department of Education, Schools & Regional Services Group.

Occupational health and safety

The VCAA's occupational health and safety (OHS) objectives are to:

- prevent injury or illness in the workplace
- maintain the health and wellbeing of all staff
- comply with all statutory requirements of acts, regulations, codes of practice and standards.

To fulfil these objectives, the VCAA:

- proactively ensures that the workplace is safe and free from preventable health risks
- monitors the health and wellbeing of employees and conducts risk assessments of the work environment
- assists OHS representatives to maintain their knowledge and keep abreast of any legislative changes to the *Occupational Health and Safety Act 2004* (Vic)
- develops and applies OHS policies, procedures and practices.

Major initiatives in 2025–26 included:

- continuing to review and upgrade the skills of first-aid officers
- maintaining the knowledge level of wardens through practical drills.

During the reporting period, the VCAA received no improvement or prohibition notices.

The VCAA uses the department's suite of VPS values materials to support connection with values in our everyday work.

The VCAA operates within the department's infrastructure and abides by its OHS policies and procedures. Buildings operated by the VCAA followed all department OHS policies and procedures.

See the *Department of Education Annual Report 2025–26* for performance against OHS management measures.

Employment and conduct principles

Part 2 of the *Public Administration Act 2004* (Vic) (PAA) establishes the public sector values and employment principles that apply in all VPS bodies. The principles underpin employment processes that apply to the VCAA.

Merit training

Six VCAA staff completed accreditation training during the reporting period. Since 2021, 100 staff have trained in merit-based selection procedures.

The VCAA requires someone with merit protection accreditation to be present on all recruitment selection panels.

Public sector employment principles

The VCAA applies the employment principles issued by the Victorian Public Sector Commission.

The principles define how employees can expect to be treated when applying for jobs, working together, seeking development or resolving disputes.

Section 8 of the PAA requires setting employment processes that ensure:

- employment decisions are based on merit
- public sector employees are treated fairly and reasonably
- equal employment opportunity is provided
- human rights as set out in the Charter of Human Rights and Responsibilities are upheld
- public sector employees have a reasonable avenue of redress against unfair or unreasonable treatment
- in the case of the public service, the development of a career in public service is fostered.

Section 3 Workforce data

Comparative workforce data

The following table shows the headcount and full-time equivalency (FTE) of all active public service employees, employed in the last full pay period in June of the current reporting period (June 2026) and in the last full pay period in the previous reporting period (June 2025).

Table 11 Details of employment levels in June 2026 and June 2025

	June 2026							June 2025						
	All employees		Ongoing			Fixed term/casual		All employees		Ongoing			Fixed term/casual	
	Number/ headcount	FTE	Full-time headcount	Part-time headcount	FTE	Headcount	FTE	Number/ headcount	FTE	Full-time headcount	Part-time headcount	FTE	Headcount	FTE
Gender														
Women	168	161.3	128	20	141.7	20	19.6	161	155.5	129	17	141.1	15	14.4
Men	91	90.6	81	1	81.8	9	8.8	99	97.2	84	4	86.5	11	10.6
Self-described	0	0.0	0	0	0.0	0	0.0	0	0.0	0	0	0.0	0	0.0
Age														
15–24	30	29.2	21	2	22.6	7	6.6	3	2.6	1	0	1.0	2	1.6
25–34	68	65.8	50	7.0	55.0	11	10.8	30	29.9	20	0	20.0	10	9.9
35–44	83	80.6	68	7	72.6	8	8.0	65	63.0	52	7	57.0	6	6.0
45–54	57	55.3	50	5	53.3	2	2.0	86	83.2	72	8	77.5	6	5.7
55–64	21	21.0	20	0	20.0	1	1.0	59	57.7	52	5	55.9	2	1.8
65+	0	0.0	0	0	0.0	0	0.0	17	16.2	16	1	16.2	0	0.0
Classification														
VPS 2–6 grades	250	243.0	200	21	214.0	29	28	248	240.7	201	21	215.6	26	25.0
VPS 2	4	3.8	2	1	2.8	1	1.0	6	4.5	2	2	2.9	2	1.6
VPS 3	55	51.6	36	9	42.2	10	9.4	50	47.1	36	9	42.3	5	4.8
VPS 4	47	46.6	39	1	39.6	7	7.0	45	44.1	34	3	36.2	8	7.9
VPS 5	94	91.9	76	8	81.9	10	10.0	95	93.7	80	5	83.9	10	9.8
VPS 6	50	49.0	47	2	48.0	1	1.0	52	51.3	49	2	50.4	1	0.9
Senior employees	9	9.0	9	0	9.0	0	0.0	12	12.0	12	0	12.0	0	0.0
Senior technical specialists	3	3.0	3	-	3.0	-		3	3.0	3	0	3.0	0	0.0
Senior executive service	6	6.0	6	-	6.0	-		9	9.0	9	0	9.0	0	0.0

Total employees*	259	**251.9**	**209**	**21**	**223.5**	**29**	**28.4**	**260**	**252.7**	**213**	**21**	**227.6**	**26**	**25.0**

* The VCAA workforce also includes 16 (16.0 FTE) Government Teaching Service classified staff. These staff are not included in the table above but are included in the Government Teaching Service table of the Department of Education Annual Report.

Employees have been correctly classified in workforce data collections.

The VCAA also engaged 5,595 employees on a casual or sessional basis (VCAA direct employed [non-VPS]) throughout the year.

Casual means a person who is subject to clause 25, Casual Employees – Loading of the current Victorian Public Service Enterprise Agreement, or similar clauses in other relevant agreements. It includes a person employed on a sessional basis where such provision is made under an applicable industrial agreement.

The following table discloses the annualised total salary for senior employees of the VCAA, categorised by classification. The salary amount is reported as the full-time annualised salary and includes superannuation.

Table 12 Annualised total salary, by $20,000 bands, for executives and other senior non-executive staff

Income band (salary)	Executives	Senior technical specialists
<$160,000		
$160,000–$179,000		
$180,000–$199,000		
$200,000–$219,000		1
$220,000–$239,000		2
$240,000–$259,000		
$260,000–$279,000	1	
$280,000–$299,000	1	
$300,000–$319,000		
$320,000– $339,000	1	
$340,000–$359,000	1	
$360,000–$379,000		
$380,000–$399,000	1	
$400,000–$419,000		
$420,000– $439,000		
$440,000– $459,000		
$460,000– $479,000		
$480,000–$499,000	1	
Total	**6**	3

Employee diversity, inclusion and equity

The VCAA is committed to employee diversity, inclusion and equity, in line with the department. The department is working to ensure that all staff experience respectful, safe, inclusive and equitable workplaces throughout their employment lifecycle, and that our workforce is as diverse as the Victorian community it serves.

Employee diversity, equity and inclusion outcomes are driven through a range of initiatives:

- diversity and inclusion strategies and action plans, including:
  - the Gender Equality Action Plan 2022–25
  - the Aboriginal Employment Plan 2025–29 and Dhelk Wukang 2022–2026 (Aboriginal Inclusion Plan)
  - Workforce Diversity and Inclusion Strategy 2026–2030, incorporating the department's next Gender Equality Action Plan 2026–2030
- staff networks, such as the African Australian Network, Enablers Network, Koorie Staff Network, PriDE Network and Women of Colour Network, which are sources of information and support corporate, school and Early Learning Victoria staff

- a comprehensive learning and development offering, to build staff awareness and capability in leading and contributing to diverse, equitable and inclusive workplaces
- whole-of-Victorian-government employment pathway programs and initiatives, including:
  - Barring Djinang First Peoples Workforce Development Framework Strategy: supports First Nations workforce participation and retention, including through culturally safe entry-level career pathways, fostering career growth and mobility, and career and leadership development programs
  - Getting to work: Victorian public sector disability employment action plan 2018–2025, now consolidated into the Victorian Public Sector Commission Accessibility Action Plan 2024–27, which supports workforce participation of people with disability and the department partners with the Australian Disability Network (AusDN) to host AusDN Internship Program participants
- the provision of advice and support to managers, supporting them to make reasonable adjustments to support a diverse workforce.

See the *Department of Education 2025–26 Annual Report* for the workforce inclusion targets and a report on progress towards the targets.

Executive data

For the VCAA, a member of the Senior Executive Service (SES) is defined as a person employed as an executive under Part 3 of the PAA. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The following tables disclose the SES of the VCAA for 30 June 2026:

- Table 13 discloses the total numbers of SES for the VCAA, broken down by gender
- Table 14 provides a reconciliation of executive numbers presented between the report of operations and Note 8.1 *Remuneration of executives* in the financial statements.

Table 13 Total number of SES for the VCAA, broken down by gender*

	All		Women		Men		Self-described	
Class	No.	Var.	No.	Var.	No.	Var.	No.	Var.
SES-3	1	0	0	0	1	0	-	-
SES-2	4	-1	2	-1	2	0	-	-
SES-1	1	-1	0	-1	1	0	-	-
Total	6	-2	2	-2	4	0	-	-

*Variance, denoted by 'var' refers to data as compared to those reported in the *VCAA Annual Report 2024–25*.

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 8.1 in the financial statements lists the actual number of SES and the total remuneration paid to SES over the course of the reporting period. These disclosures are reconciled below.

Table 14 Reconciliation of executive numbers

		2025–26	2024–25
	Executives (financial statement Note 8.1)	8	7
Add	Accountable Officer (Chief Executive Officer)	1	1
Less	Separations	-5	-4
Add	Recruitment	2	5
	Total executive numbers at 30 June	**6**	**9**

Section 4 Other disclosures and attestation

Local Jobs First

The *Local Jobs First Act 2003* establishes the Local Jobs First scheme, the regulations and the Local Jobs First Policy. The Local Jobs First Policy comprises the Victorian Industry Participation Policy and Major Project Skills Guarantee.

The VCAA reports on its application of Local Jobs First through the reporting of the Department of Education.

Expenditure

Government advertising expenditure

The VCAA did not run advertising campaigns in 2025–26.

Consultancy expenditure

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

In 2025–26, there were 7 consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2025–26 in relation to these consultancies is $498,611 (excluding GST).

Table 15 lists details of individual consultancies.

Table 15 Consultancies over $10,000

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure in 2025–26 (excl. GST)	Future expenditure (excl. GST)
89 Degrees East Pty Ltd	Stakeholder engagement and communications channel advisory services	1 Apr 2026	30 Sep 2026	47,250	12,625	34,625
Bevington Group	VCAA customer engagement blueprint and customer relationship management (CRM) options assessment	23 Mar 2026	29 Jun 2026	81,000	59,040	21,960
KPMG	VCAA ICT strategy and enterprise architecture	11 May 2026	31 Jul 2026	140,010	42,003	98,007
Learning First Group Pty Ltd[1]	Whole-school curriculum planning research and benchmarking	24 Mar 2025	30 Jan 2026	285,000	213,750	0
Scyne Advisory Pty Ltd	VCAA pricing review	29 Jul 2025	29 Sep 2025	103,213	103,213	0
SenateSHJ	VCAA functional design support	3 Dec 2025	24 Dec 2025	45,000	45,000	0

[1]Contract commenced in the previous financial year and was omitted in the 2024–25 financial statements.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure in 2025–26 (excl. GST)	Future expenditure (excl. GST)
The Eventful Learning Co Pty Ltd	Development of VCAA Mission and Vision	4 Nov 2025	28 Feb 2026	22,980	22,980	0

Details of consultancies (under $10,000)

The VCAA did not engage any consultancies costing less than $10,000 each in 2025–26.

Reviews and studies expenditure

In 2025–26, there were 2 reviews undertaken at a total cost of $325,237.

Table 16 Reviews and studies expenditure

Name of the review	Reasons for review/ study	Terms of reference/ scope	Timeline	Anticipated outcomes	Estimated cost for the year (excl. GST)	Final cost if completed (excl. GST)	Publicly available (Yes/No) and URL
Approach to Whole-Schools Curriculum Planning	Inform and influence the design of support resources for whole-school curriculum planning	Literature review, benchmarking Victorian and international approaches, plus case studies, annotated examples, and advice on effective whole-school curriculum planning.	March 2025–January 2026	Whole-school curriculum planning support resources and guidance reflective of national and international effective practice	$213,750	$275,737	No For internal purpose
Development of an Assessment Model for VCE VM	Inform the development of an assessment model for VCE VM studies	Expert consultation, feedback and advisory support to VCAA to develop a practical and feasible VCE VM assessment model	July 2025–March 2026	Options for an operational assessment model, tool and moderation approach, covering task design, student outputs, reporting, assessor roles, workload and audit requirements.	$50,000	$49,500	No For internal purpose

Information and communication technology (ICT) expenditure

For the 2025–26 reporting period, the VCAA had a total ICT expenditure of $16,183,085, with the details shown below.

Table 17 ICT expenditure

	2025–26 $
Business as usual (BAU) ICT expenditure	14,685,595
Total non-BAU ICT expenditure	1,497,490
Operational non-BAU expenditure	1,497,490
Capital non-BAU expenditure	–

ICT expenditure refers to the VCAA's costs in providing business enabling ICT services within the current reporting period. It comprises BAU ICT expenditure and non-BAU ICT expenditure.

Non-BAU ICT expenditure relates to extending or enhancing the VCAA'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.

Other disclosures

Disclosure of major contracts

In accordance with the requirements of Victorian Government policy and accompanying guidelines, the VCAA has disclosed all contracts with a value greater than $10 million entered into during the year ended 30 June 2026. Details of contracts are disclosed in the Victorian Government Contracts Publishing System.

Contractual details have not been disclosed for contracts where disclosure is exempted under the *Freedom of Information Act 1982* (Vic) (FOI Act) or government guidelines.

Specific contract information has not been disclosed for contracts where such information is withheld under the FOI Act or other laws or government policies.

Disclosure of procurement complaints

The VCAA did not receive any procurement complaints in 2025–26.

Disclosure of emergency procurement

The VCAA did not activate emergency procurement protocols in 2025–26.

Freedom of information

The FOI Act allows the public a right of access to documents held by the VCAA.

The purpose of the FOI Act is to extend as far as possible the right of the community to access information held by government departments, local councils, ministers and other bodies subject to the FOI Act.

An applicant has a right to apply for access to documents held by an agency. This comprises documents both created by the VCAA or supplied to the VCAA by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the VCAA is available on the VCAA's website under its Part II Information Statement.

The FOI Act allows an agency to refuse access to certain documents or information, either fully or partially. Examples of documents that may not be accessed include cabinet documents, some internal working documents, law enforcement documents, documents covered by legal professional privilege, such as legal advice, personal information about other people, information provided to an agency in confidence, and information that is confidential under another Act.

Under the FOI Act, the processing time for FOI requests received is 30 calendar days. However, when external consultation is required under sections 29, 29A, 31, 31A, 33, 34 or 35, a 15-day automatic extension applies. Processing time may also be extended by periods of up to 30 days, in consultation with the applicant. With the applicant's agreement, this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the VCAA, under section 49A of the FOI Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

To make a valid FOI application, make sure your request is in writing, clearly identifies the documents you seek, and includes the application fee, or you state the grounds for a fee waiver. There may be other access charges, e.g. for photocopying or search time. The application fee was $33.60 for the period until 30 June 2026.

Requests can be made using the application form on the VCAA website www.vcaa.vic.edu.au and emailed to vcaa.foi@education.vic.gov.au or sent by post to: The FOI Officer, Victorian Curriculum and Assessment Authority, Level 7, 200 Victoria Parade, East Melbourne, Victoria 3002.

Freedom of Information statistics

In 2025–26, the VCAA received 2 FOI applications. Both requests were from the general public.

The VCAA made 7 FOI decisions in the 12 months ended 30 June 2026.

There were 2 decisions made within the statutory time period of 30 calendar days. Of the decisions made outside this time, 2 were made within a further 45 days and 3 decisions were made in more than 45 days.

Of the 7 decisions made, one granted access in full, 3 granted access in part and 3 denied access in full. Five decisions were made after mandatory extensions had been applied or extensions were agreed upon by the applicant.

Of requests finalised, the average number of days over the statutory time of 30 calendar days to decide the request (including extended timeframes) was 76 days. Performance against statutory timeframes was affected by resourcing. In 2025–26, no requests were subject to a complaint or review by OVIC. A complaint

made in the previous year was finalised by OVIC. No requests progressed to the Victorian Civil and Administrative Tribunal.

Further information

Further information about the operation and scope of FOI is in the FOI Act, regulations made under the FOI Act and at ovic.vic.gov.au.

Compliance reporting

Compliance with the *Building Act 1993* (Vic)

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

Competitive neutrality policy

Competitive neutrality requires government businesses to ensure, where services compete or potentially compete with the private sector, that any net advantage arising solely from government ownership is accounted for if it is not in the public interest.

Government businesses that undertake significant business activities must implement competitive neutrality measures, such as setting competitive neutral prices. This accounts for any net advantage that comes from public ownership. 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 removing resource allocation distortions.

The department ensures Victoria fulfils its requirements on competitive neutrality reporting as required under the Intergovernmental Agreement on National Competition Policy and the Infrastructure Reform Agreement.

All new legislation and regulations enacted in the department's portfolios in 2025–26 were subject to a regulatory burden assessment. This, where relevant, included considering National Competition Policy principles as well as competitive neutrality, in line with applicable requirements and in consultation with Better Regulation Victoria.

Compliance with the *Public Interest Disclosures Act 2012* (Vic)

The *Public Interest Disclosures Act 2012* (Vic) encourages and assists people to make disclosures about improper conduct by public officers and public bodies. It provides protection to people who make disclosures in line with the Act and establishes a system for the matters disclosed to be investigated, and for rectifying action to be taken.

The VCAA does not tolerate improper conduct by its employees or officers, nor does it tolerate reprisals against people who come forward to disclose such conduct.

The VCAA is committed to ensuring transparency and accountability in its administrative and management practices. It is also committed to supporting people to make disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources or conduct involving a substantial risk to public health and safety or the environment.

The VCAA will take all reasonable steps to protect anyone who makes such a disclosure from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure, to the extent it is legally possible.

Reporting procedures

Under the terms of the Act, the VCAA cannot receive disclosures of improper conduct or detrimental action by the VCAA, its members, employees or officers.

Disclosures of improper conduct or detrimental action by the VCAA, its members, employees or officers must be made to the Independent Broad-based Anti-corruption Commission (IBAC):

Independent Broad-based Anti-corruption Commission
Level 3
2 Lonsdale Street
Melbourne VIC 3000

Phone: 1800 422 284

Website: ibac.vic.gov.au

Email: info@ibac.vic.gov.au (Before emailing, visit the IBAC website for information about secure email disclosure, which also allows for anonymous disclosure.)

Further information

The VCAA's public interest disclosures procedures are available online (under 'Corporate policies') at www.vcaa.vic.edu.au/about-us/what-we-do.

To request a hard copy of these procedures, write to the VCAA's Public Interest Disclosures Coordinator:

Executive Director Corporate Services
Victorian Curriculum and Assessment Authority
Level 7, 200 Victoria Parade
East Melbourne VIC 3002
Email: vcaa@education.vic.gov.au

Compliance with *Carers Recognition Act 2012* (Vic)

The VCAA has taken measures to comply with the department's obligations under the Carers Recognition Act. These include:

- referencing the Carers Recognition Act and its principles in the department's policies and induction and training programs
- flexible working arrangements and leave provisions that support *Recognising and supporting Victoria's carers: Victorian carer strategy 2025–2035*.

Compliance with the *Disability Act 2006* (Vic)

The VCAA is committed to improving accessible outcomes in curriculum, assessment, consultation, information and communication, employment and physical access to facilities.

We are guided by the department's Disability Action Plan 2023–2027.

We are dedicated to raising staff awareness of disability and improving inclusion, in partnership with the community.

In managing examinations, we ensure all students have equitable access to facilities.

Compliance with other legislation

Compliance with the *Child Wellbeing and Safety Act 2005* (Vic) and *Family Violence Protection Act 2008* (Vic)

The Child Wellbeing and Safety Act (part 6A) establishes the Child Information Sharing Scheme (CISS). The Family Violence Protection Act (part 5A) establishes the Family Violence Information Sharing Scheme (FVISS).

These schemes allow for reciprocal sharing of information by authorised service providers about children and families considered at risk. They empower first responders to make fast, informed decisions when it matters most.

The VCAA became a designated Information Sharing Entity within the schemes in April 2021. Under these schemes, in 2025, the VCAA:

- responded to 13,968 CISS and FVISS enquiries
- shared 24,451 CISS and FVISS records.

Compliance with DataVic Access Policy

Under this policy, Victorian Government departments and agencies, including the VCAA, must make data available for re-use by the public where appropriate.

The purpose of the DataVic Access Policy is:

- to enable public access to government data to support research and education, promote innovation, support improvements in productivity and stimulate growth in the Victorian economy
- to enhance sharing of, and access to, information-rich resources to support evidence-based decision-making in the public sector.

In the reporting period, the VCAA made selected data publicly available through its website. This included school-level and state-level senior secondary performance datasets.

Some VCAA datasets are not suitable for public release under the DataVic Access Policy if this would be inconsistent with privacy, confidentiality, security, or contractual or legal obligations.

Victoria's Social Procurement Framework

The Social Procurement Framework governs how the Victorian Government undertakes social procurement. The framework applies to the procurement of all goods, services and construction undertaken by, or on behalf of, entities subject to the Standing Directions 2018 under the *Financial Management Act 1994*.

The department and its portfolio entities, including the VCAA, leverage their buying power to deliver social, economic and environmental outcomes benefiting the Victorian community, the economy and the environment — above and beyond the goods, services and construction works procured.

The VCAA follows the department's Corporate Procurement Framework, including its Social Procurement Strategy.

The department's Social Procurement Strategy acknowledges existing departmental action plans for a number of social matters and seeks to align social procurement activity with the intent and goals of those plans.

Social procurement priorities

The department's strategy prioritises 5 of the Victorian Government's social procurement objectives:

- opportunities for Victorian Aboriginal people
- opportunities for Victorians with disability
- women's equality and safety
- opportunities for Victorian priority jobseekers
- environmentally sustainable outputs.

Please refer to the *Department of Education Annual Report 2025–26* for further details. This includes consolidated metrics on direct spend with social benefit suppliers by the department and its associated portfolio entities, including the VCAA.

Environmental reporting

Environmental data related to the VCAA's operations are reported in the *Department of Education Annual Report 2025–26*, as systems and processes to collect this data are managed through the department.

This data includes indicators related to energy, water and waste generated in office accommodation and indicators related to transportation, such as fleet and air travel.

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the FMA, the VCAA has provided the information listed below, in this annual report and in *VCAA Annual Report 2025–26: Additional Information*, both of which are available on the VCAA's website.

The following information is available in this annual report.

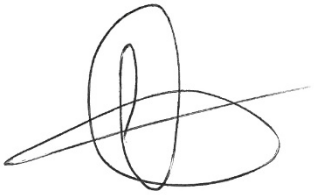
- details of assessments and measures undertaken to improve the OHS of employees, provided in the sections of this annual report titled 'Occupational health and safety'.

The following information is available in the *VCAA Annual Report 2025–26: Additional Information*.

- a statement that declares that the declaration of pecuniary interests has been duly completed by all relevant officers
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- details of publications produced by the VCAA about itself, and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the VCAA
- details of any major external reviews carried out on the VCAA
- details of major research and development activities undertaken by the VCAA
- 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 the VCAA to develop community awareness of the VCAA and its services
- a general statement on industrial relations within the VCAA and details of time lost through industrial actions and disputes
- a list of major committees sponsored by the VCAA, the purposes of each committee and the extent to which the purposes have been achieved
- details of all consultancies and contractors, including:
  - consultants and contractors engaged
  - services provided
  - expenditure committed to for each engagement.

Attestation for financial management compliance with Standing Direction 5.1.4

I, Jane Brockington, on behalf of the Responsible Body, certify that the Victorian Curriculum and Assessment Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* (Vic) and Instructions.



Jane Brockington
Chair, Audit and Risk Committee, VCAA
24 September 2026

Section 5 Financial report

How this report is structured

The VCAA 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 the VCAA's stewardship of the resources entrusted to it.

Financial statements

- Comprehensive operating statement
- Balance sheet
- Statement of changes in equity
- Statement of cash flows

Notes to the financial statements

1. About this report
   The basis on which the financial statements have been prepared and compliance with reporting regulations
2. Funding delivery of our services
   Revenue recognised in respect of operational funding and other income sources
3. The cost of delivering services
   Operating expenses of the VCAA
4. Key assets available to support output delivery
   Total property, plant and equipment
   Intangible assets
   Right-of-use assets and liabilities
5. Other assets and liabilities
   Working capital balances and other key assets and liabilities
6. How we financed our operations
   Cash flows information and balances
   Commitments for expenditure
7. Risks, contingencies and valuation judgements
   Financial instruments, contingent assets and liabilities, as well as fair value determination
8. Other disclosures and changes in accounting policy

2025 figures are as published in the VCAA Annual Report 2024–25, some rounding differences may be present.

Declaration in the financial statements

The attached financial statements for the Victorian Curriculum and Assessment Authority (VCAA) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance, under the *Financial Management Act 1994* (Vic), 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, statement of cash flows and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and the financial position of the VCAA at 30 June 2026.

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

We authorise the attached financial statements for issue on 08 October 2026.



Dr David Howes PSM

Chair
Melbourne

08 October 2026



Andrew Smith

Chief Executive Officer
Melbourne

08 October 2026



Hong Yi Ong

Chief Financial Officer
Melbourne

08 October 2026

Independent auditor's report

VAGO
Victorian Auditor-General's Office

Independent Auditor's Report

To the Board of the Victorian Curriculum and Assessment Authority

Opinion

I have audited the financial report of the Victorian Curriculum and Assessment Authority (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
- statement of cash flows for the year then ended
- notes to the financial statements, including material accounting policy information
- declaration in the 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 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.

Other information

The Board is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

The 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 a 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
13 October 2026

Kevin Chan
as delegate of the Audit-General of Victoria

2

Comprehensive operating statement

For the financial year ended 30 June 2026

	Note(s)	$ 2026	$ 2025
Continuing operations			
Revenue and income from transactions			
Funding	2.1	112,466,651	118,318,219
Interest income		554,088	775,327
Assets and services received free of charge	2.2.1	4,575,078	2,320,853
Other income (i)	2.2.2	2,721,262	2,676,592
Total revenue and income from transactions		**120,317,079**	**124,090,991**
Expenses from transactions			
Employee expenses	3.1.1(a)	81,698,883	79,333,206
Depreciation and amortisation	4.1.1	1,043,634	1,596,012
Interest expense		16,235	18,785
Grants expenses (ii)	3.1.2	8,658,325	7,369,927
Other expenses (ii)	3.1.2	22,574,085	33,079,210
Assets and services provided free of charge	2.2.1	4,575,078	2,320,853
Total expenses from transactions		**118,566,240**	**123,717,993**
Net result from transactions (net operating balance)		**1,750,839**	**372,998**
Other economic flows included in net result			
Net gain/(loss) on non-financial assets (iii)	4.2	(1,305,638)	–
Other gain/(loss) from other economic flows		(3,406)	
Total other economic flows included in net result		**(1,309,044)**	–
Net result		**441,795**	**372,998**
Comprehensive result		**441,795**	**372,998**

(i) 'Other income' includes amounts previously reported as 'Grants', within the 2026 reported figure and the 2025 comparative. Further breakdown is provided in Note 2.2.2.

(ii) 'Grant expenses' and 'Other expenses' have been reclassified according to the nature of transactions, with further breakdown provided in Note 3.1.2.

(iii) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

The above comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Balance sheet

As at 30 June 2026

	Note(s)	$ 2026	$ 2025
Assets			
Financial assets			
Cash and deposits	6.1	23,640,880	11,764,007
Receivables	5.1	24,855,648	37,802,247
Total financial assets		**48,496,528**	**49,566,254**
Non-financial assets			
Prepayments		856,236	633,900
Property, plant and equipment	4.1	1,755,315	681,939
Intangible assets	4.2	121,805	1,892,987
Total non-financial assets		**2,733,354**	**3,208,826**
Total assets		**51,229,882**	**52,775,080**
Liabilities			
Payables	5.2	4,514,963	8,502,631
Contract liabilities	5.2.1	1,033,403	996,937
Borrowings	4.3.3	1,622,645	315,609
Employee-related provisions	3.1.1(b)	5,300,579	4,643,405
Total liabilities		**12,471,590**	**14,458,582**
Net assets		**38,758,294**	**38,316,498**
Equity			
Accumulated surplus		34,059,802	33,618,006
Contributed capital		4,698,492	4,698,492
Total equity		**38,758,294**	**38,316,498**

The above balance sheet should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the financial year ended 30 June 2026

	$ Accumulated surplus	$ Contributed capital	$ Total
Balance at 1 July 2024	**33,245,009**	**4,698,492**	**37,943,501**
Net result for the year	372,998	–	372,998
Balance at 30 June 2025	**33,618,007**	**4,698,492**	**38,316,499**
Net result for the year	441,795	–	441,795
Balance at 30 June 2026	**34,059,802**	**4,698,492**	**38,758,294**

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.

Statement of cash flows

For the financial year ended 30 June 2026

	Note(s)	$ 2026	$ 2025
Cash flows from operating activities			
Receipts			
Receipts from government		125,524,730	104,371,574
Interest received		554,088	775,327
Other receipts		2,609,782	2,709,468
Total receipts		**128,688,600**	**107,856,369**
Payments			
Payments to employees		(81,383,027)	(77,490,184)
Payments of grants expenses		(7,524,571)	(5,394,004)
Interest paid		(16,362)	(18,944)
Payments to suppliers and other payments		(27,479,767)	(32,267,770)
Total payments		**(116,403,727)**	**(115,170,902)**
Net cash flows from/(used in) operating activities		**12,284,873**	**(7,314,533)**
Cash flows from investing activities			
Payments for non-financial assets		(103,218)	(117,547)
Payments for work in progress		–	(46,917)
Net cash flows from/(used in) investing activities		**(103,218)**	**(164,464)**
Cash flows from financing activities			
Repayment of principal portion of lease liabilities		(304,782)	(281,338)
Net cash flows from/(used in) financing activities		**(304,782)**	**(281,338)**
Net increase/(decrease) in cash and cash equivalents		**11,876,873**	**(7,760,335)**
Cash and cash equivalents at the beginning of the financial year		**11,764,007**	**19,524,342**
Cash and cash equivalents at the end of the financial year	6.1	**23,640,880**	**11,764,007**

The above statement of cash flows should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1. About this report

The VCAA is a statutory authority continued under the *Education and Training Reform Act 2006* (Vic) (ETR Act) and a public body under the *Financial Management Act 1994* (Vic). The VCAA directly reports to, and is primarily accountable to, the Victorian Minister for Education. The ETR Act sets out the functions and powers of the VCAA.

A description of the nature of its operations and its principal activities is included in the report of operations, which does not form part of these statements.

Its principal address is: Victorian Curriculum and Assessment Authority
Level 7, 200 Victoria Parade, East Melbourne VIC 3002

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).

These financial statements are in Australian dollars and the historical cost convention is used, unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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

Judgements, estimates and assumptions are required to be made about the financial information being presented. In preparing these financial statements, any significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed.

Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates are disclosed in the relevant notes.

These financial statements cover the VCAA as an individual reporting entity. They have been prepared on a going concern basis, refer to Note 8.6 Economic dependency.

Where necessary, changes to the presentation of comparative figures have been made for disclosure purposes.

Amounts in the financial statements have been rounded to the nearest dollar, unless otherwise stated.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (Vic), and applicable Australian Accounting Standards, 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 1060 and FRD 101.

For the purposes of preparing financial statements, the VCAA is classified as a not-for-profit entity. Where appropriate, Australian Accounting Standards applicable to not-for-profit entities have been applied.

Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

These annual financial statements were authorised for issue by the Chair of the Board on 08 October 2026.

2. Funding delivery of our services

Introduction

The VCAA's objective is to provide a trusted and coherent Victorian learning continuum, where rigorous standards and equitable pathways allow all Victorian learners to thrive.

The VCAA is predominantly funded by the Department of Education for the provision of outputs. As a statutory authority, the VCAA also derives revenue from a number of external sources, including fees related to the provision of the VCE overseas, student services, royalties and other administrative fees.

Structure

2.1 Funding

2.2 Revenue and income from transactions

2.2.1 Fair value of assets and services received free of charge

2.2.2 Other income

2.1 Funding

	$ 2026	$ 2025
Operational funding	112,466,651	118,318,219
Total funding	**112,466,651**	**118,318,219**

The VCAA has determined that the grant income included in the table above is recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities*. This grant income has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the VCAA has an unconditional right to receive cash that usually coincides with receipt of cash. On initial recognition of the asset, the VCAA recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards.

2.2 Revenue and income from transactions

2.2.1 Assets and services received free of charge

The value of the VCAA accommodation provided by the Department of Education is recognised as income from assets and services received free of charge. This is offset by expenditures for assets and services provided free of charge.

Fair value of assets and services received free of charge or for nominal consideration recognised as income	$ 2026	$ 2025
Accommodation	4,575,078	2,320,853

Fair value of assets and services provided free of charge or for nominal consideration recognised as expenditure	$ 2026	$ 2025
Accommodation	4,575,078	2,320,853

Contributions of assets and services received free of charge or for nominal consideration are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

Fair value of assets and services received and provided free of charge or for nominal consideration relates to 2 separate office spaces:

- East Melbourne, Victoria, Australia
- Coburg, Victoria, Australia

These accommodation costs provided by the Department of Education are recognised in the comprehensive operating statement as an expense and offset by accommodation services received free of charge.

2.2.2 Other income

	$ 2026	$ 2025
User charges	2,449,184	2,271,814
Royalties	118,253	134,775
Grants	–	82,246
Miscellaneous income	153,825	187,757
Total other income	**2,721,262**	**2,676,592**

User charges

User charges include revenue for student fees and charges from overseas students, and the offshore delivery of the Victorian Certificate of Education (VCE). Student assessment fees from overseas students include offshore licence fees for the delivery of the VCE.

These are determined to be classified as revenue from contracts with customers, in accordance with AASB 15, where contracts with customers that are enforceable with sufficiently specific performance obligations.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. The VCAA recognises revenue when it transfers control of a good or service to the customer, that is, when, or as, the performance obligations for the sale of goods and services to the customer are satisfied:

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.
- Revenue from the sale of goods is recognised when the goods are delivered to and have been accepted by the customer at their premises.
- Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

Customers are invoiced and revenue is recognised when the goods are delivered and accepted by customers.

For services rendered, where customers simultaneously receive and consume the services as it is provided, revenue is recognised progressively as contract assets until the customer is subsequently invoiced, in accordance with the terms of the service agreement. For other customers that are only able to consume the services when they have been completed, revenue is only recognised on completion and delivery of the services. In rare circumstances where there may be a change in the scope of services provided, the customer will be provided with a new contract for the additional services to be rendered and revenue is recognised consistent with the accounting policy above.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2.1).

3. The cost of delivering services

Introduction

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

Structure

3.1 Expenses incurred in delivery of services

3.1.1 Employee benefits

3.1.2 Other operating expenses

3.1 Expenses incurred in delivery of services

3.1.1(a) Employee benefits in the comprehensive operating statement

	$ 2026	$ 2025
Salary and wages – permanent employees [(i)] (including annual leave and long service leave)	37,835,611	36,688,276
Salary and wages – casual employees [(i)] (including long service leave)	30,479,769	29,014,272
Superannuation	7,957,002	7,380,038
Other on-costs (fringe benefits tax, payroll tax and WorkCover levy)	5,426,501	6,250,620
Total employee benefits	**81,698,883**	**79,333,206**

(i) Salary and wages for both permanent and casual employees are presented as separate categories, with comparatives restated, to provide differentiation between the two employment types within the VCAA.

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

3.1.1(b) Employee-related provisions

Annual Leave and Long Service Leave – permanent employees

As per the ETR Act, VCAA employees are recognised as employees of the Secretary of the Department of Education, where long service leave and annual leave provisions for services rendered to the reporting date, are recognised by the department. When a staff member accesses their leave entitlement, it is paid by the department and reduces the accumulated balances of the provision accounts within the department's balance sheet.

Long Service Leave – casual employees

Provision is made for benefits accruing to casual or sessional employees (non-VPS directly employed by the VCAA) in respect of long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

The long service leave liability has been estimated based on entitlements under Ministerial Order 1451 and *Long Service Leave Act 2018 (Vic),* where part-time, casual and sessional employees accrue long service leave on a pro rata basis based on days and hours worked.

For casual and sessional employees whose service had subsequently ceased, VCAA has calculated their accrued long service leave entitlements under the relevant instruments. Following confirmation with these employees, VCAA processed payments for their unused entitlements, which reduced the provision for the long service leave employee benefit.

This unconditional long service leave is disclosed as a current liability, even where the VCAA does not expect to settle the liability within 12 months. This is because the VCAA does not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

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.

	$ 2026	$ 2025
Current provisions		
Employee benefits – long service leave	4,501,719	3,818,590
Provisions related to employee benefit on-costs	798,860	824,815
Total current provisions	**5,300,579**	**4,643,405**
Total provisions for employee benefits	**5,300,579**	**4,643,405**

3.1.1(c) Superannuation contributions

As per the ETR Act, employees in the VCAA recognised as employees of the Secretary of the Department of Education are entitled to receive superannuation benefits. The VCAA contributes to both defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary.

The VCAA does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the state's net defined benefit liabilities as an administered liability on behalf of the State as the sponsoring employer. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the VCAA.

The VCAA paid superannuation contributions on behalf of eligible casual and sessional employees (non-VPS directly employed by the VCAA).

Contributions are calculated at a rate of 12 per cent (2025: 11.5 per cent) pursuant to the provisions of the *Superannuation Guarantee (Administration) Act 1992* (Cth). Total contributions made by the VCAA are included below:

	Paid contribution for the year		Contribution outstanding at year end	
	$ 2026	$ 2025	$ 2026	$ 2025
Defined contribution plans	3,525,367	3,302,633	12,010	7,802
Total	**3,525,367**	**3,302,633**	**12,010**	**7,802**

3.1.2 Other operating expenses

	$ 2026	$ 2025
Grants expenses (i)	**8,658,325**	**7,369,927**
Other expenses (i)		
Contractors and consultants	6,622,481	12,270,654
Information and communication technology	8,376,894	13,412,017
Administrative expenses	4,292,854	4,498,156
Purchase of other supplies and services	2,424,935	2,062,602
Short-term lease/rental expenses	783,271	835,781
Bad debts from transactions	73,650	–
	22,574,085	**33,079,210**
Total other operating expenses	**31,232,410**	**40,449,137**

(i) 2026 and 2025 comparative figures for 'Other operating expenses' have been reclassified to more accurately reflect the nature of each aggregated expense category.

Other operating expenses generally represent the day-to-day running costs incurred in the course of normal operations. Expenditure in 2025-26 is lower compared to 2024-25, which incurred additional expenditure to rectify the 2024 examination errors.

Grant expenses relate to reimbursement to schools for payment of supervisors who support the administration and supervision of examinations, under conditions established by the VCAA. The reimbursement includes additional costs associated with the administration of students with Special Examination Arrangements.

Other expenses include expenditure on professional services (contractors and consultants) and information technology related to the development and delivery of examinations and assessments, and other supplies

and services essential to business continuity. These are recognised as an expense in the reporting period in which they are incurred.

The following lease payments are recognised on a straight-line basis:

- Short-term leases – leases with a term of 12 months or less
- Low-value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) of no more than $10,000.

Variable lease payments that are not included in the measurement of the lease liability (that is, that do not depend on an index or a rate and are not, in substance, fixed), such as those based on performance or usage of the underlying asset, are recognised in the comprehensive operating statement (except for payments that have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occurs.

4. Key assets available to support output delivery

Introduction

The VCAA controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the VCAA for the delivery of these outputs.

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

Structure

4.1 Total property, plant and equipment

4.1.1 Depreciation and amortisation

4.1.2 Reconciliation of movements in carrying values of property, plant and equipment

4.2 Intangible assets

4.3 Right-of-use assets and liabilities

4.3.1 Leases

4.3.2 Lease assets

4.3.3 Borrowings

4.1 Total property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	$ 2026	$ 2025	$ 2026	$ 2025	$ 2026	$ 2025
Buildings (right-of-use) (i)	2,396,347	801,182	(827,333)	(556,377)	1,569,014	244,805
Vehicles (right-of-use) (i)	88,286	88,286	(39,568)	(25,017)	48,718	63,269
Plant and equipment at fair value	3,662,409	3,662,409	(3,524,826)	(3,335,461)	137,583	326,948
Work in progress – plant and equipment at cost	–	46,917	–	–		46,917
Total	**6,147,042**	**4,598,794**	**(4,391,727)**	**(3,916,855)**	**1,755,315**	**681,939**

(i) As a result of a change in FRD 104 Leases, right-of-use assets are measured at cost for the 2026 reporting period. The VCAA currently applies the cost method and there was no impact on comparative information for the reporting period 2025. For further information, refer to Note 4.3.1.

All buildings, property, plant and equipment, and other non-financial physical assets that have finite useful lives, are depreciated.

4.1.1 Depreciation and amortisation

Assets	$ 2026	$ 2025
Buildings (right-of-use)	270,956	267,061
Vehicles (right-of-use)	14,551	13,338
Plant and equipment	189,365	177,613
Intangible assets (amortisation)	568,762	1,138,000
Total	**1,043,634**	**1,596,012**

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below.

Amortisation is provided on computer software and other intangible assets. Amortisation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

Typical estimated useful lives for the different asset classes for current and prior years are included in the table below.

Asset	Useful life (years)
Plant and equipment (including computer equipment)	3–5
Intangibles	3–5
Vehicles (right-of-use)	5–10
Buildings (right-of-use)	5

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

Right-of-use assets are generally depreciated over the asset's useful life or the lease term, whichever is shorter. Where the VCAA 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.

Where items of plant and equipment have separately identifiable components, which are subject to regular replacement, those components are assigned useful lives distinct from the item of plant and equipment to which they relate.

Impairment of non-financial assets

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

During the 2026 financial year, $1.3 million of software work in progress was written off (2025: nil).

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the

difference is written off as 'other economic flows', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

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

The recoverable amount for most assets is measured at the depreciated or amortised replacement cost or the fair value (whichever is higher) less the cost to sell. When assets are held primarily to generate net cash inflows, the recoverable amount is measured at the present value of future cash flows expected from the asset or the fair value (whichever is higher) less the cost to sell.

4.1.2 Reconciliation of movements in carrying values of property, plant and equipment

	$ Buildings (right-of-use)	$ Plant and equipment at fair value	$ Vehicles (right-of-use)	$ WIP – plant and equipment at cost	$ Total
Opening balance – 1 July 2025	**244,805**	**326,948**	**63,269**	**46,917**	**681,939**
Disposals	–	–	–	(46,917)	(46,917)
Lease modification [(i)]	1,595,165	–	–	–	1,595,165
Depreciation and amortisation	(270,956)	(189,365)	(14,551)	–	(474,872)
Impairment losses	–	–	–	–	–
Closing balance – 30 June 2026	**1,569,014**	**137,583**	**48,718**	–	**1,755,315**

(i) During 2025-26, the existing building lease was extended for a five-year term, which increased the Buildings (right-of-use) balance.

4.2 Intangible assets

	$ Software at cost	$ Software work in progress	$ Total
Gross carrying amount			
Opening balance – 1 July 2025	**587,349**	**1,305,638**	**1,892,987**
Additions	103,218	–	103,218
Amortisation of intangible produced assets [(i)]	(568,762)	–	(568,762)

Impairment losses charged to net result [ii]	–	(1,305,638)	(1,305,638)
Closing balance – 30 June 2026	**121,805**	**–**	**121,805**

(i) The consumption of intangible produced assets is included in the 'depreciation and amortisation' line item, on the comprehensive operating statement.

(ii) Impairment losses are included in the line item 'net gain/(loss) on non-financial assets' in the comprehensive operating statement. During 2025-26, management decided to conclude the Student Portal project and write off the related Work-in-Progress balance.

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* are met, internally generated intangible assets are recognised at cost.

An internally generated intangible asset arising from development (or from the development phases of an internal project) is recognised if, and only if, all of the following are demonstrated:

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

Subsequent measurement

Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Intangible produced assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Produced intangible assets have useful lives of between 3 and 5 years.

Impairment of intangible assets

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

4.3 Right-of-use assets and liabilities

4.3.1 Leases

The VCAA leases a property and motor vehicles. The lease contracts are typically made for fixed periods of 3–5 years, with an option to renew the property lease at the end of the term. Lease payments for the property are renegotiated every 5 years to reflect market rental levels.

Right-of-use assets are presented as 'property, plant and equipment' and lease liabilities are presented as 'borrowings' in the balance sheet.

Future lease payments

	Minimum future lease payments[(i)]	
	$ 2026	**$ 2025**
Not longer than 1 year	384,241	298,423
Longer than 1 year but not longer than 5 years	1,441,664	17,186
Longer than 5 years	–	–
Minimum future lease payments	**1,825,905**	**315,609**
Less future finance charges	(203,260)	(8,112)
Present value of minimum lease payments	**1,622,645**	**307,497**

(i) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

For any new contracts entered into, the VCAA 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 the VCAA assesses 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 the VCAA and for which the supplier does not have substantive substitution rights
- the VCAA 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 VCAA has the right to direct the use of the identified asset throughout the period of use
- the VCAA has the right to take decisions in respect of how and for what purpose the asset is used throughout the period of use.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Changes in accounting policy

The Department of Treasury and Finance has updated FRD 104 to mandate the use of the cost model for all right-of-use assets for reporting periods ending on or after 30 June 2026. The VCAA currently applies the modified retrospective approach and there was no impact on the financial statements on transition. No impairment was identified by the VCAA for the right-of-use assets held as at 30 June 2026.

4.3.2 Lease assets

	Net carrying amount	
	$ Buildings (right-of-use)	$ Vehicles (right-of-use)
Opening balance – 1 July 2025	**244,805**	**63,269**
Disposals	–	–
Lease modification	1,595,165	–
Depreciation	(270,956)	(14,551)
Impairment losses	–	–
Closing balance – 30 June 2026	**1,569,014**	**48,718**

Initial recognition measurement

Items of property, plant and equipment are measured initially at cost 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.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvement is capitalised and depreciated over the remaining term of the lease or its estimated useful life, whichever is shorter.

Right-of-use asset – initial measurement

The VCAA recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received
- any initial direct costs incurred
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use asset – subsequent measurement

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

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

Impairment of property, plant and equipment

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

4.3.3 Borrowings

	$ 2026	$ 2025
Current borrowings		
Lease liabilities[(i)]	313,376	298,423
Total current borrowings	**313,376**	**298,423**
Non-current borrowings		
Lease liabilities[(i)]	1,309,269	17,186
Total non-current borrowings	**1,309,269**	**17,186**
Total borrowings	**1,622,645**	**315,609**

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

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

Lease liability – initial measurement

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

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

- 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
- 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 incurred. It is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments.

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

Short-term leases and leases of low-value assets

The VCAA has elected to account for short-term leases and leases of low-value assets as an expense in profit or loss on a straight-line basis over the lease term, instead of recognising a right-of-use asset and lease liability.

5. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from the VCAA's operations.

Structure

5.1 Receivables

5.2 Payables

5.2.1 Contract liabilities

5.1 Receivables

	$ 2026	$ 2025
Contractual		
Amount owing from government	23,979,017	37,037,096
Other receivables	688,505	351,042
Fee-paying international students	264,469	438,808
Total contractual receivables	**24,931,991**	**37,826,946**
Allowance for impairment loss on contractual receivables	(76,343)	(24,699)
Total receivables	**24,855,648**	**37,802,247**
Represented by:		
Current receivables	**24,855,648**	**37,802,247**

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

The VCAA does not have any statutory receivables that do not arise from contracts.

5.2 Payables

	$ 2026	$ 2025
Contractual		
Supplies and services	131,838	68,118
Accrued wages and salaries	2,462,801	1,775,744
Accrued expenses	1,885,268	5,814,433
Amounts payable to government departments	34,770	843,270
Total contractual payables	**4,514,677**	**8,501,565**
Statutory		
GST payable	286	1,066
Total payables	**4,514,963**	**8,502,631**
Represented by:		
Current payables	**4,514,963**	**8,502,631**

Contractual payables are classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the VCAA prior to the end of the financial year that are unpaid, and arise when the VCAA becomes obliged to make future payments in respect of the purchase of those goods and services.

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

The terms and conditions payable to government departments and agencies vary according to the particular agreements entered into. They are not legislative payables and not classified as financial instruments.

5.2.1 Contract liabilities

	$ 2026	$ 2025
Contract liabilities	1,033,403	996,937
Represented by:		
Current contract liabilities	1,033,403	996,937
Non-current contract liabilities	–	–

Contract liabilities relate to consideration received in advance from international students. This mainly reflects a timing difference, as annual VCAA fees are generally collected at the beginning of the school year. The balance at 30 June mainly reflects services expected to be delivered in the second half of the school calendar year.

The transaction price allocated to the remaining performance obligations relates to fees paid for future periods.

6. How we financed our operations

Introduction

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

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

Structure

6.1 Cash flows information and balances

6.2 Commitments for expenditure

6.2.1 Total commitments payable

6.1 Cash flows information and balances

For statement of cash flows presentation purposes, cash and cash equivalents include cash and deposits at call. Deposits at call are held in accordance with the Standing Direction relating to the central banking system requirements.

	$ 2026	$ 2025
Total cash and deposits at call disclosed in the balance sheet	23,640,880	11,764,007
Balance as per statement of cash flows	**23,640,880**	**11,764,007**

6.2 Commitments for expenditure

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

6.2.1 Total commitments payable

Nominal amounts	$ Less than 1 year	$ Between 1 and 5 years	$ Total
2026			
Capital expenditure commitments payable	–	–	–
Operating commitments payable	6,950,662	10,960,090	17,910,752
Total commitments (inclusive of GST)	**6,950,662**	**10,960,090**	**17,910,752**
Less GST recoverable from the Australian Taxation Office			1,628,250
Total commitments (exclusive of GST)			**16,282,502**
2025			
Capital expenditure commitments payable	–	–	–
Operating commitments payable	2,337,771	16,509,967	18,847,738
Total commitments (inclusive of GST)	**2,337,771**	**16,509,967**	**18,847,738**
Less GST recoverable from the Australian Taxation Office			1,062,295
Total commitments (exclusive of GST)			**17,785,443**

7. Risks, contingencies and valuation judgements

Introduction

The VCAA 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 provides information on financial instruments, including exposure to financial risks, as well as contingent assets and liabilities. It also provides information on items that require a higher level of judgement – for the VCAA this pertains mainly to fair value determination.

Structure

7.1 Financial instruments: specific disclosures

7.1.1 Financial instruments: net holding gain/(loss) on financial instruments by category

7.2 Contingent assets and contingent liabilities

7.3 Fair value determination

7.3.1 Fair value determination: financial assets and liabilities

7.3.2 Fair value determination: non-financial physical assets

7.1 Financial instruments: specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the VCAA's activities, certain financial assets and 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 assets

Financial assets at amortised cost

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

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

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

The VCAA recognises the following assets in this category:

- Cash and deposits
- Receivables (excluding statutory receivables).

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
- the VCAA 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
- the VCAA has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

Categories of financial liabilities

Financial liabilities at amortised cost

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

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

Derecognition of financial liabilities

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

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

7.1.1 Financial instruments: net holding gain/(loss) on financial instruments by category

	$ Carrying amount	$ Net holding gain/(loss)	$ Total interest income/ (expense)
2026			
Financial assets at amortised cost			
Cash and deposits	23,640,880	–	554,088
Receivables	24,855,648	–	–
Total financial assets at amortised cost	**48,496,528**	**–**	**554,088**
Financial liabilities at amortised cost			
Payables	4,514,677	–	–
Borrowings			
Lease liabilities	1,622,645	(304,782)	(16,235)
Total contractual financial liabilities	**6,137,321**	**(304,782)**	**(16,235)**
2025			
Financial assets at amortised cost			
Cash and deposits	11,764,007	–	775,327
Receivables	37,802,247	–	–
Total financial assets at amortised cost	**49,566,254**	**–**	**775,327**
Financial liabilities at amortised cost			
Payables	8,501,565	–	–
Borrowings			
Lease liabilities	315,609	(281,338)	(18,785)
Total contractual financial liabilities	**8,817,174**	**(281,338)**	**(18,785)**

7.2 Contingent assets and contingent liabilities

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

Contingent assets

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

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

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.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

At 30 June 2026, the VCAA had no contingent assets (nil at 30 June 2025) and no contingent liabilities (nil at 30 June 2025).

7.3 Fair value determination

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

Land, buildings, plant and equipment are carried at fair value, with the exception of right-of-use assets arising under AASB 16, which are measured using the cost model.

Fair value hierarchy

In determining fair values, a number of inputs are used.

To increase consistency and comparability in the financial statements, these inputs are categorised using the fair value hierarchy. The levels are as follows:

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

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

How this section is structured

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

- Valuation techniques
- Details of significant assumptions used in the fair value determination

7.3.1 Fair value determination: financial assets and liabilities

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions and traded in active liquid markets is determined with reference to quoted market prices
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The VCAA currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2026–27 reporting period.

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

7.3.2 Fair value determination: non-financial physical assets

Valuation techniques and significant assumptions of non-financial physical assets measured at fair value, are based on:

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian implementation guidance for not-for-profit public sector entities*. Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

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

Plant and equipment (excluding right-of-use assets) is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold, fair value is determined using the current replacement cost method.

Description of significant unobservable inputs to Level 3 valuations

Asset Category	Valuation technique	Significant unobservable inputs
Plant and equipment	Current replacement cost	Useful life

8. Other disclosures and changes in accounting policy

Introduction

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

Structure

8.1 Remuneration of executives

8.2 Responsible persons

8.3 Related parties

8.4 Remuneration of auditors

8.5 Ex-gratia expenses

8.6 Economic dependency

8.7 Subsequent events

8.8 Other accounting policies

8.9 Glossary of technical terms

8.1 Remuneration of executives

The number of VCAA 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 provides 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.

Several factors affected total remuneration payable to executives over the year, including new appointments, renegotiated contracts and retirements.

	Total remuneration	
Remuneration of executive officers (including key management personnel disclosed in Note 8.3)	**$ 2026**	**$ 2025**
Total remuneration	2,707,087	2,174,709
Total number of executives[(i)]	6	9
Total annualised employee equivalents[(ii)]	5.8	6.1

(i) The total number of executive officers includes persons who also meet the definition of key management personnel of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.3). The number represents executive officers employed as at 30 June 2026 and reconciles to the executive data disclosure reported in Table 14 of the Report of Operations.

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

8.2 Responsible persons

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

Names

The persons who held the positions of Responsible Minister and members of the governing board of the VCAA, are as follows:

Minister	Portfolio	Dates as Minister
The Hon. Ben Carroll MP	Deputy Premier Minister for Education Minister for WorkSafe and the TAC	1 July 2025 to 30 June 2026
	Minister for Medical Research	1 April 2026 to 30 June 2026
Hon Lizzie Blandthorn MP	Minister for Children Minister for Disability	1 July 2025 to 30 June 2026
Hon. Colin Brooks	Minister for Skills and TAFE Minister for Industry and Advanced Manufacturing Minister for Defence Industry	1 April 2026 to 30 June 2026
Mr Steve Dimopoulos	Minister for Economic Growth and Jobs Minister for Sport and Major Events	1 April 2026 to 30 June 2026

Accountable Officer – CEO	Dates as Accountable Officer
Andrew Smith	from 1 July 2025 to 30 June 2026

VCAA Board members (current)	Dates as member
Mr Tony Bates PSM, Chair	1 July 2025 to 30 June 2026
Professor Elizabeth Labone	1 July 2025 to 30 June 2026
Rachel Holthouse	1 July 2025 to 30 June 2026
Jane Brockington	1 July 2025 to 30 June 2026
David Sacks	6 August 2025 to 30 June 2026
Karen Weston	6 August 2025 to 30 June 2026
Professor Joanna Barbousas	6 August 2025 to 30 June 2026
Simon Hamilton	26 November 2025 to 30 June 2026
Justin Hanney	28 February 2026 to 30 June 2026

VCAA Board members (former)	Dates as member
Joshua Puls MVO	1 July 2025 to 28 November 2025
Melissa Gaddie	1 July 2025 to 7 August 2025
Sandy Carveth	1 July 2025 to 7 August 2025
Toni McGrath	1 July 2025 to 7 August 2025

Remuneration

Remuneration received or receivable by Board members, including the Accountable Officer in connection with the management of the VCAA during the reporting period, was:

	2026	2025
Total numbers	**14**	**21**
Total amount(i)	**$852,038**	**$331,669**

(i) The increase in remuneration received or receivable by Board members, including the Accountable Officer, in 2025–26 was primarily due to the Accountable Officer and Board members being remunerated by the VCAA for the full year.

Amounts relating to the ministers are excluded and reported in the State of Victoria's Annual Financial Report.

The compensation details below exclude the salaries and benefits of Mr Tony Bates, the Secretary of the Department of Education. According to the ETR Act, membership of the authority must include the Secretary of the Department or the person nominated from time to time by the Secretary; however, the Secretary's remuneration and allowances are reported within the Department of Education's Financial Report.

8.3 Related parties

The VCAA is a wholly owned and controlled entity of the State of Victoria within the education portfolio. Related parties of the VCAA include:

- all key management personnel and their close family members
- all Cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

Key management personnel of the VCAA include the Portfolio Ministers, the Secretary of Department of Education, Board members, the Accountable Officer and senior executive managers. These include:

Andrew Smith	Chief Executive Officer
Ella McPherson	Deputy Chief Executive Officer
Jake Hawley	Executive Director, Corporate Services (effective from 5 November 2025) (i)
Kelly Jarvis	Executive Director, Assessment
Sean Butler	Executive Director, Curriculum (effective from 27 January 2026) (ii)

(i) The position was occupied by Tarkan Koman from 1 July to 31 August 2025.

(ii) The position was occupied by Louise McDonald from 1 July to 24 December 2025. Susan Bell was reported as the Executive Director, Senior Secondary Certificate Reform in 2024-25, the position has ceased and responsibilities included under Executive Director, Curriculum.

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

Compensation of KMPs	$ 2026 [ii]	$ 2025
Total [i]	2,448,109	1,502,809

(i) Note that KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.1)

(ii) Values include Tarkan Koman to 31 August 2025, Richard Johnson to 10 October 2025, Louise McDonald to 24 December 2025 and Susan Bell to 6 February 2026.

Significant transactions with government-related entities

The value of transactions in the table below are between the VCAA and the Department of Education. They do not include operational or capital funding, which is disclosed in Note 2.1, however, they do include assets and resources received free of charge (Note 2.2.1).

	$ 2026	$ 2025
Revenue received	4,575,078	2,403,100
Expenditure incurred	4,248,404	4,541,621

Transactions 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, for example, stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* (Vic) and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions with the Victorian Government Procurement Board requirements.

Related party transactions with the members of the Governing Board and their related parties, which occurred during the normal course of business, apart from remuneration of Board directors, which is disclosed in Note 8.3, are listed above.

The VCAA transacts with other government-related entities in the course of performing its statutory functions. Individual transactions are not considered material for this disclosure and there is no individual impact on the VCAA's financial position or profit and loss.

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

8.4 Remuneration of auditors

	$ 2026	$ 2025
Victorian Auditor-General's Office		
Audit of the financial statements	76,400	65,000
Total remuneration of auditors	76,400	65,000

8.5 Ex-gratia expenses

As at 30 June 2026, the VCAA had not made any ex-gratia payments (nil at 30 June 2025).

8.6 Economic dependency

The VCAA is dependent on the Victorian Government, through the Department of Education, for a significant volume of its operating revenue, provision of human resources, information system support, financial facilities and ongoing financial support.

8.7 Subsequent events

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

8.8 Other accounting policies

Other non-financial assets

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services, or the payments made for services covering a term extending beyond 30 June 2026.

Foreign currency balances/transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction.

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