VCCC Alliance
Overcoming cancer together

VCCC ALLIANCE
JOINT VENTURE

ABN 84 140 233 790

Annual Financial Report
for the year ended 30 June 2023

VCCC Alliance
2023 Annual Financial Report

Table of Contents

Manager's Declaration

In the opinion of the manager of the joint venture, the VCCC Alliance Ltd:

(i) The attached financial statements of the VCCC Alliance joint venture have been prepared in accordance with the Australian Accounting Standards.

(ii) 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 2023 and the financial position of the joint venture as at 30 June 2023.

(iii) We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

(iv) There are reasonable grounds to believe that the joint venture will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of the VCCC Alliance Ltd, the manager of the joint venture.

Sanchia Aranda
Chairperson

Grant McArthur
Executive Director

Craig Zanker
Director of Finance & Corporate Services

Melbourne
14th September 2023

Independent Auditor's Report

To The Manager of the Victorian Comprehensive Cancer Centre

Opinion	I have audited the financial report of the Victorian Comprehensive Cancer Centre (the joint venture) which comprises the: • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes of equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration by the manager of VCCC joint venture - Victorian Comprehensive Cancer Centre Ltd. In my opinion the financial report presents fairly, in all material respects, the financial position of the joint venture as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the joint venture in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
The Manager's responsibilities for the financial report	The Manager of the joint venture is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and, and for such internal control as the Manager 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 Manager is responsible for assessing the joint venture's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report	As required by the *Audit Act 1994,* my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the joint venture's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager • conclude on the appropriateness of the Manager'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 joint venture'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 joint venture 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 Manager 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.

DRyan

MELBOURNE
9 October 2023

Dominika Ryan
as delegate for the Auditor-General of Victoria

VCCC Alliance
2023 Annual Financial Report

Comprehensive Operating Statement for the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue and income from transactions			
Income from member entities	2.1	1,601,138	1,565,140
Grants from Department of Health	2.1	9,401,138	9,715,140
Other grant funding	2.1	1,258,586	1,465,694
Other income	2.1	875,183	974,819
Interest income	2.1	326,490	27,746
Rental revenue	2.1	201,419	224,310
Total revenue and income from transactions		**13,663,954**	**13,972,849**
Expenses from transactions			
Project expenses			
Member employees	3	(3,588,555)	(1,959,043)
Member goods & services	3	(1,225,787)	(1,024,367)
Non-member employees	3	(1,054,784)	(594,461)
Non-member goods & services	3	(337,557)	(424,534)
		(6,206,683)	(4,002,404)
Other expenses			
Employee expenses	3.1	(6,104,970)	(5,203,895)
Operating expenses	3.1	(1,505,497)	(1,229,537)
Depreciation and amortisation expense	4.4	(98,873)	(62,965)
Total expenses from transactions		**(13,916,023)**	**(10,498,801)**
Net result from transactions (net operating balance)		**(252,069)**	**3,474,048**
Comprehensive result for the year		**(252,069)**	**3,474,048**

This statement should be read in conjunction with the accompanying notes.

VCCC Alliance
2023 Annual Financial Report

Balance Sheet as at 30 June 2023

	Note	2023 $	2022 $
Current assets			
Cash and cash equivalents	6.2	3,445,133	4,153,274
Receivables and contract assets	5.1	425,278	606,204
Other financial assets	4.1	5,000,000	4,000,000
Other non-financial assets	5.3	633,951	861,365
Total current assets		**9,504,362**	**9,620,843**
Non-current assets			
Plant and equipment	4.2(a)	109,446	131,837
Intangible assets	4.3(a)	435,861	309,772
Total non-current assets		**545,307**	**441,609**
Total assets		**10,049,669**	**10,062,452**
Current liabilities			
Payables and contract liabilities	5.2	1,110,929	1,108,837
Employee benefits	3.2	397,483	317,266
Total current liabilities		**1,508,412**	**1,426,103**
Non-current liabilities			
Payables and contract liabilities	5.2	-	50,000
Employee benefits	3.2	355,259	148,282
Total non-current liabilities		**355,259**	**198,282**
Total liabilities		**1,863,671**	**1,624,385**
Net assets		**8,185,998**	**8,438,067**
Equity			
Accumulated surplus	SCE	8,185,998	8,438,066
Total equity		**8,185,998**	**8,438,066**

This statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2023

	Accumulated surplus
	$
Balance at 1 July 2021	**4,964,018**
Net result for the year	3,474,048
Balance at 30 June 2022	**8,438,066**
Net result for the year	(252,069)
Balance at 30 June 2023	**8,185,998**

This statement should be read in conjunction with the accompanying notes.

Cash Flow Statement for the year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Receipts from member entities		1,600,238	1,526,012
Receipts from Department of Health		10,341,252	10,686,654
Other grant funding		1,709,481	1,370,859
Other income		1,312,630	916,882
Interest income		254,338	27,746
Total receipts		**15,217,939**	**14,528,153**
Payments for supplies and services		(8,838,015)	(6,627,620)
Payments for employee benefits		(5,879,020)	(4,989,775)
GST received from (payed to) ATO		(6,475)	(6,193)
Total payments		**(14,723,510)**	**(11,623,588)**
Net cash flows from/(used in) operating activities	8.1	**494,429**	**2,904,565**
Cash flows from investing activities			
Payments for non-financial assets		(202,570)	(337,619)
Receipts from /(payments to) term deposits and other deposits		(1,000,000)	(4,000,000)
Net cash flows from/(used in) investing activities		**(1,202,570)**	**(4,337,619)**
Net decrease in cash and cash equivalents		**(708,141)**	**(1,433,054)**
Cash and cash equivalents at beginning of year		4,153,274	5,586,328
Cash and cash equivalents at end of year	6.2	**3,445,133**	**4,153,274**

This statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the year ended 30 June 2023

1. Basis of preparation

These financial statements represent the audited general purpose financial statements for the VCCC Alliance joint venture for the year ended 30 June 2023. The report provides users with information about VCCC Alliance's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements and identifies the key accounting estimates and judgements.

1.1 Basis of preparation of the financial statements

These financial statements have been prepared on an accruals basis in accordance with applicable Australian Accounting Standards (AASs) issued by the Australian Accounting Standards Board (AASB), which includes other interpretations and mandatory professional reporting requirements. They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements* .

VCCC Alliance is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to "not-for-profit" entities under the AASs. AASs set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Apart from changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets.

The financial statements have been prepared on a going concern basis.

The financial statements are in Australian dollars.

The amounts presented in the financial statements have been rounded to the nearest dollar. Minor discrepancies in tables between total and sum of components are due to rounding.

The financial statements were authorised for issue by the Board of the VCCC Alliance Ltd, the manager of VCCC Alliance, on 14th September 2023.

1.2 Impact of COVID-19 pandemic

The Pandemic (Public Safety) Order 2022 (No. 5) which commenced on 22 September 2022 ended on 12 October 2022 when it was allowed to lapse and was revoked. Long-term outcomes from COVID-19 infection are currently unknown and while the pandemic response continues, a transition plan towards recovery and reform in 2022/23 was implemented. Victoria's COVID-19 Catch-Up Plan is aimed at addressing Victoria's COVID-19 case load and restoring surgical activity.

The financial impacts of the pandemic were not material to VCCC Alliance and therefore are not referenced further in the notes to the financial statements.

Notes to the Financial Statements for the year ended 30 June 2023

1.3 Abbreviations and terminology used in the financial statements

The following table sets out the common abbreviations used throughout the financial statements:

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
GST	Goods and Services Tax
SPP	Strategic Program Plan (2021-24)
DH	Department of Health
VAGO	Victorian Auditor General's Office
VCCC Alliance	Victorian Comprehensive Cancer Centre joint venture
VCCC Ltd	Victorian Comprehensive Cancer Centre Ltd

1.4 Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

These estimates and judgements are based on historical knowledge and best available current information and assume a reasonable expectation of future events. Actual results may differ.

Revisions to key estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

The accounting policies and significant management judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and relate to the following disclosures:

Note 2.1: Revenue and income from transactions
Note 3.2: Employee benefits and related on-costs
Note 4.2: Plant and equipment
Note 4.3: Intangible assets
Note 4.4: Depreciation and amortisation
Note 4.5: Impairment of assets
Note 7.4: Fair value determination

Notes to the Financial Statements for the year ended 30 June 2023

1.5 Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to VCCC Alliance and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 17: *Insurance Contracts*	Reporting periods beginning on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*	Reporting periods on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2022-5: *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*	Reporting periods on or after 1 January 2024	Adoption of this standard is not expected to have a material impact.
AASB 2022-6: *Amendments to Australian Accounting Standards - Non-Current Liabilities with Covenants*	Reporting periods on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2022-8: *Amendments to Australian Accounting Standards - Insurance Contracts: Consequential Amendments*	Reporting periods on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2022-9: *Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector*	Reporting periods on or after 1 January 2026	Adoption of this standard is not expected to have a material impact.
AASB 2022-10: *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*	Reporting periods on or after 1 January 2024	Adoption of this standard is not expected to have a material impact.

There are no other accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to VCCC Alliance in future periods.

1.6 Goods and Services Tax (GST)

Revenue, expenses, assets and liabilities are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the Balance Sheet are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis, except for the GST components of cash flows arising from investing activities which are recoverable from, or payable to the ATO. These GST components are disclosed as operating cash flows.

Commitments and contingent assets and liabilities are presented on a gross basis.

Notes to the Financial Statements for the year ended 30 June 2023

1.7 Reporting entity
The financial statements include all the controlled activities of VCCC Alliance.

Its principal address is:

Level 10, 305 Grattan Street
Melbourne, Victoria 3000

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

Notes to the Financial Statements for the year ended 30 June 2023

2. Funding delivery of our services

VCCC Alliance's overall objective is to save lives through the integration of cancer research, education and training, and patient care. VCCC Alliance is predominantly funded by grant funding and contributions from members. VCCC Alliance also receives revenue from a variety of other sources, such as conference and events, sponsorship, interest and rental revenue.

Key judgements and estimates

Key judgements and estimates	Description
Identifying performance obligations	VCCC Alliance applies significant judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criteria is met, the contract/funding agreement is treated as a contract with a customer, requiring VCCC Alliance to recognise revenue as or when the joint venture transfers promised goods or services to the beneficiaries. If this criteria is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	VCCC Alliance applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.

2.1 Revenue and income from transactions

	2023 $	2022 $
Income from transactions		
Income from member entities	1,601,138	1,565,140
Grants from Department of Health	9,401,138	9,715,140
Other grant funding	1,258,586	1,465,694
Other income	875,183	974,819
Interest income	326,490	27,746
	13,462,535	**13,748,539**
Revenue from contracts with customers		
Rental revenue	201,419	224,310
	201,419	**224,310**
Total revenue and income from transactions	**13,663,954**	**13,972,849**

How we recognise revenue and income from transactions

To recognise revenue, VCCC Alliance assesses each grant to determine whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15: *Revenue from Contracts with Customers.*

Notes to the Financial Statements for the year ended 30 June 2023

When both these conditions are satisfied, VCCC Alliance:
• identifies each performance obligation relating to the revenue
• recognises a contract liability for its obligations under the agreement
• recognises revenue as it satisfied its performance obligations, at a point in time or over time as and when services are rendered.

If a contract liability is recognised, VCCC Alliance recognises revenue in profit or loss as and when it satisfies its obligations under the contract, unless a contract modification is entered into between all parties. A contract modification may be obtained in writing, by oral agreement or implied by customary business practices.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, VCCC Alliance:
• recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138)
• recognises related amounts (being provisions, revenue or contract liabilities from a contract with a customer), and
• recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058.

This policy applies to each of VCCC Alliance's revenue streams, with information detailed below relating to VCCC Alliance's significant revenue streams:

Income from member entities
Amounts received from member entities have been recognised as income on receipt in accordance with AASB 1058.

Grants funding
Grants received do not have sufficiently specific performance obligations and therefore have been recognised as income on receipt in accordance with AASB 1058.

The VCCC Alliance executed a new multi-year grant funding agreement with the Department of Health in March 2021 to deliver a new Strategic Program Plan by mid-2024. The second full financial year under this agreement has seen an increase in expenses for the contractual delivery of elements of the plan by our members and other stakeholders, and an associated reduction in commitments and prepayments.

Other income
Amounts disclosed as other income come from varied sources and are recognised under both AASB 15 and AASB 1058 depending on the individual arrangements.

Contracted sponsorship revenue is recognised under AASB 15 as performance obligations are satisfied. Other types of income such as conference income received through a professional conference organiser, and reimbursement of expenses were no contract exists, are recognised under AASB 1058 on receipt.

Notes to the Financial Statements for the year ended 30 June 2023

Interest income
Interest income is recognised on a time proportionate basis that considers the effective yield of the financial asset, which allocates interest over the relevant period.

Rental revenue
Rental revenue relates to shared office and laboratory space in the VCCC building governed by the VCCC Alliance. The performance obligation is the provision of this space to other parties and is recognised on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the pattern of use of the underlying asset.

Notes to the Financial Statements for the year ended 30 June 2023

3. The cost of delivering our services

This section provides an account of the expenses incurred by VCCC Alliance in achieving its objective as outlined in Section 2.

Project expenses

Project expenses include payments to other entities (both members of the Alliance and non-members) for staff expenses and the provision of goods and services to support completion of collaborative research and education projects. Expenses are categorised by the nature of the expense.

Key judgements and estimates

Key judgements and estimates	Description
Classifying employee benefit liabilities	VCCC Alliance applies significant judgment when classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if VCCC Alliance does not have an unconditional right to defer payment beyond 12 months. Annual leave and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if VCCC Alliance has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	VCCC Alliance applies significant judgment when measuring its employee benefit liabilities. The joint venture applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if VCCC Alliance does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate: • an inflation rate of 4.35%, reflecting the future wage and salary levels • durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 14% and 100%. • discounting at the rate of 4.368%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Notes to the Financial Statements for the year ended 30 June 2023

3.1 Other expenses from transactions

	Note	2023	2022
		$	$
Salaries and wages		5,263,862	4,713,752
On-costs		816,938	473,145
Workcover premium		24,170	16,998
Total employee expenses		**6,104,970**	**5,203,895**
Rent expense		314,339	317,295
Communications expense		211,476	222,760
Other administrative expenses		979,682	689,482
Total other operating expenses		**1,505,497**	**1,229,537**
Depreciation and amortisation	4.4	98,873	62,965
Total depreciation and amortisation		**98,873**	**62,965**
Total other expenses from transactions		**7,709,340**	**6,496,397**

How we recognise expenses from transactions
Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Employee expenses
Employee expenses include:
• Salaries and wages (including leave entitlements, termination payments)
• On-costs
• Workcover premiums.

Operating expenses
Operating expenses generally represent the day-to-day running expenses incurred in normal operations.

Notes to the Financial Statements for the year ended 30 June 2023

3.2 Employee benefits and related on-costs

	2023 $	2022 $
Current employee benefits and related on-costs		
Annual leave		
Unconditional and expected to be settled wholly within 12 months[i]	252,984	234,641
Unconditional and expected to be settled wholly after 12 months[ii]	52,283	-
	305,267	**234,641**
Long service leave		
Unconditional and expected to be settled wholly within 12 months[i]	16,955	42,130
Unconditional and expected to be settled wholly after 12 months[ii]	20,713	-
	37,668	**42,130**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months[i]	43,553	40,495
Unconditional and expected to be settled after 12 months[ii]	10,995	-
	54,548	**40,495**
Total current employee benefits and related on-costs	**397,483**	**317,266**
Non-current employee benefits and related on-costs		
Conditional long service leave	318,373	133,578
Provisions related to employee benefit on-costs	36,886	14,704
Total non-current employee benefits and related on-costs	**355,259**	**148,282**
Total employee benefits and related on-costs	**752,742**	**465,548**

[i]The amounts disclosed are nominal amounts.

[ii]The amounts disclosed are discounted to present values.

Notes to the Financial Statements for the year ended 30 June 2023

3.2(a) Consolidated employee benefits and related on-costs

	2023 $	2022 $
Current employee benefits and related on-costs		
Unconditional annual leave entitlements	355,451	270,498
Unconditional long service leave entitlements	42,032	46,768
Total current employee benefits and related on-costs	**397,483**	**317,266**
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	355,259	148,282
Total non-current employee benefits and related on-costs	**355,259**	**148,282**
Total employee benefits and related on-costs	**752,742**	**465,548**
Attributable to		
Employee benefits	661,308	410,349
Provision for related on-costs	91,434	55,199
Total employee benefits and related on-costs	**752,742**	**465,548**

How we recognise employee benefits

Employee benefits are accrued for employees in respect of annual leave and long service leave, for services rendered to the reporting date as an expense during the period the services are delivered.

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

Annual leave

Liabilities for annual leave are recognised in the provision for employee benefits as 'current liabilities' because VCCC Alliance does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for annual leave are measured at:

- Nominal value - if VCCC Alliance expects to wholly settle within 12 months, or
- Present value - if VCCC Alliance does not expect to wholly settle within 12 months.

Long service leave

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

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

Notes to the Financial Statements for the year ended 30 June 2023

The components of this current LSL liability are measured at:
• Nominal value - if VCCC Alliance expects to wholly settle within 12 months, or
• Present value - if VCCC Alliance does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and is disclosed as a non-current liability. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in estimations, eg. bond rate movements, inflation rate movements and changes in probability factors which are then recognised as other economic flows.

Provision for on-costs related to employee benefits
Provision for on-costs such as workers compensation and superannuation are recognised separately from employee benefits.

3.3 Superannuation

How we recognise superannuation
Employees of VCCC Alliance are entitled to receive superannuation benefits and it contributes to defined contribution plans.

Defined contribution superannuation plans
In relation to defined contribution (i.e. accumulation) superannuation plan expenditure, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

Notes to the Financial Statements for the year ended 30 June 2023

4. Key assets to support service delivery

VCCC Alliance controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to VCCC Alliance to support its operating activities.

Key judgements and estimates

Key judgements and estimates	Description
Estimating useful life of plant and equipment	VCCC Alliance assigns an estimated useful life to each item of plant and equipment. This is used to calculate depreciation of the asset. VCCC Alliance reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimates.
Estimating useful life of intangible assets	VCCC Alliance assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	At the end of each year, VCCC Alliance assesses impairment by evaluating the conditions and events specific to the joint venture that may be indicative of impairment triggers. Where an indication exists, VCCC Alliance tests the asset for impairment. VCCC Alliance considers a range of information when performing its assessment, including considering: • If an asset's value has declined more than expected based on normal use • If a significant change in technological, market, economic or legal environment which adversely impacts the way VCCC Alliance uses an asset • If an asset is obsolete or damaged • If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life • If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, VCCC Alliance applies significant judgement and estimate to determine the recoverable amount of the asset.

Notes to the Financial Statements for the year ended 30 June 2023

4.1 Other financial assets

	2023 $	2022 $
Current		
Current financial assets at amortised cost		
Term deposits > 3 months	5,000,000	4,000,000
Total current financial assets	**5,000,000**	**4,000,000**
Total investments and other financial assets	**5,000,000**	**4,000,000**

How we recognise investments and other financial assets
VCCC Alliance manages its financial assets in accordance with policies approved by the Board.

Term deposits with original maturity dates of three to twelve months are classified as current, whilst term deposits with original maturity dates in excess of 12 months are classified as non-current.

4.2 Plant and equipment
4.2(a) Gross carrying amount and accumulated depreciation

	2023 $	2022 $
Leasehold improvements at fair value	72,351	72,351
Less accumulated depreciation	(35,153)	(27,918)
Total leasehold improvements at fair value	**37,198**	**44,433**
Computer equipment at fair value	198,561	178,842
Less accumulated depreciation	(130,501)	(96,331)
Total computer equipment at fair value	**68,060**	**82,511**
Office equipment at fair value	7,043	7,043
Less accumulated depreciation	(2,855)	(2,150)
Total office equipment at fair value	**4,188**	**4,893**
Total plant and equipment at fair value	**109,446**	**131,837**

Notes to the Financial Statements for the year ended 30 June 2023

4.2(b) Reconciliations of carrying amount by class of asset

	Leasehold improve-ments	Computer equipment	Office equipment	Total
Balance at 1 July 2021	46,076	64,671	5,597	116,344
Additions	5,514	54,302	-	59,816
Depreciation	(7,157)	(36,462)	(704)	(44,323)
Balance at 30 June 2022	**44,433**	**82,511**	**4,893**	**131,837**
Additions	-	27,059	-	27,059
Depreciation	(7,235)	(41,511)	(704)	(49,450)
Balance at 30 June 2023	**37,198**	**68,059**	**4,188**	**109,446**

How we recognise plant and equipment

Plant and equipment are tangible items that are used by VCCC Alliance in the supply of goods or services, or for administrative purposes, and are expected to be used during more than one financial year.

Initial recognition

Items of plant and equipment are initially measured at cost. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition.

Subsequent measurement

Items of plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable.

Fair value is determined with reference to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, or commitments made in relation to the intended use of the asset).

Further information regarding fair value measurement is disclosed in Note 7.4.

4.3 Intangible assets

4.3(a) Gross carrying amount and accumulated amortisation

	2023 $	2022 $
Website	545,340	95,540
Less accumulated amortisation	(109,479)	(60,056)
Total website	**435,861**	**35,484**
Intangible assets under construction	-	274,288
Total intangible assets	**435,861**	**309,772**

Notes to the Financial Statements for the year ended 30 June 2023

4.3(b) Reconciliations of carrying amount by class of asset

	Website	Assets under construction	Total
Balance at 1 July 2021	50,611	-	50,611
Additions	3,515	274,288	277,803
Amortisation	(18,642)	-	(18,642)
Balance at 30 June 2022	**35,484**	**274,288**	**309,772**
Additions	-	175,512	175,512
Transfer between classes	449,800	(449,800)	-
Amortisation	(49,423)		(49,423)
Balance at 30 June 2023	**435,861**	**-**	**435,861**

How we recognise intangible assets
Intangible assets represent identifiable non-monetary assets without physical substance such as our website.

Initial recognition
Purchased intangible assets are initially recognised at cost.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is also recognised at cost 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 probably future economic benefits
• the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
• the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement
Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

4.4 Depreciation and amortisation

	2023 $	2022 $
Depreciation		
Leasehold improvements	7,235	7,157
Computer equipment	41,511	36,462
Office equipment	704	704
Total depreciation	**49,450**	**44,323**

Notes to the Financial Statements for the year ended 30 June 2023

Amortisation		
Website	49,423	18,642
Total amortisation	**49,423**	**18,642**
Total depreciation and amortisation	**98,873**	**62,965**

How we recognise depreciation
All plant and equipment in excess of $1,000 that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

How we recognise amortisation
Amortisation is the systematic allocation of the depreciable amount of an asset over its useful life.

The following table indicates the expected useful lives of non-current assets on which the depreciation and amortisation charges are based.

	2023	**2022**
Leasehold improvements	10 years	10 years
Computer equipment	3 years	3 years
Office equipment	10 years	10 years
Website	5 years	5 years

4.5 Impairment of assets
How we recognise impairment
At the end of each reporting period, VCCC Alliance reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset’s carrying value exceeds its recoverable amount, the difference is written-off as an expense, unless the asset is carried at a revalued amount.

VCCC Alliance did not record any impairment losses for the year ended 30 June 2023.

Notes to the Financial Statements for the year ended 30 June 2023

5. Other assets and liabilities

This section sets out those assets and liabilities that arose from VCCC Alliance's operations.

5.1 Receivables and contract assets

	2023 $	2022 $
Current receivables and contract assets		
Contractual		
Trade receivables	286,398	531,639
Other receivables	138,880	70,077
Total contractual receivables	**425,278**	**601,716**
Statutory		
GST receivable	-	4,488
Total statutory receivables	**-**	**4,488**
Total current receivables and contract assets	**425,278**	**606,204**

How we recognise receivables

Receivables consist of:

• **Contractual receivables**, which mostly includes debtors in relation to goods and services. These receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. VCCC Alliance holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective method, less any impairment.

• **Statutory receivables** includes Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. VCCC Alliance applies AASB 9 for initial measurement of the statutory receivables and as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets* .

VCCC Alliance is not exposed to any significant credit risk exposure to any single counter-party or any group of counter-parties having similar characteristics. Trade receivables are minimal and based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

Notes to the Financial Statements for the year ended 30 June 2023

5.2 Payables and contract liabilities

	Note	2023 $	2022 $
Current payables and contract liabilities			
Contractual			
Trade creditors		182,201	560,255
Accrued salaries and wages		116,897	82,729
Accrued expenses		283,411	210,626
Contract liabilities	5.2(a)	272,500	57,125
Superannuation		151,916	118,048
Total contractual payables		**1,006,925**	**1,028,783**
Statutory			
GST payable		10,976	-
PAYG withholding payable		93,028	80,054
Total statutory payables		**104,004**	**80,054**
Total current payables and contract liabilities		**1,110,929**	**1,108,837**
Non-current payables and contract liabilities			
Contract liabilities	5.2(a)	-	50,000
Total non-current payables and contract liabilities		**-**	**50,000**
Total payables and contract liabilities		**1,110,929**	**1,158,837**

How we recognise payables and contract liabilities
Payables consist of:
• **Contractual payables**, which mostly includes payables in relation to goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to VCCC Alliance prior to the end of the financial year that are unpaid.
• **Statutory payables** includes Goods and Services Tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and are not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually 14 to 30 days.

Notes to the Financial Statements for the year ended 30 June 2023

5.2(a) Contract liabilities

	2023 $	2022 $
Opening balance of contract liabilities	107,125	150,000
Grant consideration for sufficiently specific performance obligations received during the year	272,500	100,000
Revenue recognised for the completion of a performance obligation	(107,125)	(142,875)
Total contract liabilities	**272,500**	**107,125**
Represented by		
Current contract liabilities	272,500	57,125
Non-current contract liabilities	-	50,000
	272,500	**107,125**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from grantors in relation to the SKILLED intern program and sponsors in respect of future events.

Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 2.1.

Maturity analysis of payables

Please refer to Note 7.2 for the ageing analysis of payables.

5.3 Other non-financial assets

	2023 $	2022 $
Current other non-financial assets		
Prepaid expenses	633,951	861,365
Total current other assets	**633,951**	**861,365**
Total other non-financial assets	**633,951**	**861,365**

Other assets include prepaid expenses, which represent payments in advance of receipt of goods or services or the payments made for services covering a term extending beyond that financial accounting period.

Notes to the Financial Statements for the year ended 30 June 2023

6. How we finance our operations

This section provides information on the sources of finance utilised by VCCC Alliance during its operations and other information related to financing activities of VCCC Alliance.

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

6.1 Borrowings

Leases with significantly below market terms and conditions

VCCC Alliance holds lease arrangements which contain significantly below-market terms and conditions, which are principally to enable VCCC Alliance to further its objectives. These are commonly referred to as peppercorn or concessionary lease arrangements.

The nature and terms of such lease arrangements, including VCCC Alliance's dependency on such lease arrangements is described below:

Description of leased asset	Our dependence on lease	Nature and terms of lease
Administrative office including office furniture for 31 staff on level 10 of the Victorian Comprehensive Cancer Centre at 305 Grattan St, Melbourne	The leased office space is used for running the operations of VCCC Alliance. VCCC Alliance's dependence on this lease is considered high, due to close proximity to the majority of the joint venture members.	Lease payments of $1 are required per annum, together with reimbursement for utilities. The lease commenced in 2016 and has a lease term of 25 years.
Administrative office including office furniture for 14 staff and three meeting rooms on level 13 of the Victorian Comprehensive Cancer Centre at 305 Grattan St, Melbourne	The leased office space is used for running the operations of VCCC Alliance. VCCC Alliance's dependence on this lease is considered high, due to close proximity to the majority of the joint venture members.	Lease payments of $1 are required per annum, together with reimbursement for utilities. The lease commenced in 2018 and has a lease term of 4 years, with 4 options to extend for 4 years each.

Notes to the Financial Statements for the year ended 30 June 2023

6.2 Cash and cash equivalents

	2023	2022
	$	$
Cash on hand	-	500
Cash at bank	3,445,133	4,152,774
Total cash and cash equivalents	**3,445,133**	**4,153,274**

How we recognise cash and cash equivalents

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

6.3 Commitments for expenditure

	2023	2022
	$	$
Operating expenditure commitments		
Less than one year	5,928,811	4,797,458
Longer than one year but not longer than five years	164,645	3,718,307
Total operating expenditure commitments (inclusive of GST)	**6,093,456**	**8,515,765**
Less GST recoverable from Australian Taxation Office	(553,951)	(773,630)
Total commitment for expenditure (exclusive of GST)	**5,539,505**	**7,742,135**

How we disclose our commitments

Commitments for future expenditure include operating commitments arising from contracts. These commitments are disclosed at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the Balance Sheet.

Notes to the Financial Statements for the year ended 30 June 2023

7. Risks, contingencies and valuation uncertainties

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

7.1 Financial instruments

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 VCCC Alliance's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation.*

How we categorise financial instruments

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 VCCC Alliance solely to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

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

VCCC Alliance recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables), and
- term deposits.

Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, where they are not held at fair value through net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

VCCC Alliance recognises the following liabilities in this category:

- payables (excluding statutory payables)

Notes to the Financial Statements for the year ended 30 June 2023

7.2 Financial risk management objectives and policies

Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. VCCC Alliance manages its liquidity risk by holding investments that are readily tradeable in the financial markets, and careful maturity planning of its financial obligations based on forecasts of future cash flows.

VCCC Alliance's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from cash and cash equivalents.

The following table discloses the contractual maturity analysis for VCCC Alliance's financial liabilities.

		Maturity Dates		
30 June 2023	**Carrying amount**	**Less than 1 month**	**1-3 months**	**Over 3 months**
Financial liabilities at amortised cost				
Trade creditors	182,201	182,201	-	-
Accrued salaries and wages	116,897	116,897	-	-
Accrued expenses	283,411	283,411	-	-
Contract liabilities	272,500	7,500	53,000	212,000
Superannuation	151,916	151,916	-	-
Total financial liabilities (Note 5.2)	**1,006,925**	**741,925**	**53,000**	**212,000**

		Maturity Dates		
30 June 2022	**Carrying amount**	**Less than 1 month**	**1-3 months**	**Over 3 months**
Financial liabilities at amortised cost				
Trade creditors	560,255	560,255	-	-
Accrued salaries and wages	82,729	82,729	-	-
Accrued expenses	210,626	210,626	-	-
Contract liabilities	107,125	7,125	-	100,000
Superannuation	118,048	118,048	-	-
Total financial liabilities (Note 5.2)	**1,078,783**	**978,783**	**-**	**100,000**

Ageing analysis of financial liabilities excludes statutory financial liabilities (eg. GST payable).

7.3 Contingent assets and contingent liabilities

At balance date, the Board are not aware of any contingent assets or liabilities.

How we measure and disclose 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.

Notes to the Financial Statements for the year ended 30 June 2023

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 VCCC Alliance.

These are classified as either quantifiable, where the potential economic benefit is 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 VCCC Alliance, 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.

7.4 Fair value determination
How we measure fair value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

How we measure fair value of non-financial physical assets
The fair value measurement of non-financial physical assets takes into account the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

In accordance with AASB 13 *Fair Value Measurement* paragraph 29, VCCC Alliance has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Furniture, fittings, plant and equipment (including computers and office equipment) are held at carrying amount (depreciated cost). Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2023.

Notes to the Financial Statements for the year ended 30 June 2023

8. Other disclosures

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

8.1 Reconciliation of net result for the year to net cash flows from operating activities

	Note	2023 $	2022 $
Net result for the year		(252,069)	3,474,048
Non-cash movements			
Depreciation of non-current assets	4.4	49,450	44,323
Amortisation of non-current assets	4.4	49,423	18,642
Movements in assets and liabilities			
(Increase)/Decrease in receivables and contract assets		180,925	(475,613)
(Increase)/Decrease in prepaid expenses		227,414	(776,384)
Increase/(Decrease) in payables and contract liabilities		(47,908)	581,771
Increase/(Decrease) in employee benefits		287,194	37,778
Net cash inflow/(outflow) from operating activities		**494,429**	**2,904,565**

8.2 Responsible persons disclosures

The persons who held the positions of Ministers and Accountable Officers in the joint venture are also considered key management personnel of the joint venture and are as follows:

A caretaker period was enacted during the year ended 30 June 2023 which spanned the time the Legislative Assembly expired, until the Victorian election results were clear or a new government was commissioned. The caretaker period for the 2022 Victorian election commenced at 6pm on Tuesday the 1st of November and new ministers were sworn in on the 5th of December.

Minister for Health	
The Honourable Mary-Anne Thomas	1 Jul 2022 to 30 Jun 2023
Board of Directors	
Emeritus Professor Linda Kristjanson AO (Chairperson)	1 Jul 2022 to 30 Jun 2023
Professor Sanchia Aranda AM (Deputy Chairperson)	1 Jul 2022 to 30 Jun 2023
Professor Shelley Dolan	1 Jul 2022 to 30 Jun 2023
Adjunct Professor Russell Harrison	1 Jul 2022 to 30 Jun 2023
Mr Adam Horsburgh	1 Jul 2022 to 30 Jun 2023
Professor Christine Kilpatrick AO	1 Jul 2022 to 30 Jun 2023
Dr Sue Matthews	1 Jul 2022 to 30 Jun 2023
Professor James McCluskey AO	1 Jul 2022 to 30 Jun 2023
Ms Bernadette McDonald	1 Jul 2022 to 30 Jun 2023
Ms Angela Nolan	1 Jul 2022 to 29 Jul 2022

Notes to the Financial Statements for the year ended 30 June 2023

Professor Kathryn North AC	1 Jul 2022 to 30 Jun 2023
Professor Andrew Roberts	1 Jul 2022 to 30 Jun 2023

Accountable Officer

Professor Grant McArthur	1 Jul 2022 to 30 Jun 2023

Remuneration of Responsible Persons
The number of Responsible Persons are shown in their relevant income bands:

Income Band	2023	2022
\$20,000 - \$29,999	1	1
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	1	-
\$440,000 - \$449,999	-	1
\$460,000 - \$469,999	1	-
	3	**3**

8.3 Related Parties
VCCC Alliance is a joint venture managed by VCCC Ltd and governed by a board of directors appointed by each of the members of the joint venture. An independent Chairperson and Deputy Chairperson are appointed by the Victorian Department of Health.

The following entities are equal members of the joint venture at 30 June 2023:

Melbourne Health	The Royal Children's Hospital
Peter MacCallum Cancer Institute	St Vincent's Hospital (Melbourne) Ltd
The Royal Women's Hospital	Western Health
The University of Melbourne	Austin Health
The Walter and Eliza Hall Institute of Medical Research	Murdoch Children's Research Institute

These entities, as well as the personnel listed in note 8.2 and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over), are considered related parties of the joint venture.

Key management personnel
Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of VCCC Alliance.

The personnel listed in Note 8.2 are deemed to be KMPs.

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 Department of Parliamentary Services' Financial Report.

Notes to the Financial Statements for the year ended 30 June 2023

	2023 $	2022 $
Compensation - KMPs		
Short-term employee benefits	479,713	465,454
Post-employment benefits	33,357	30,982
Other long-term benefits	38,504	27,615
Total[i]	**551,574**	**524,051**

[i]KMPs are also reported in Note 8.2 Responsible Persons.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories:

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

Post-employment benefits
Pensions and other retirement benefits (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

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

Significant joint venture transactions
VCCC Alliance received member contributions of $160,114 ($156,514 in 2021/22) from each of the joint venture members.

Transactions with KMPs and other related parties
Related parties transact with VCCC Alliance in a manner consistent with other non-related parties. Procurement processes occur on terms and conditions consistent with VCCC Alliance's purchasing policy and procedure requirements.

Transactions between VCCC Alliance and member entities are detailed below. All dealings are in the normal course of business and are on normal commercial terms and conditions, except as noted.

Notes to the Financial Statements for the year ended 30 June 2023

	2023 $	2022 $
Transactions categorised as expenditure by the VCCC Alliance		
Melbourne Health		
Two research & education leads (2022: two)	91,250	91,250
Other purchases	455	
Royal Women's Hospital		
One research & education lead (2022: nil)	12,500	-
Walter & Eliza Hall Institute of Medical Research		
Two projects (2022: two)	407,317	221,500
One research & education lead (2022: one)	75,000	20,000
Royal Children's Hospital		
One project (2022: one)	3,100	1,600
St Vincent's Hospital (Melbourne)		
Three projects (2022: two)	90,400	81,600
Western Health		
Three projects (2022: two)	65,600	69,300
One research & education lead (2022: one)	80,000	80,000
Austin Health		
Three projects (2022: two)	391,500	67,600
One research & education leads (2022: two)	20,000	40,000
Murdoch Children's Research Institute		
No projects (2022: one)	-	3,182
University of Melbourne		
IT service support[i]	1	1
Eight projects (2022: five)	2,806,852	2,219,945
Educational programs	110,877	92,439
Other purchases[ii]	-	3,957
Peter MacCallum Cancer Centre		
Office space[i]	1	1
Occupancy related expenses[ii]	321,774	326,094
One seconded staff members (2022: two)	83,004	119,195
Seven projects (2022: four)	261,777	196,162
Five research & education leads (2022: five)	232,960	291,250
	5,054,368	**3,925,076**

[i]Provided on a peppercorn basis.

[ii]Made on a cost-recovery basis.

Transactions categorised as revenue for the VCCC Alliance

VCCC Alliance also received revenue on commercial terms from the University of Melbourne of $430,730 ($559,766 in 2021/22) relating to educational programs.

Notes to the Financial Statements for the year ended 30 June 2023

8.4 Remuneration of auditors

	2023	2022
	$	$
Victorian Auditor-General's Office		
Audit of the financial statements	18,240	17,870
Total remuneration of auditors	**18,240**	**17,870**

The audit fee of the VCCC Alliance Ltd of $3,640 ($3,570 in 2021/22) is borne by VCCC Alliance and included above.

8.5 Events occurring after the balance sheet date

There are no events occurring after the balance sheet date.