



We asked for
your ideas.
You told us...

FIRST NATIONS PEOPLES | A child protection notification and referral system | Reunification Orders | Reforming the Sentencing Act | Police training about Serving outstanding warrants | Family violence-related debt issues | Reforming Registered Aboriginal Parties under the Aboriginal Heritage Act | Discretionary Under-representation of First Nations Peoples in civil abuse claims | **CHILDREN** | Extending the Independent Person Program | Reforming child pornography | Violence Protection Act | The child protection system | Repealing the serious bail laws for children | Court-based diversions | **CRIME** | A health-based res Drink spiking | Driving and medicinal cannabis | Disclosure of an STI before s Intervention Orders **FAMILY VIOLENCE** | Gaps in tenancy protections for f perpetrators | **CORONIAL INVESTIGATIONS** | Sharing information between m Reporting obligations for relevant suicide deaths to WorkSafe | **FORENSIC** Organ and tissue donation **ELDER ABUSE** | Reform to prevent and prosecute joint tenancy in elder abuse cases | Witnessing requirements | **HOMELESSNESS** | response to homelessness | **DISABILITY** | Supervised Treatment Orders **DIS** Oversight of the community housing sector | **CONSUMER ACTION** | Dome trading laws | Recovering money lost to scams | Problem gambling | **ENVIRONMENT** | The Climate Change Act | The Flora and Fauna Guarantee Act | Neighbourho **AND SAFETY** | 'Technology-neutral' driver distraction road rules | Regula **WORKERS** | WorkSafe inspections | Workplace injuries and 'gig economy' wor of police misconduct | Eliminating systemic racism | Building a justice system r Artificial Intelligence and the justice system | Technology-enabled legal and healthcare costs recovery | Whistle-blower protection | **HUMAN RIGHTS** | Revi

A residential diversion program for First Nations women | More time for Family
disability in First Nations communities | Bail reform for First Nations women
parole laws | Cautions and diversions | Independent review of deaths in custody
police powers | Bail reforms | Transitional supports for First Nations prisoners
ADREN AND YOUNG PEOPLE | Consent to hormone treatment by children
y laws | Surgical interventions on intersex babies | Reforming the Family
youth offender regime | Raising the age of criminal responsibility | Reforming
ponse to drug crime | Prohibiting strip searching and solitary confinement
ex | Filming private acts without the consent of the parties | Personal Safety
amily violence victim survivors | Misidentifying family violence victims as
ental health providers | Coronial investigations of suicides by LGBTIQ+ people
EXAMINATIONS | Forensic medical examinations of unconscious patients
elder abuse | Powers of Attorney Register | Assets-for-care cases | Severing
ISS | Abolishing offences that criminalise homelessness | Local government
CRIMINATION | Donating blood | **HOUSING** | Owners corporation regulation
stic building contracts | Collecting historical fines | Pawnbroking | Unfair
RONMENT | Creating a specialist land and environment court for Victoria
od nuisances | Fencing disputes | Regeneration of logged forests | **HEALTH**
ting the use of e-scooters | Collisions involving pedestrians and cyclists
kers | **JUSTICE SYSTEM IMPROVEMENTS** | Independent review of complaints
esponse to disasters | Government apologies | Government complaint handling
l court services | Access to departmental records in abuse cases | Tobacco
aving the Charter of Human Rights.



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What drives our enthusiasm at recommendations can contribute by showing how the law can be

***Juries: Access for People Who Are Deaf, Hard of Hearing and Low Vision*, tabled in May, is a case in point. It would allow people who are deaf, hard of hearing and low vision to serve on juries.**

Our report is another step in making sure all people with disabilities are treated as equals in our community. Our 2021 report *Improving the Justice System Response to Sexual Offences* highlighted the urgent need to address the widespread scourge of sexual offending in our community. In September 2022, Parliament passed legislation which implemented some of our key recommendations concerning affirmative consent and stealthing. These reforms move our community to a better future where consent is truly the basis for sexual engagement.

The best source of ideas for modernising the law is the people who interact with the law in their daily pursuits. Between December 2022 and March 2023 we undertook a major initiative, asking where the law needed to be reformed. The suggestions we heard will guide us in selecting future community law reform projects, providing the Attorney General with ideas for references, as well as performing our statutory function of monitoring and coordinating law reform. This project is reflected in the words on the cover of this annual report "We asked for your ideas/You told us". We held 20 consultations including with organisations representing First Nations people, seniors, young people, LGBTIQ+ people, advocates for the environment, as well as the Law Institute of Victoria, community legal centres, law firms, the

State Ombudsman and the State Coroner. So often we heard in these consultations the same yearning for social improvement that drives our work. The ideas are now recorded in *The Longlist: 77 Suggestions from the Community*, published on our website. That is now a valuable part of the jigsaw of ideas which provides a roadmap for the improvement of our legal landscape.

Our community is not alone in questioning whether the existing legal framework is providing for the needs of society. That was made plain by two events this year. I attended the Commonwealth Association of Law Reform Agencies (CALRA) conference in Goa, where delegates from England, Scotland, Northern Ireland, Malawi, Nigeria and Kenya, among others, met to discuss both ideas for law reform, and also the ways in which law reform bodies can be organised to best serve the interests of law reform. The conference, together with the Commonwealth Law Conference, which immediately followed, was a very rich source of information which I have brought back for discussions with the Commissioners, research staff, and the Commission administration.

In a similar vein, the Rt Hon. Nicholas Green, Chairman of the Law Commission of England and Wales, has initiated an online forum with a number of law

the Commission is that our ute to the transformation of society e modernised. Our report *Inclusive Hard of Hearing, Blind or Have Low It recommended changes which of hearing, blind or have low vision*

reform agencies including in Australia, Scotland, Canada, South Africa and New Zealand to discuss issues of common interest. Three such forums have been conducted this year. One value of this international outreach is to identify major law reform issues such as the use of artificial intelligence and automated decision making, a current project of the Ontario Law Commission, hate crime and hate speech, a current project of the New Zealand Law Commission, and commercial surrogacy, a recently completed project of the England and Wales Law Commission. Recognising the importance of the commonality of concerns of many jurisdictions, we decided to publish on our website references to law reform projects being conducted by agencies in other jurisdictions. They can be viewed at <https://www.lawreform.vic.gov.au/publications-and-media/roundup/>

The value of these international exchanges is very evident in our work. For instance, we have long promoted the notion that the Commission would be most efficiently utilised if it was given a program of references for the period from one election to at least the next election. That would allow for proper planning and ensure there are no gaps between references. I was interested to hear at the CALRA conference that planned programs over a number of years

is the way some law reform agencies, particularly England and Wales, and Scotland, operate.

The Commission values its relationship with the Attorney-General and her office, and with the officers of the Department of Justice and Community Safety with whom we regularly liaise. The government, including the Attorney-General, continued to be involved in the management of COVID during this year, until the pandemic declaration ended on 12 October 2022 and all associated pandemic orders ceased. Then, the Victorian state election was held on 26 November 2022. Despite the heavy demands of these events, the Attorney-General met with us regularly throughout the year.

The Stalking report was delivered to the Attorney-General on 30 June 2022. On 25 October 2022 we received terms of reference to consider the definition of recklessness in criminal law. The need to minimise such workflow gaps was a regular talking point of our meetings with the Attorney-General and with our Departmental liaison point, Executive Director David Atkinson. Unfortunately, David left the Department at the end of 2022, which for the Commission, meant losing his knowledge of our workflow issues. Marian Chapman, the Deputy Secretary, became our liaison point in January 2023. Although some momentum

was lost on the departure of David Atkinson, Marian was quickly across the issue and has been very responsive and positive in our interactions with her. We look forward to advancing the issue with her.

The workload of the Commissioners was in marked contrast to the previous year when they signed off on the nearly 600 pages of the report *Improving the Justice System Response to Sexual Offences* as well as the final report of the Stalking reference. Until the Recklessness reference commenced in October 2022 the only extant inquiry was the community law reform project on Inclusive Juries.

Over the year the Commissioners continued in the collegiate and collaborative spirit which has characterised their work as long as I have been Chair. I continue to be grateful for their conscientious and high-quality input into our reports, and their ever willingness to assist the research teams in providing helpful direction for their work. In view of the outstanding harmony in the way the Commissioners operate, I was glad that the government accepted my advice to reappoint Jennifer Coate AO, Bernadette McSherry, Dan Nicholson, and Liana Buchanan this year.

The community law reform team led by Emma Cashen and supported by Phoebe Lindner had a very busy year. First, they



Representatives of international law reform agencies at the 2023 CALRA conference in Goa, India.

produced the *Inclusive Juries* report, and then moved into the 20 consultations which resulted in the *Longlist* of issues identified by the community as needing law reform (see page 21). The *Inclusive Juries* report is a high-quality examination of the key discrimination issue which should support reform both in the specific area of jury service and also beyond in the years to come. Emma and Phoebe are a very hard-working and talented team.

Emma Larking has been with the Commission as a senior research and policy officer from January 2019 and has worked on several important reports including *Committals*, *Improving the Justice System Response to Sexual Offences*, and *Stalking*. On 1 August 2022, we offered her an ongoing position as part of the process of developing a core staff of experienced and excellent researchers. She was almost immediately appointed as acting team leader for the new Recklessness reference pending the appointment of a new team leader. In that capacity, Emma completed the consultation paper phase of the reference, and continued as a senior research and policy officer on that team.

Then, in December 2022, we recruited Kathryn Terry to lead the Recklessness team, and soon after we recruited Liz Margarolis as a senior research and policy officer on that team. Marcus Hickleton, who has previously worked as a research assistant on earlier references, is working part-time as a research and policy officer on the Recklessness team. Their enquiry is well advanced, and it is a delight to see a happy and well-functioning team moving efficiently through the process.

Nick Gadd, the Communications Manager, continues to provide the Commission with his broad experience and acute sense of the communications environment, which calls on the need to pivot in the face of

an ever-changing environment. He has been a tower of strength to me in dealing with the media. The graphics used in the Commission publications are a source of great pride for which Nick, through his contact with Stephen Banham of the design studio Letterbox, is responsible. Information and communications officer Gemma Walsh left the Commission in January. Gemma had been with the Commission for seven years and provided great research and library expertise. In addition, she was a regular star of the Commission podcasts. In her place we welcome Natalie Young who commenced in May.

Jeniffer Joyner, the Finance and Office Manager, assisted by Monika George, continues to attend to the budget and to meet the requirements of the auditors and the Audit and Risk Management Committee, as well as ensuring everyone is happy with their computers and equipment. She does it all with endless good cheer. Monika is also my Executive Assistant. She has contributed enormously to an expansion of my computer skills but is always there when those skills are exhausted. Her smiley disposition makes life in the office a pleasure for me and those around her. Because Monika comes from India and speaks Hindi she was a great help in arranging for my trip to the Commonwealth Association of Law Reform agencies in Goa in March.

Finally, a special acknowledgement is due to Merrin Mason, our CEO. She is truly the centre of the wheel. She holds a store of corporate knowledge gathered over 13 years of service to the Commission. Merrin provides guidance whether the question relates to staffing, to governance, to dealing with Commissioners, to the budget, to government, and, this year, even to the intricacies of renewing the lease of the Commission premises. I have

benefited from the patient and wise way in which Merrin has shared this knowledge. Merrin has also navigated the Commission through the challenges of COVID and the aftermath. That has meant a significant change in the way we work. Almost all staff now work from home for part of the week, the office is closed on Friday, and some staff positions have become redundant.

Lastly I would like to thank our major funder the Victorian Legal Services Board (VLSB) and Commissioner which this year provided an increase in our funding specifically for our community law reform program. The report on that program within this annual report explains the details of the increased support. We are especially grateful to the VLSB and Commissioner for their assistance in continuing to develop this important aspect of our work.

The Hon. Anthony North KC
Chair
Victorian Law Reform Commission

The Victorian Law Reform Commission is the central agency for law reform in Victoria. It is a statutory authority, established under the *Victorian Law Reform Commission Act 2000*.

The Commission aims to make a significant contribution to maintaining and further developing a just, inclusive and accessible legal system for all Victorians.

The Commission is funded by the Victorian Government and the Victorian Legal Services Board. The Commission's work is independent of the political process.

The Commission is committed to inclusive law reform. It consults with the community and advises the Attorney-General on how to reform Victorian laws.

When the Commission carries out a law reform inquiry, it consults with people who are affected, and especially targets:

- > people in regional and remote communities
- > First Nations people
- > people from culturally and linguistically diverse backgrounds
- > people with disabilities.

The Commission reports to the Attorney-General on completion of an inquiry, making practical, innovative recommendations that aim to make the law fairer, more up-to-date and more accessible to everyone.

The functions of the Commission

Under section 5(1) of the *Victorian Law Reform Commission Act 2000 (Vic)*, the functions of the Commission are:

- (a) to examine, report and make recommendations to the Attorney-General on any proposal or matter relating to law reform in Victoria that is referred to the Commission by the Attorney-General;
- (b) to examine, report and make recommendations to the Attorney-General on any matter that the Commission considers raises relatively minor legal issues that are of general community concern if the Commission is satisfied that the examination of that matter will not require a significant deployment of the resources available to the Commission;
- (c) to suggest to the Attorney-General that a proposal or matter relating to law reform in Victoria be referred to the Commission by the Attorney-General;
- (d) to monitor and co-ordinate law reform activity in Victoria;
- (e) to undertake educational programs on any area of the law relevant to a reference, whether past or current.

PURPOSE

TO MAKE A SIGNIFICANT CONTRIBUTION TO A JUST, INCLUSIVE AND ACCESSIBLE LEGAL SYSTEM FOR ALL VICTORIANS

PRINCIPLES

INCLUSIVE

INDEPENDENT

INN

VALUES

INTELLECTUAL RIGOUR

**BALANCED
DECISION MAKING**

REC

OBJECTIVES

**QUALITY LAW
REFORM REPORTS**

Production of high quality, authoritative, and timely law reform reports

**PUBLIC AND
PROFESSIONAL
REPUTATION**

An excellent reputation for rigorous and comprehensive research, extensive community and stakeholder consultation, and for providing robust, impartial and independent advice

**PUBLIC ENGAGEMENT
AND EDUCATION**

Enhancing the public's understanding of law reform, educating students, identifying areas for law reform and increasing contributions to the law reform process

NOVATIVE

COGNITION OF DIVERSITY

EFFECTIVE COMMUNICATION

ETHICAL EMPLOYER

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ACCESS FOR PEOPLE FROM DIVERSE BACKGROUNDS

Encourage and support people from diverse and/or disadvantaged communities to participate in law reform projects

SHARING LAW REFORM INFORMATION

Maintain relationships with other bodies involved in law reform in Victoria, monitoring and reporting on law reform activities

ETHICAL EMPLOYER

A safe and productive workplace and a fair, respectful, and satisfying work environment



The Commission

Chair

With a distinguished career spanning 45 years, the **Hon. Anthony North KC** is a former judge of the Federal Court and the Supreme Court of the Australian Capital Territory. Admitted to the Victorian Bar in 1976, he was appointed Queen's Counsel in 1989. In 1995, Mr North was made judge of the Federal Court of Australia, where he served until his retirement in 2018. He also served, from 2004, as additional judge of the Supreme Court of the ACT. During his time as judge, Mr North presided over cases involving constitutional and commercial law, industrial and employment law, taxation, intellectual property and native title. He holds a Bachelor of Arts and Bachelor of Laws with Honours from the University of Melbourne and a Master of Laws from the University of London.

The Commissioners

Liana Buchanan has been Victoria's Principal Commissioner for Children and Young People since 2016. She was formerly the Executive Officer of the Federation of Community Legal Centres and was also responsible for monitoring and review of the Victorian corrections system as Director, Office of Correctional Services Review from 2009 to 2013. Ms Buchanan has worked as a community lawyer and in a range of law reform and legal policy roles, including at the Women's Legal Service (SA), the Equal Opportunity Commission, the Victorian Law Reform Commission and as senior adviser to the Secretary, Department of Justice. She was first appointed to the Victorian Law Reform Commission in February 2015.

The Hon. Jennifer Coate AO has held a number of judicial appointments over the last 27 years, including Magistrate, Deputy Chief Magistrate, the inaugural President of the Children's Court of Victoria, Judge of the County Court of Victoria, and the first female State Coroner of Victoria. In January 2013, Justice Coate was appointed a judge of the Family Court of Australia and thereafter released onto the Royal Commission into Institutional Responses to Child Sexual Abuse, where she served as one of six Commissioners for the five years of that Royal Commission. Ms Coate has previously held positions as a part-time Victorian Law Reform Commissioner, a solicitor in private practice, a solicitor for the Legal Aid Commission of Victoria and a legal policy officer in the Attorney-General's office of the Victorian Government. In October 2014, she was appointed as a Fellow of Monash University. In January 2019, she was made an Officer of the Order of Australia. In April 2020, she was appointed as the Chair of the Victorian Victims of Crime Consultative Committee. In 2020, Ms Coate conducted an Inquiry into Hotel Quarantine in Victoria. She was appointed to the Victorian Law Reform Commission in June 2020 and reappointed for four years in July 2022.



Kathleen Foley SC is a barrister with a broad practice spanning public law, commercial law and common law. She also has a significant public interest litigation practice, representing clients in environmental, police tort and human rights cases. In addition to her work as a barrister, Kathleen is a writer and gender equality advocate. Prior to commencing at the Victorian Bar, Kathleen worked as an attorney in New York and as a solicitor in the government sector in Western Australia. She was appointed to the Victorian Law Reform Commission in November 2020.

Bruce Gardner PSM was until 2018 the Senior Legal Advisor to the Victorian Director of Public Prosecutions. He had 36 years' experience in the Crown Solicitor's Office and the Office of Public Prosecutions as a prosecution solicitor. Since 1994, Mr Gardner held a range of policy-related positions including Manager of Policy and Advice for 21 years, for 14 years of which he was also Manager of Appeals. Mr Gardner has served on numerous committees and working groups addressing criminal law reform issues. He was appointed as a Commissioner of the Victorian Law Reform Commission in April 2012 and in June of the same year was awarded an Australian Public Service Medal for outstanding public service to criminal law reform. He served as Acting Chair of the Commission from March 2019 to August 2019.

Emeritus Professor Bernadette McSherry holds an honorary position in the Melbourne Law School, having served as the Foundation Director of the Melbourne Social Equity Institute at the University of Melbourne from 2013 to mid-2021. She is an internationally recognised legal academic in the fields of criminal law and mental health law and is a Fellow of the Academy of Social Sciences in Australia

as well as a Fellow of the Australian Academy of Law. Professor McSherry served as a Legal Member of the Victorian Mental Health Tribunal for 18 years until mid-2018 and was a Commissioner serving on the Royal Commission into Victoria's Mental Health System. She was appointed to the Victorian Law Reform Commission in June 2018 and reappointed for four years in July 2022.

Dan Nicholson is the Executive Director, Criminal Law at Victoria Legal Aid (VLA), responsible for the delivery of legally aided criminal law services across the state. Dan has worked with VLA since 2012 in a range of roles including as Executive Director, Civil Justice, Access and Equity. He previously managed the Human Rights Unit at the Victorian Department of Justice, was Associate to Justice Maxwell, President of the Court of Appeal and worked at Fitzroy Legal Service. He has worked on a range of human rights issues and lived in Cambodia and Timor-Leste. He was appointed as a Director of the Sentencing Advisory Council in February 2021. Dan was appointed to the Victorian Law Reform Commission in September 2018 and reappointed for four years in September 2022.

Gemma Varley PSM was Chief Parliamentary Counsel for Victoria from 2008 until 2016. She was Second Deputy Chief Parliamentary Counsel from 2004 until 2008 and has more than 37 years' experience as a legislative drafter in the Office of the Chief Parliamentary Counsel. She is in private practice as a consulting legislative drafter. In 2017 she was awarded a Public Service Medal for outstanding public service through the drafting of legislation in Victoria. Mrs Varley was appointed to the Victorian Law Reform Commission in August 2016.

Dr Vivian Waller was admitted to legal practice in 1995. She is the Director and Managing Partner of law firm Waller Legal. She has more than 28 years' experience representing survivors of institutional child sexual abuse including litigation in the Supreme Court of Victoria and the High Court of Australia. She has assisted thousands of sexual abuse survivors obtain compensation in claims against religious institutions, public and private schools, orphanages and children's homes. Dr Waller was instrumental in the Royal Commission into Institutional Responses to Child Sexual Abuse where she represented 20 survivor witnesses in case studies inquiring into the Archdiocese of Melbourne, Victorian State Wards, Yeshiva Bondi and Melbourne, Catholic Church Authorities in Ballarat and the Criminal Justice System. She has written submissions for the Royal Commission into Institutional Responses to Child Sexual Abuse and appeared before the Senate Committee in relation to the establishment of the National Redress Scheme. Dr Waller represented, on a pro bono basis, the complainant "Witness J" in the criminal prosecution and appeals process in relation to allegations against Cardinal George Pell. She holds a Doctorate in Law from the University of Melbourne, and a Bachelor of Laws and Bachelor of Arts (Honours) from Monash University. Dr Waller was appointed to the Victorian Law Reform Commission in November 2020.

The Year In Review

Objectives

Results

To produce high-quality, authoritative and timely law reform reports with recommendations that are practical, implementation-focussed and embrace innovative solutions to complex legal and policy issues

The following reports were completed during 2022–23:

- > *Inclusive Juries—Access for People Who Are Deaf, Hard of Hearing, Blind or Have Low Vision: Report* (delivered July 2022, tabled in Parliament May 2023)
- > *Stalking: Final Report*, which was delivered at the end of the previous financial year, was tabled in Parliament and published this year.

To maintain a reputation for rigorous legal research, extensive community and stakeholder consultation, and robust, impartial and independent advice to the government

We carried out extensive research and consultations with the community and stakeholders for our inquiry into Recklessness and in the development of *The Law Reform Longlist*.

To enhance public understanding of law reform, encouraging informed community debate on key issues, identifying areas of general community concern and increasing contributions to the law reform process

The Commission's work was reported widely in the media, including TV, radio, print and online.

The Commission received 21 formal community law reform suggestions and 77 proposals for *The Law Reform Longlist*.

We published two episodes of our podcast, 'Old Law, New Law'.

We made a gradual return to in-person presentations at schools, university careers events and conferences to inform the community about law reform. 18 presentations were made during the year and our resources for students were downloaded more than 3,600 times.

Encourage and support people from diverse and/or disadvantaged communities to participate in law reform

The Commission consulted with people from disadvantaged communities, including regional Victorians, for current projects.

The Commission's current and recent publications are published on its website in accessible html versions and as accessible pdfs and Word documents. The website provides audio options for people who are blind and have low vision, and transcripts for people who are Deaf or hard of hearing.

To maintain relationships with other bodies involved in law reform in Victoria, monitoring and reporting on law reform activities

We consulted extensively with other bodies in developing our longlist of law reform proposals from the community. The VLRC website and social media channels report on the activities of other law reform agencies, within Victoria and interstate, and relevant law reform activities.

Current Financial Year in Review

- > The Commission's income decreased in 2022–23 to \$2,818,975 (2021–22: \$3,119,249). This decrease relates to the cost pressures resulting in savings being applied across the Department of Justice and Community Safety and related entities.
- > The Commission's expenditure decreased in 2022–23 to \$2,391,129 (2021–22: \$3,025,387). Staff numbers reduced with the conclusion of references in early Q1. The current Attorney-General reference was not commenced until December 2022 and new staff commencement was delayed by the recruitment processes.
- > The overall net result was a gain of \$430,659. This has resulted in an increased trust fund balance of \$777,969 (2021–22: \$401,005)
- > The Commission's Trust Fund and the State Administered Unit (SAU) receivable account balance increased overall from \$525,170 to \$1,024,867 at 30 June 2023.

Performance against output performance measures

The following table shows the performance results against targets by output for the Commission over the full year ending 30 June 2023.

Performance measures	Unit of Measure	2022-23 Actual	2022-23 Target	Performance Variation (%)	Result
Quantity					
Consultation sessions conducted by Victorian Law Reform Commission	number	34	75	-54.7%	X
Written submissions made to the VLRC including online surveys	number	16	150	-91.3%	X
Law reform publications completed by VLRC	number	2	3	-33.3%	X
Community education sessions (in person or online) conducted by VLRC	number	18	25	-28.0%	X
Views of school curriculum related material on VLRC website	number	2806	1000	280.6%	√
Quality					
Teachers and students who are satisfied with education programs delivered by VLRC and the school curriculum related material provided on the VLRC website	per cent	NA	85	NA	X
Timeliness					
NA					
Cost					
		\$			
Annual Appropriation		778,600			
Victorian Legal Services Board + Commissioner		2,040,375			
Total output cost		2,818,975			

Note:

- (a) √ Performance target achieved or exceeded
- X Performance target not achieved – exceeds 5 per cent or \$50 million (cost measures only) variance.
- Performance target not achieved – within 5 per cent or \$50 million (cost measures only) variance.

Performance against output performance measures

The outputs relating to the Commission are included in the Budget Paper No. 3 (BP3) under the heading of the Department of Justice and Community Safety's Justice Policy, Services and Law Reform. The Commission's outputs contribute to this consolidated total output cost of \$2.819M.

The figures show most performance targets as not being met in the reporting year. The Commission's ability to accurately predict targets is significantly constrained by its lack of control over its workflow. Our main source of work is references from the Attorney-General. The number and type of references to be received during the reporting year are not known when targets are being set. In general, targets are based on an expectation that the Commission will have two Attorney-General references and one community law project being undertaken concurrently. For the reporting year the Commission had no Attorney-General reference for four months and then one reference for the rest of the year. The law reform topic is also relevant to the number of consultations and submissions, with issues which have a wide community interest generating greater engagement with the Commission, reflected in a higher number of written submissions and consultations. The relevant reference for the reporting year on the definition of recklessness in criminal law was not one which generated wide community engagement.

In addition, the community law reform activity during the period was a community consultation exercise which did not include a call for submissions.

This unexpected situation of significantly reduced workflow explains the failure to meet targets related to consultation, written submissions and publications.

In relation to community education sessions, this is largely made up of presentations to VCE students, and these have predominantly been in-person presentations. In the reporting year these visits continued to be affected by COVID-related restrictions. A compensatory larger than expected use of online resources is apparent in the results for views of school curriculum-related material. The qualitative measure of teacher and student satisfaction is taken from an annual survey of satisfaction. The survey is sent to teachers once a year. In years when in-person visits were undertaken, there was a reasonable response rate to this survey. In the reporting year in which very few in-person presentations were made, the number of responses was very small and no reliable results could be produced.

Community education sessions are by request. The VLRC will continue to engage with school VCE legal studies teachers to promote a return to face-to-face presentations. If requests for school presentations continue to be low, the performance measures will be adjusted in future years to reflect this new preference for the use of the VLRC's enhanced online resources.

The total output cost for the Commission is an amount derived from the *Appropriation (2022-23) Act 2023*, less required savings and other movements, plus the amount received from the Victorian Legal Services Board, as directed by the Attorney-General.

Budget portfolio outcomes

A comparison of the budget portfolio outcome statements of the Commission and the actual results for the year can be found in Appendix 2.



References

Recklessness

Issues Paper

VICTORIAN
**LAW
REFORM***
COMMISSION

January 2023

POSSIBILITY
PROBABILITY

Recklessness

Recklessness is an element in many Victorian offences including a number of offences against the person. The VLRC was asked to review and report on how the concept of 'recklessness' is understood in the Crimes Act.

In particular, the VLRC was asked to:

- > consider whether the Crimes Act should be amended to include a definition of recklessness applicable to the Victorian offences and, if so, what definition; and
- > develop a set of guiding principles that could be used to review the use or proposed use of recklessness as a fault element in other categories of Crimes Act offences.

Referred

25 October 2022

Due Date

29 February 2024

Commissioners and staff

The Hon. Anthony North KC formed a Division to work on this reference, which he also chaired. Members of the Division are Liana Buchanan, the Hon. Jennifer Coate AO, Kathleen Foley SC, Bruce Gardner PSM, Professor Bernadette McSherry, Dan Nicholson, Gemma Varley PSM, and Dr Vivian Waller. The reference team comprises team leader Kathryn Terry, senior research and policy officers Dr Emma Larking and Liz Margaronis, and policy and research officer Marcus Hickleton.

Progress of the reference

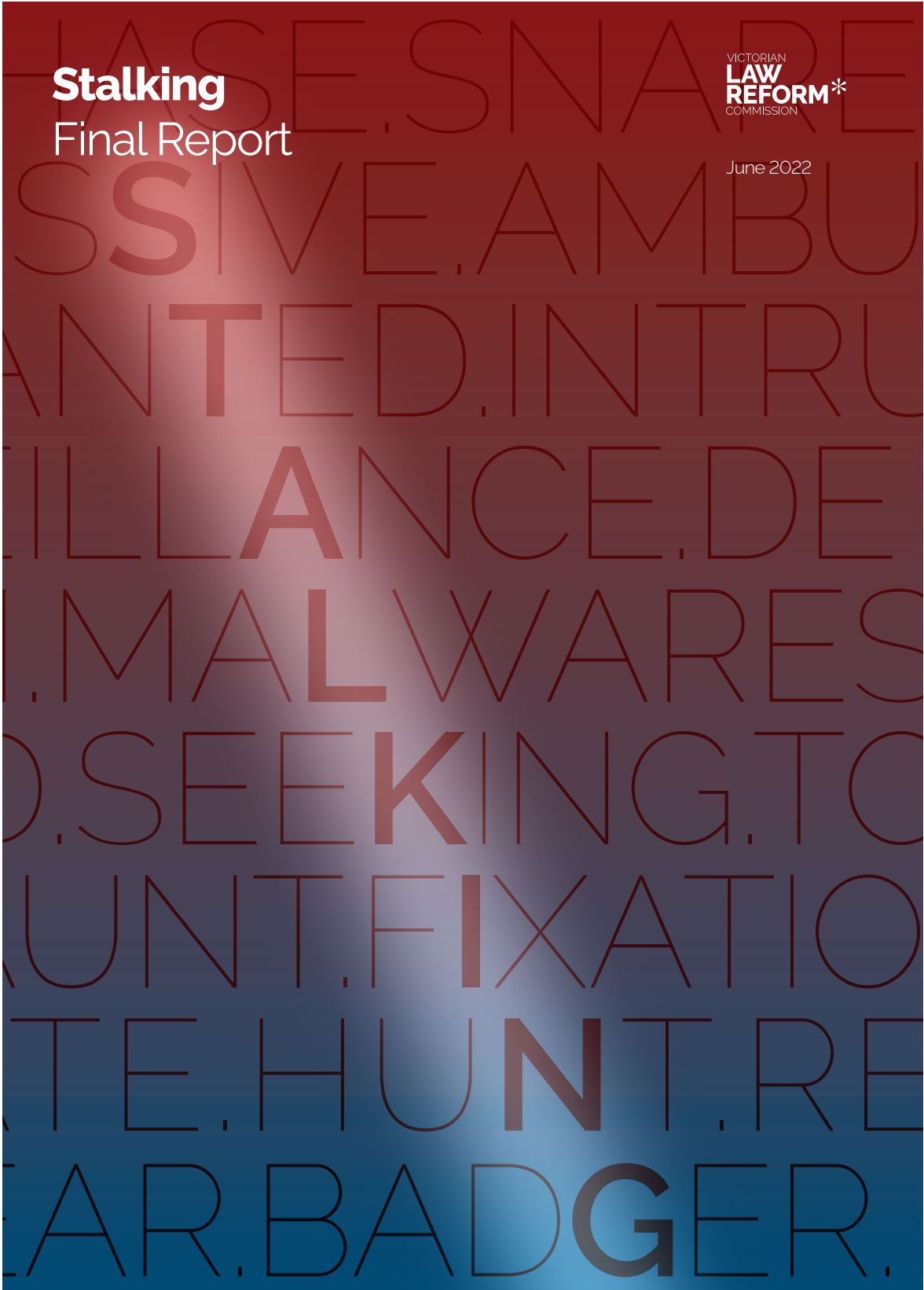
The Commission published a consultation paper in January 2023. We held 13 consultations and received 19 submissions. At the close of this financial year we are drafting the report for delivery next February.

Stalking

Final Report

VICTORIAN
**LAW
REFORM***
COMMISSION

June 2022



Stalking

The VLRC was asked to review and report on Victoria's legal responses to stalking, harassment and similar conduct, including the personal safety intervention order (PSIO) system.

The review identified barriers to current law responding effectively to stalking, harassment and similar conduct, and made recommendations to improve the justice system's response, with victim safety and wellbeing the paramount consideration.

Referred

17 February 2021

Final report due date

30 June 2022

Final report delivered

30 June 2022

Final report tabled in Parliament

21 September 2022

Commissioners and staff

The Hon. Anthony North KC formed a Division to work on this reference, which he also chaired. Members of the Division were Liana Buchanan, the Hon. Jennifer Coate AO, Kathleen Foley SC, Bruce Gardner PSM, Professor Bernadette McSherry, Dan Nicholson, Alison O'Brien PSM, Gemma Varley PSM and Dr Vivian Waller. Alison O'Brien PSM's appointment as a Commissioner ended before the final report due date. The reference team for the final report comprised team leader Jacinth Pathmanathan, and senior research and policy officers Dr Emma Larking, Natalie Lilford, Hana Shahkhan, Dr Madeleine Ulbrick and research assistant Marcus Hickleton.

Progress of the reference

The final report, containing 45 recommendations, was delivered on the last day of the previous financial year, 30 June 2022, and was tabled in Parliament on 21 September 2022.



Community Law Reform

1.024.867

The *Victorian Law Reform Commission Act 2000* section 5(1)(b) states that one of the Commission's functions is to make recommendations to the Attorney-General on legal issues of general community concern.

The community law reform program seeks to improve accessibility for people and communities who are not usually involved in law reform but who have ideas about how the law could be improved.

Asking community members to identify problems in the law, and to put forward suggestions for change, gives the Commission access to the valuable insights of those with first-hand experience of the law's operation.

Community law reform work is also undertaken by the communications team, as outlined on page 25, through their education and community engagement activities.

The community law reform team consists of a team leader and a senior research and policy officer. The Commission thanks the Victorian Legal Services Board and Commissioner for their continuing support of our community law reform program. We note that this program aligns closely with the Victorian Legal Services Board and Commissioner's access to justice objective. A modest increase in funding for this program was granted by the Victorian Legal Services Board and Commissioner in the current financial year, which allowed the Commission to upgrade the level of the team member positions to better reflect the complexity of their work.

The Law Reform Longlist

In late 2022 and early 2023 the VLRC conducted consultations with a range of community organisations and lawyer-advocates and practitioners, inviting practical suggestions about reforms to the law that would benefit the community.

While most of our inquiries are referred by the Attorney-General, the VLRC can initiate community law reform (CLR) projects itself, a function that is set out in section 5(i)(b) of the Victorian Law Reform Commission Act. CLR projects are smaller law reform projects that are intended to deliver clear community benefits and are often suggested by community members.

The Commission also has a function to monitor and coordinate law reform in Victoria, and one way we perform this function is through our relationships with community organisations.

Our recent consultations enabled us to discuss law reform ideas with practitioners who have hands-on experience of how laws work in the community. We wanted to hear about the practical problems and gaps in the law that people have noticed in the course of their work.

We spoke to the Law Institute of Victoria, community legal centres, law firms, the State Ombudsman and State Coroner, organisations representing First Nations people, seniors, and young people, and advocates for the environment among others.

We summarised all the ideas we have heard in our consultations and published them as *The Law Reform Longlist 2023: 77 Suggestions from the Community* on our website in July 2023. The VLRC anticipates that some of these suggestions may become fully-fledged community law reform projects over the next few years.

Criteria

Suggestions can come from individuals or community groups and can be in relation to any area of Victorian law. Each suggestion is assessed against the criteria for community law reform projects. It must be in relation to a contained problem, the resolution of which could deliver clear community benefits. The list of criteria is available on the Commission's website.

Suggestions are assessed by the community law reform team, and, if they fulfil the criteria, may be further researched and developed into a proposal for the approval of the whole Commission.

If a proposal is accepted as a community law reform project, the Commission will undertake a comprehensive process of research and consultation and will deliver a report and recommendations to the Attorney-General. This process closely mirrors the process undertaken for references from the Attorney-General.

Generally, the Commission can only work on one community law reform project at a time, but is always open to hearing suggestions from the community.

Community law reform suggestions

During the financial year 2022–2023 the Commission received 21 suggestions for law reform. They related to a range of legal areas, including:

- > Residential tenancies
- > Personal Safety Intervention Orders
- > Regulation of restaurants and nut allergies
- > Sentencing practices
- > Councils' role in neighbourhood tree disputes
- > The practices of workplace health and safety regulators
- > VCAT and the capacity to review VCAT decisions
- > Contesting a will in the context of mental health issues
- > Reforming the sex offenders register
- > Laws regulating the use of E-scooters
- > Littering offences and enforcement by the Environmental Protection Agency
- > Requirements for potential jurors to disclose personal information
- > Parole considerations for serial killers
- > Legal reforms to allow human composting
- > Privacy issues surrounding CCTV cameras in residential neighbourhoods
- > Mandatory reporting requirements for psychological and emotional abuse under the *Children, Youth and Families Act 2005* (Vic)
- > Legal regulation of Airbnb
- > Legalising cannabis
- > Privacy, defamation and corruption of public officials

Inclusive Juries

— Access for People Who
Are Deaf, Hard of Hearing,
Blind or Have Low Vision
Report

VICTORIAN
**LAW
REFORM***
COMMISSION

July 2022

A Community
Law Reform
Project

Inclusive Juries—Access for People Who Are Deaf, Hard of Hearing, Blind or Have Low Vision

The Victorian Law Reform Commission considered what changes to legislation and practices should be made to enhance access for people who are deaf, hard of hearing, blind or have low vision who wish to serve as jurors in Victoria.

The *Juries Act 2000* (Vic) excludes from jury service persons with ‘a physical disability that renders [them] incapable of performing the duties of jury service’, and those who are ‘unable to communicate in or understand the English language adequately’.

Although people who are deaf, hard of hearing, blind or have low vision are not expressly precluded from jury service, there is no obligation in the *Juries Act* on the courts or the Juries Commissioner to provide adjustments to enable them to serve.

Adjustments such as an Auslan interpreter or an aid that enables speech-to-text translations or screen-reading may make jury service accessible, but these are not generally provided. Further, there is a prohibition on allowing interpreters or support people into the jury room. These two factors mean that, for many, jury service is not possible.

The report recommended legislative and practice changes to enable people who are deaf, hard of hearing, blind or have low vision to serve on juries. It covered the adjustments that might be needed, how those adjustments should operate, fair trial considerations, and training and education for the legal profession.

Commenced
12 March 2020

Due Date
30 July 2022

Report Delivered
30 July 2022

Report tabled in Parliament
16 May 2023

Commissioners and staff

The Hon. Anthony North KC formed a Division to work on this reference, which he also chaired. The Division comprised Liana Buchanan, the Hon. Jennifer Coate AO, Kathleen Foley SC, Bruce Gardner PSM, Gemma Varley PSM and Dr Vivian Waller. Commissioners Professor Bernadette McSherry and Dan Nicholson also provided feedback on the final draft of the report. Professor Ron McCallum AO was the special advisor to this inquiry. The staff team comprised team leader Emma Cashen and senior research and policy officer Phoebe Lindner.

Progress of the inquiry

We received 14 written submissions and 27 survey responses from community members. We held 29 consultations with a wide range of organisations including disability advocacy organisations, legal professionals, the courts, Juries Victoria and academics. We ensured that consultations were accessible to everyone, and publications were made available in a range of accessible formats. The Commission delivered its report to the Attorney-General on 30 July 2022. It was tabled in the Victorian Parliament on 16 May 2023 and published on our website.

Media Highlights



The VLRC's Sexual Offences report, tabled last year, continued to receive media coverage when the Victorian Government acted to implement its major recommendations related to affirmative consent and stealthing. These reforms were covered by 7 News, 9 News, ABC News, *The Age*, *Guardian Australia*, *The Herald-Sun* and *The Sydney Morning Herald* among others. The reforms continued to be debated in the opinion pages for several months, including: 'No room for victim-blaming': Affirmative consent to become law' (*The Age* and *Sydney Morning Herald*); 'Affirmative consent laws have passed in Victoria. Here's what that means' (ABC News); 'Explainer: What sexual assault laws are changing in Victoria?' (9 News); 'Victoria passes affirmative consent laws to shift blame away from victims and onto perpetrators' (7 News); 'Affirmative consent and "stealthing" laws to be introduced to Victorian parliament' (*Guardian Australia*); 'Vile sex act to become a criminal offence in Victoria' (*Herald-Sun*); 'Facts to disturb every decent-minded person' (*Herald-Sun* op-ed by Kathleen Maltzahn.) A lengthy, in-depth article in the *Good Weekend* magazine of *The Age* and *The Sydney Morning Herald*, 'Rethinking rape': by Melissa Fyfe and Jacqueline Maley discussed our report and quoted the Chair at length. Restorative justice was also covered, with the Chair quoted: 'Victims and people harmed by crime say restorative justice helped them heal, now there are calls to make it more available'—(ABC Online). An episode of *The Conversation Hour* on ABC Radio Melbourne and Victoria explored the topic of restorative justice and referred to the VLRC's report. In December the Chair was interviewed by *Guardian Australia*: 'Push for "victim advocates" to support alleged rape survivors in court following Bruce Lehrmann trial'.

The publication of the *Inclusive Juries* report also generated media interest. Highlights included 'Deaf Australians and those with disabilities push to end exclusion from juries' (ABC TV news segment and online article). An ABC news bulletin about the *Inclusive Juries* report, with a brief comment from the Chair, ran on ABC radio news bulletins on the day of the report's release. A news article 'Remove barriers to jurors with disability, Vic told' appeared in *The Canberra Times*, *The West Australian*, and numerous other regional papers around Australia. The team leader of *Inclusive Juries*, Emma Cashen was interviewed by Damien Carrick on 'The Law Report' on Radio National about our report and recommendations. Damien Carrick also spoke about the report in an interview on ABCTV News.

Team leader Emma Cashen interviewed by the ABC's Damien Carrick about the Commission's *Inclusive Juries* report.

Education

One of the Commission's functions under section 5(1)(e) of the Victorian Law Reform Commission Act is to undertake educational programs on any area of the law relevant to a reference, past or current.

The Commission educates the community about law reform by making presentations at community organisations, universities and schools (when possible), maintaining a website with all our publications easily accessible and searchable, publishing educational resources including case studies, writing all our publications in plain English, publishing educational videos and podcasts about law reform, and promoting our work through the media.

Website

- > Overall pageviews of the Commission's website during the year were 299,348, a decrease of 3 per cent on last year.
- > The number of users during the year was 120,070, an increase of 5 per cent on last year.

Social media

The Commission continued to maintain an active social media presence.

By the end of the reporting period, the Commission had achieved the following:

- > Twitter: 6,724 followers
- > Facebook: 2,700 followers
- > LinkedIn: 3,449 followers
- > YouTube: our videos were viewed a total of 4,700 times.

Podcasts

The Commission produced two episodes of its podcast, 'Old Law, New Law', on the topics of Recklessness and Inclusive Juries. They were published on our website and via the podcasting platform Podbean, along with transcripts. During the year, episodes were downloaded 701 times (it is not possible to know how many additional times episodes were streamed directly).

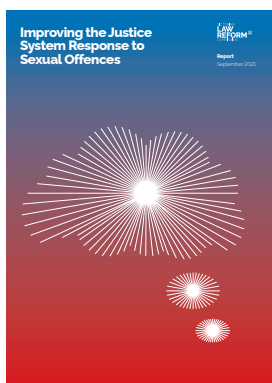
Resources for legal studies students

The VLRC and its work is an essential part of the Victorian Certificate of Education (VCE) legal studies curriculum, included in all VCE legal studies textbooks. Due to the coronavirus (COVID-19) pandemic, only a few in-person visits to schools took place during the 2022-23 year, and the Commission also presented at a small number of Law Talks events, conferences, and student careers fairs (total presentations for the year: 18). The Commission offered alternative options including online resources and videos explaining the work of the Commission. During the year, the case studies page of our website was visited 2,122 times and the student resources page 1,588 times. We also published an updated version of our booklet *Law Reform In Action* with a fresh design and new case studies for distribution to schools.

Communications and information staff

The communications manager is Nick Gadd, and the communications and information officer was Gemma Walsh (until December 2022) then Natalie Young (commencing May 2023).

The Commission tracks the progress of new legislation and other reforms related to its work, where this information is publicly available. A record of implementation is published on our website at lawreform.vic.gov.au/all-projects/implementation/

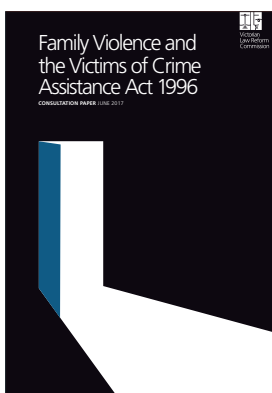


During the 2022-23 financial year, notable implementations of the VLRC's recommendations included:

Response of the Justice System to Sexual Offences (2021): The *Justice Legislation Amendment (Sexual Offences and Other Matters) Act 2022* implemented 13 recommendations of the VLRC report. In her Second Reading Speech introducing the Bill, the Attorney-General the Hon. Jaclyn Symes said: 'The bill is the first tranche in the delivery of a response to the Victorian Law Reform Commission's report *Improving the Justice System Response to Sexual Offences*.' The Act reforms the *Crimes Act 1958* to introduce an affirmative model of consent and to criminalise stealthing (Recommendations 50 & 51). Image-based sexual abuse is also tackled in this bill to make such abuse an indictable offence in the *Crimes Act* (Recommendations 52, 53, 54). Other sections improve judges' directions to juries in sexual offence trials (Recommendations 78, 79, 82).



The Act also implemented Recommendation 45 of the VLRC's **Committals report (2020)**, with the court to have regard to additional considerations when determining whether to allow pre-trial cross-examination of a witness who has a cognitive impairment or is a complainant in a proceeding that relates to a charge for a sexual or family violence offence. Magistrates will also need to provide reasons for granting leave to cross-examine a witness and identify each issue on which the witness may be cross-examined (Recommendation 46). It also implemented some other recommendations of the VLRC's Report on the **Role of Victims of Crime in the Criminal Trial Process (2016)**.



Review of the Victims of Crime Assistance Act (2018): The *Victims of Crime (Financial Assistance Scheme) Act 2022* replaced the Victims of Crime Assistance Tribunal (VOCAT) with an administrative financial assistance scheme, as recommended by the VLRC. The new scheme will be easier to use and reflect a trauma-informed model to assist victims in their recovery from acts of violence. It will work without hearings, courts, magistrates, or the need for victims to face perpetrators. Funding for the scheme was included in the Victorian Budget 2022/23 (Paper No. 3). The scheme is expected to become operational in the second half of 2023.

Audit and Risk Management Committee membership and roles

The audit committee consists of the following members:

- > Matthew Zappulla, Chairperson (Independent Member)
- > Anthony Phillips (Independent Member)
- > Bruce Gardner PSM

The main responsibilities of the audit committee are to:

- > review and report independently to the Commission on the annual report and all other financial information published by the Commission
- > assist the Commission in reviewing the effectiveness of the Commission's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting
 - compliance with applicable laws and regulations.
- > determine the scope of the internal audit function and ensure that its resources are adequate and used effectively, including coordination with the external auditors
- > maintain effective communication with external auditors
- > consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised: and
- > oversee the effective operation of the risk management framework.

Human resource management and occupational health and safety

The Commission's occupational health and safety (OH&S) strategy is to focus on risk control and maintaining a constant curiosity in relation to health and safety in order to prevent injury or unintended consequences. The Commission achieves this by ensuring OH&S is intertwined in its daily operations for staff working at home and in the office and encompasses not only physical environment but considers psychosocial risk also.

The Commission's focus is prevention and takes this into account when assessing OH&S risk. Office inspections are formally carried out annually however staff are briefed to alert management if any issues arise.

During the 2022-23 financial year, the Commission continued its initiatives to improve the health and safety of staff by offering ergonomic assessments, screen-based eye testing and annual influenza vaccinations for those who requested these services.

As part of the strategy to maintain focus on risk control the OH&S Manager prepares a formal report bi-annually for the Audit and Risk Management Committee which is results based and includes initiatives brought

about by review and consideration of improvements being made in the health and wellness space.

The Commission had one occupational health and safety incident during 2022-23. There was one WorkCover claim lodged during the period.

Three staff continue as fire wardens and attend the appropriate training. Staff participated in the scheduled fire drill held by building management. An in-house fire safety and security training session is held annually.

Staff were encouraged and assisted to gain professional development through participation in relevant conferences and appropriate further study.

Counselling support is available to all staff through the Employee Assistance Program in place. Team debrief sessions are held at the conclusion of references to ensure staff wellbeing and to support process improvement.

Agile workforce

The Commission continues to embrace flexible work arrangements, including working from home, as part of our work model. A hybrid work model is available to staff where their work responsibilities allow this. All staff work at the office on Wednesday to allow the full team to

interact on at least one day per week. Additionally, the office is closed to the public on a Friday to support part-time arrangements and working from home. Staff discuss individual arrangements with their manager for the remaining days. This model continues to work well providing a balance between working at home and in the office.

Management remains committed to creating and encouraging a modern and agile workforce. This approach is endorsed by the Department of Justice and Community Safety.

Employment and conduct principles

The Commission is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections. The Commission is committed to providing a respectful and supportive workplace for every employee.



Organisational Structure 2022–2023

CHAIR AND PART-TIME COMMISSIONERS

CEO

**Team Leaders,
Attorney-
General
References**

**Team Leader,
Community Law
Reform Manager**

**Communications
Manager**

**Finance and
Office Manager**

**Senior
Research and
Policy Officers**

**Senior
Research
and Policy
Officer**

**Information and
Communications
Officer**

**Executive
& Finance
Assistant**

**Research
Assistant**

**Finance and
Administrative
Officer**

Public sector values and employment principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

Through a combination of the adoption of policies and practices of the Department of Justice and Community Safety and the development of Commission specific policies and practices where necessary, the Commission, has policies and practices in place that are consistent with the VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution

of workplace issues. The Commission advises its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how it deals with misconduct.

Workforce inclusion policy

The Commission continues to support a working environment where equal opportunity and diversity, including non-binary gender identities, are valued. The Commission acknowledges that due to historic and current barriers to disclosure of non-binary gender identities, staff may not disclose this information.

Executive officer data

An Executive Officer (EO) is defined as an executive under Part 3 of the Public Administration Act 2004 or a person to whom the Victorian Government's Policy on Executive Remuneration in Public entities applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The definition of an EO does not include a statutory office holder or an accountable officer.

Note 8.2 in the financial statements states the remuneration range for the responsible persons over the course of the reporting period.

The Commission employs one full-time SES-1 female executive officer.

	June 2023								June 2022							
	All employees ^(a)		Ongoing ^(b)			Fixed term and casual			All employees		Ongoing ^(b)			Fixed term and casual		
	Number		Full-time	Part-time		Number			Number		Full-time	Part-time		Number		
	(head-count)	FTE ^(d)	(head-count)	(head-count)	FTE ^(d)	(head-count)	FTE ^(d)	(head-count)	FTE ^(d)	(head-count)	FTE ^(d)	(head-count)	(head-count)	FTE ^(d)	(head-count)	FTE ^(d)
Demographic data																
Gender																
Women	9	7.86	3	4	5.86	2	2.00	12	10.46	2	5	5.66	5	4.80		
Men	2	1.50	1	0	1	1	0.50	2	1.40	1	0	1	1	0.40		
Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
VPS Classification data																
VPS 1-6 grades																
VPS 2	0	0	0	0	0	0	0	1	0.80	0	1	0.80	0	0		
VPS 3	1	0.66	0	1	0.66	0	0	2	1.06	0	1	0.66	1	0.40		
VPS 4	2	1.10	0	1	0.60	1	0.5	2	1.60	0	1	0.60	1	1.00		
VPS 5	5	4.80	2	1	2.80	2	2.0	6	5.60	2	1	2.80	2	2.80		
VPS 6	2	1.80	1	1	1.80	0	0	2	1.80	0	1	0.80	21	1.00		
Executives^(c)	1	1.00	1	0	1.00	1	0	1	1	1	0	1.00	0	0		
Total employees	11	9.36	4	4	6.86	3	2.50	14	11.86	3.00	5.00	6.66	6.00	5.20		

Notes:

(a) Excluded are those on leave without pay or absent on secondment, external contractors/consultants and temporary staff employed by employment agencies. Statutory appointees, as defined in the Public Administration Act 2004 are also excluded.

(b) Ongoing employees includes people engaged on an open ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June.

(c) Executive is defined as a person employed as a public service body head or other executive under Part 3, Division 5 of the Public Administration Act 2004. The definition of an executive officer does not include Governor in Council appointments as statutory office holders.

(d) Full-Time Equivalent.

Other Disclosures

Local Jobs First

The *Local Jobs First Act 2003* was introduced in 2003 and amended in 2018 by the *Victorian Industry Participation Policy (Local Jobs First) Amendment Act 2018*. It brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately. Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria.

The Commission did not enter into any contracts to which the VIPP or Local Jobs First applies for the 12 months ending 30 June 2023.

Government advertising expenditure

The Commission has not paid for any government advertising expenditure (campaigns with a media spend of \$100,000 or greater (exclusive of GST) during the 12 months ending 30 June 2023 .

Consultancy expenditure

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

In 2022–23, there were two consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2022–23 in relation to these consultancies is \$39,300 (excluding GST). Details of individual consultancies are outlined below.

Details of consultancies under \$10 000

In 2022–23, the VLRC engaged Knight Frank to assist with the renewal of the lease on our current premises. The total fee payable to the consultant was less than \$10,000.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excluding GST)	Expenditure 2021–22 (excluding GST)	Future expenditure (excluding GST)
Strathmore Accounting & Audit Services	Accounting quality assurance and CFAO function	1 July 2022	30 June 2023	\$15,000	\$14,000	\$15,000
Victorian Auditor-General	For the audit of financial report 2022–2023	1 July 2022	30 June 2023	\$25,300	\$25,300	\$25,800

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

Disclosure of major contracts

The Commission did not enter into any major contracts (greater than \$10 million in value) in the 2022-23 reporting period.

Freedom of information

The *Freedom of Information Act 1982*

allows the public a right of access to documents held by the Commission.

The purpose of the 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 Act.

An applicant has a right to apply for access to documents held by an entity or department. This comprises documents both created by the Commission or supplied to the Commission 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 Commission is available on the Commission's website under its Part II Information Statement.

The Act allows the Commission to refuse access, either fully or partially, to certain documents or information. 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; and information provided to the Commission in-confidence and information that is confidential under another Act.

Information and Communication Technology expenditure

Details of Information and Communication Technology (ICT) expenditure

For the 2022-23 reporting period, the Commission had a total ICT expenditure of \$29,489 with the details shown below.

(\$) thousands

		<i>All operational ICT expenditure</i>	<i>ICT expenditure related to projects to create or enhance ICT capabilities</i>	
Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non BAU) ICT expenditure			Operational expenditure
(Total)	(Total = Operational expenditure and Capital Expenditure)			Capital expenditure
\$22,096	\$7,393	\$29,489	-	

Under the Act, the FOI processing time for requests received is 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time is 45 days. Processing time may also be extended by periods of 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 Commission, under section 49A of the 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

FOI requests can be lodged online at ovic.vic.gov.au. An application fee of \$31.80 applies. Access charges may also be payable if the document pool is large and the search for material time consuming.

Access to documents can also be obtained through a written request to the Commission's Freedom of Information team, as detailed in s17 of the Act.

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

Requests for documents in the possession of the Victorian Law Reform Commission should be addressed to:
Freedom of Information Manager
Victorian Law Reform Commission
GPO Box 4637
Melbourne VIC 3001

FoI statistics/timeliness

During 2022-23, the Commission received no applications.

Further Information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and ovic.vic.gov.au.

Compliance with the Building Act 1993

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

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

Compliance with the Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Commission does not tolerate improper conduct by its employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Commission will take all reasonable steps to protect people who make such disclosures 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

Disclosures of improper conduct or detrimental action by the Commission or any of its employees may be made to any of the following:

- > Chief Executive Officer of the Commission
- > manager or supervisor of the discloser
- > manager or supervisor of the person who is the subject of the disclosure
- > a person acting in any of the above roles.

Alternatively, disclosures may also be made directly to the Independent Broad-based Anti-corruption Commission:

Independent Broad-based Anti-Corruption Commission (IBAC):
Level 1, North Tower
459 Collins Street
MELBOURNE Vic 3000
Tel: 1300 735 135
www.ibac.vic.gov.au

Compliance with the Carers Recognition Act 2012

The Commission staff are made aware of their entitlement to carers leave on commencement. Staff also have access to the Department of Justice and Community Safety induction, training and awareness activities including in relation to carer obligations. An information session on leave entitlements and flexible working arrangements is made to staff at one staff meeting each year.

The Commission has taken practical measures to comply with its obligations under the Act. These include;

- > ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act through training and information sessions.
- > considering the care relationships principles set out in the Act when developing and implementing our hybrid work model.
- > Adopting DJCS policy for implementing priority actions in Recognising and supporting Victoria's carers: Victorian carer strategy 2018-22.

Compliance with the Disability Act 2006

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

The Commission complies with its obligations under the Disability Act to prepare a Disability Action Plan by adopting the Department of Justice and Community Safety plan for the purpose of reducing barriers to access goods, services and facilities; reducing barriers to a person with a disability obtaining

and maintaining employment; and promoting inclusion and participation in the community and achieving tangible changes in attitudes and practices that discriminate against people with a disability as outlined below.

Reducing barriers to accessing goods, services and facilities

The Commission provides a range of ways for people with disabilities to be involved in consultations and education sessions. These include audio described videos, quizzes and surveys to provide information in summary formats, as well as more comprehensive consultation papers. Contributions to the Commission's work can be provided face to face using interpreters if required, by telephone or in writing by post, email or web-based forms. From time to time reports are produced in Braille for targeted audiences.

The Commission recently conducted an accessibility audit of its website to ensure inclusiveness and functionality. Our offices are wheelchair accessible and have wheelchair facilities.

Reducing barriers to persons with a disability obtaining and maintaining employment

The Commission conducts an open recruitment process and makes adjustments for staff where necessary.

Promoting inclusion and participation in the community

The Commission invites submissions from all groups across the community and extends its reach by using engage Victoria and the national relay service.

Achieving tangible changes in attitudes and practices that discriminate against people with a disability

Commission staff have access to training provided by the Department of Justice and Community Safety which focuses on access and inclusion and removing any barriers that may potentially discriminate against people with a disability.

Environmental Reporting

The Commission is committed to environmental sustainability in its operations. Sustainability and greenhouse gas emissions reduction form core parts of the Commission's corporate strategy.

The Commission supports the Victorian public sector in adopting new technology that lowers emissions and increases environmental sustainability.

Environmental Management System

DJCS has an Environmental Management System (EMS) which is a structured approach to managing environmental impacts and improving environmental performance. It is based on the national standard AS/NZS ISO 14001:2016: Environmental Management Systems and provides a framework to improve environmental sustainability.

The DJCS EMS objectives include:

- > reducing greenhouse gas emissions resulting from operational activities
- > reducing the amount of waste and maximising the amount of reused and recycled resources in procurement
- > ensuring new capital works incorporate environmentally sustainable principles in design, construction and operation
- > encouraging staff to reduce environmental impacts through behaviour change

- > communicating environmental performance through regular internal and public reporting.

The Commission embraces the objectives of the EMS and incorporates environmental sustainability values where it can.

Reporting boundary for environmental data

Most of the operations and activities of the Commission are included within the organisational boundary for this reporting period. Select data are included and consolidated into the Commission's financial statements.

Greenhouse gas emissions

DJCS reports its greenhouse gas emissions broken down into emissions 'scopes' consistent with national and international reporting standards. The Commission's capacity to report in this way is limited. Available data are included below.

Electricity production and consumption

The period from 2021-22 to 2022-23, saw a gradual resumption of on-site work

which resulted in an increase in electricity used across the Commission's site. The Commission is mindful of reducing its electricity use and has implemented or plans to take the following actions:

- > The building has LED lighting installed throughout.
- > All computer equipment is set to hibernate when not in use and staff are encouraged to switch off electrical equipment when not in use.
- > Lights and supplementary air-conditioning are turned off when conference rooms are vacant
- > Movement sensors control lights in meeting rooms and offices and lights are timed to go off if areas are vacant
- > Switching to efficient electric appliances, for example, minimum 7-star energy efficient refrigerators when they are replaced

Indicator	2022-23		2021-22		2020-21	
	Electricity	Green Power	Electricity	Green Power	Electricity	Green Power
Total energy usage segmented by primary source (MJ)	85,539	21,385	66,071	16,518	75,332	18,833
Total greenhouse gas emissions from energy consumption (tonnes CO ² e)	12.60	-	16.20	-	18.31	-
Percentage of electricity purchased as Green Power	25%	-	25%	-	25%	-
Units of energy used per FTE (MJ/FTE)	4,710	-	3,108	-	2,638	-

Transportation

The Commission's fleet is comprised of one hybrid vehicle. The Commission has committed to changing to an electric vehicle in the next lease roll over. This was scheduled for September 2022 but delays in the availability of electric vehicles has meant that the electric vehicle is still on order.

Environmentally Sustainable Design in new buildings and infrastructure

The Commission resides in central Melbourne, its premises are leased and the building holds a 3-star NABERS Energy rating.

Sustainable procurement

The Commission considers sustainable procurement objectives through its implementation of the Social Procurement Framework, which establishes requirements that apply to Victorian Government departments and agencies when they procure goods, services and construction.

Water consumption

Water use increased by 20.16 per cent from 2021-22 to 2022-23, driven by the resumption of in-office work. The 2022-23 water use is similar to use levels prior to COVID work from home arrangements.

There is no data available in relation to recycled water use.

Waste and recycling

Waste management and recycling are a focus for the Commission. The Commission uses a multi-bin system in the office and arranges individual collection for recyclable items including paper, printer cartridges, batteries and soft plastics in an effort to maximise recycling and minimise waste sent to landfill. Waste diverted from landfill for general recycling is not available.

The Commission uses the DJCS e-waste disposal program which supports the repurposing of electronic hardware that can no longer be deployed within regular operations. Once data is cleansed, hardware is either offered to employees at market value or provided to a charity.

Indicator	2022-23	2021-22	2020-21
Total water consumption for the building (kilolitres)	873	697	857
Total water consumption for the tenancy (kilolitres)	131.12	104.69	128.72
Total water consumption for the VLRC (kilolitres)	78.02	62.29	n/a
Units of office water used per FTE (kilolitres / FTE)	8.34	3.59	4.47

Additional information available on request

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

- (a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- (b) details of shares held by senior officers as nominee or held beneficially in a statutory authority or subsidiary;
- (c) details of publications produced by the Commission about the activities of the Commission and how these can be obtained;
- (d) details of major research and development activities undertaken by the Commission;
- (e) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- (f) details of major promotional, public relations and marketing activities undertaken by the Commission to develop community awareness of the services provided by the Commission;
- (g) details of assessments and measures undertaken to improve the occupational health and safety of employees;
- (h) a general statement on industrial relations within the Commission and details of time lost through industrial accidents and disputes; and
- (i) details of all consultancies and contractors including:
 - > consultants/contractors engaged;
 - > services provided; and
 - > expenditure committed to for each engagement.

The information is available on request from the:

Finance and Office Manager
Phone: (03) 8608 7820
Email: law.reform@lawreform.vic.gov.au

Asset management accountability

The Commission has met the requirements under the Victorian Government's Asset Management Accountability Framework.

Victorian Law Reform Commission Financial Management Compliance Attestation Statement

I, The Hon. Anthony North KC, on behalf of the Responsible Body, certify that the Victorian Law Reform Commission has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



The Hon. Anthony North KC
Chair
Victorian Law Reform Commission
13 September 2023

Disclosure index

An index identifying the Department's compliance with statutory disclosure requirements is contained in Appendix 1.

Financial Report

How this report is structured

The Victorian Law Reform Commission (Commission) has presented its audited general purpose financial statements for the financial year ended 30 June 2023 in the following structure to provide users with the information about the Commission's stewardship of resources entrusted to it.

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DECLARATION IN THE FINANCIAL STATEMENTS

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying

notes, presents fairly the financial transactions during the year ended 30 June 2023 and financial position of the Commission at 30 June 2023.

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

We authorise the attached financial statements for issue on 13 September 2023.



Merrin Mason
Chief Executive Officer
Victorian Law Reform
Commission, Melbourne



Michael Almond
Chief Finance and
Accounting Officer
Victorian Law Reform
Commission, Melbourne



The Hon. Anthony North KC
Chair
Victorian Law Reform
Commission, Melbourne

Independent Auditor's Report

To the Commissioners of the Victorian Law Reform Commission

Opinion	<p>I have audited the financial report of the Victorian Law Reform Commission (the Commission) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • Accountable Officer's, Chief Finance and Accounting Officer's and Chairperson's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Commission as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
The Commissioners' responsibilities for the financial report	<p>The Commissioners are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Commissioners determine 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.</p> <p>In preparing the financial report, the Commissioners are responsible for assessing the Commission'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.</p>

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 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 Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioners
- conclude on the appropriateness of the Commissioners 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 Commission'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 Commission 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 Commissioners 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
19 September 2023



Timothy Maxfield
as delegate for the Auditor-General of Victoria

COMPREHENSIVE OPERATING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
		\$	\$
Income from transactions			
Output appropriations –			
Department of Justice and Community Safety	2.1	778,600	1,226,200
Grants - Victorian Legal Services Board	2.1	2,040,375	1,893,049
Total income from transactions		2,818,975	3,119,249
Expenses from transactions			
Employee expenses	3.11	(1,760,333)	(2,457,154)
Depreciation	4.11	(196,334)	(193,992)
Interest expense	6.1	(1,996)	(5,057)
Other operating expenses	3.2	(432,466)	(398,579)
Total expenses from transactions		(2,391,129)	(3,025,387)
Net result from transactions (net operating balance)		427,846	93,862
Other economic flows included in net result			
Other gains/(losses) from other economic flows	8.1	2,813	16,173
Total other economic flows included in net result		2,813	16,173
Net result		430,659	110,035
Comprehensive result		430,659	110,035

The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023	2022
		\$	\$
Assets			
Financial assets			
Cash and deposits	6.3	777,969	401,005
Receivables	5.1	246,898	252,858
Total financial assets		1,024,866	933,260
Non-financial assets			
Property, plant and equipment	4.1	17,860	214,194
Other non-financial assets		16,620	65,202
Total non-financial assets		34,480	279,397
Total assets		1,059,346	1,106,124
Liabilities			
Payables	5.2	66,321	43,728
Borrowings	6.1	8,824	346,692
Employee related provisions	3.1.2	398,020	400,159
Total liabilities		473,166	790,579
Net assets		586,181	142,680
Equity			
Accumulated surplus		82,769	(347,890)
Contributed capital		503,412	490,571
Net worth		586,181	142,680

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
		\$	\$
Cash flows from operating activities			
Receipts			
Receipts from government		787,373	1,366,890
Receipts from other entities		2,040,375	1,893,049
Total receipts		2,827,748	3,259,939
Payments			
Payments to suppliers and employees		(2,123,762)	(2,798,347)
Interest expense		(1,996)	(5,057)
Total payments		(2,125,758)	(2,803,405)
Net cash flows from/(used in) operating activities	6.3.1	701,990	456,534
Cash flows from/(used in) investing activities			
Payments for non-financial Assets		-	(12,490)
Net cash flows from/(used in) investing activities		-	(12,490)
Cash flows from/(used in) financing activities			
Owner Contributions by State Government		12,841	16,794
Repayment of vehicle lease Liability		(7,480)	(7,242)
Repayment of building lease Liability		(330,387)	(312,958)
Net cash flows from/(used in) financing activities		(325,027)	(303,406)
Net increase/(decrease) in cash and cash equivalents		376,963	140,638
Cash and cash equivalents at the beginning of the financial year		401,005	260,367
Cash and cash equivalents at end of financial year	6.3	777,969	401,005

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Surplus	Contributions by owners	Total
	\$	\$	\$
Balance at 1 July 2021	(457,925)	473,777	15,852
Net result for the year	110,035	-	110,035
Contributed Capital	-	16,794	16,794
Balance at 30 June 2022	(347,890)	490,571	142,681
Net result for the year	430,659	-	430,659
Contributed Capital	-	12,841	12,841
Balance at 30 June 2023	82,769	503,412	586,181

The accompanying notes form part of these financial statements.

1. ABOUT THIS REPORT

The Commission is an independent government-funded body established under the *Law Reform Commission Act 2000* (the Act) as a central agency for developing law reform in Victoria. The Commission's main objective is to provide the Attorney-General and Parliament with high quality, timely, responsive and effective advice on law reform that is independent of government agencies and of the political process.

The Commission reports directly to the Attorney-General. The Attorney-General must table a copy of every Commission report on references before each House of Parliament.

Its principal address is:

Victorian Law Reform Commission
3/333 Queen Street
Melbourne VIC 3000

A description of the nature of the Commission's operations and its principal activities is included in the report of operations on page 4, which does not form part of these financial statements.

Basis of preparation

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

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

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

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

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

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

These financial statements cover the Victorian Law Reform Commission as an individual reporting entity and include all the controlled activities of the Commission.

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

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

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured at fair value.

To enable the Commission to fulfil its objectives and provide outputs as described on pages 12–14, it receives income (accrual based parliamentary appropriations). The Commission also receives a grant from the Victorian Legal Services Board.

Structure

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Revenue Recognition

The Commission has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15.

The adoption of AASB 1058 did not have an impact on other comprehensive income and the Statement of Cash flows for the financial year.

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

- contributions by owners, in accordance with AASB 1004;
- a lease liability in accordance with AASB 16;
- a financial instrument, in accordance with AASB 9; or
- a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

2.1 Summary of income that funds the delivery of our services

	Notes	2023	2022
		\$	\$
Output appropriations –			
Department of Justice and Community Safety	2.2	778,600	1,226,200
Grants – Victorian Legal Services Board	2.3	2,040,375	1,893,049
Total income from transactions		2,818,975	3,119,249

2.2. Appropriations

Once annual Parliamentary appropriations are applied by the Treasurer, they become controlled by the Commission and are recognised as income when applied for the purposes defined under the relevant Appropriations Act. The appropriation amount includes funding for discretionary items, such as amortisation and depreciation.

Output appropriations: Income from the outputs the Commission provides to the Government is recognised when those outputs have been delivered and the relevant minister has certified delivery of those outputs in accordance with specified performance criteria.

2.3. Grants

The Attorney-General may each financial year direct the Victorian Legal Services Board to pay an amount out of the Public Purpose Fund to the Victorian Law Reform Commission established under the Victorian Law Reform Commission Act 2000. These amounts are paid to it under Section 144 of the *Legal Profession Uniform Law Application Act 2014*.

These non-public monies are held by the Victorian Legal Services Board until they are deposited in the Commission's Trust Account.

The Department of Treasury and Finance (DTF), in establishing the trust account, stipulated "the trust fund amounts and appropriation amounts must be used equally to meet the operating and capital expenses of the Commission i.e. the appropriation funds are not to be

exhausted in the first instance to allow the Commission to accumulate investment income from Trust Funds." The Department of Justice and Community Safety monitors the equal use of the trust funds and appropriation amounts for operating and capital expenditure of the Commission.

2.4. Summary of compliance with annual Parliamentary and special appropriations

The following table discloses the details of the annual Parliamentary appropriation received by the Commission for the year.

In accordance with accrual output-based management procedures, 'provision of outputs' is disclosed as 'controlled' activities of the Commission. The Commission is not subject to administered transactions.

<i>Appropriations Act section 17</i>					
	Annual appropriation	Advance from Treasurer	Total Parliamentary authority	Appropriations applied	Variance ^(a)
	\$	\$	\$	\$	\$
2023					
Provision for outputs	778,600	-	824,000	778,600	45,400
2023 Total	778,600	-	824,000	778,600	45,400
2022					
Provision for outputs	1,226,200	-	1,226,200	1,226,200	-
2022 total	1,226,200	-	1,226,200	1,226,200	-

(a) Any variance is related to applied savings or budget pressure payments in the relevant financial year which have been committed to projects being delivered in the next financial year.

3. THE COST OF DELIVERING SERVICES

Introduction

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

Structure

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3.2 Other operating expenses	51

3.1 Expenses incurred in delivery of services

	Notes	2023 \$	2022 \$
Employee benefit expenses	3.11	1,760,333	2,457,154
Other operating expenses	3.2	432,466	398,579
Total expenses incurred in the delivery of services		2,192,799	2,826,337

3.1.1 Employee benefits in the comprehensive operating statement

	2023 \$	2022 \$
Defined contribution superannuation expense	158,505	199,018
Salaries and wages, annual leave and long service leave	1,601,828	2,228,740
Total employee expenses	1,760,333	2,427,758

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

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

3.1.2. Employee benefits in the balance sheet

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

	2023 \$	2022 \$
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	124,216	166,492
Unconditional and expected to settle after 12 months	20,586	27,016
Long service leave		
Unconditional and expected to settle within 12 months	21,634	11,899
Unconditional and expected to settle after 12 months	119,476	59,687
Provisions for on costs		
Unconditional and expected to settle within 12 months	33,849	42,234
Unconditional and expected to settle after 12 months	27,073	17,873
Total current provisions for employee benefits	346,835	325,201
Non current provisions:		
Employee benefits - Long service leave	43,460	63,857
On costs	7,726	11,101
Total non current provisions for employee benefits	51,186	74,958
Total provisions for employee benefits	398,020	400,159

Reconciliation of movement in on-cost provision

	2023 \$
Opening balance	71,208
Additional provisions recognised	27,027
Reductions arising from payments of future economic benefits	(29,587)
Closing balance	68,648
Current	60,922
Non current	7,726

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

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

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

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

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

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

The components of this current LSL liability are measured at:

- > undiscounted value – if the Commission expects to wholly settle within 12 months; or
- > present value – if the Commission does not expect to wholly settle within 12 months.

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

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

3.1.3 Superannuation contributions

Employees of the Commission are entitled to receive superannuation benefits and the Commission contributes to defined contribution plans.

	Paid contribution for the year		Contribution outstanding at year end	
	2023 \$	2022 \$	2023 \$	2022 \$
Defined contribution plans				
VicSuper	39,022	54,911	–	–
Other	119,483	144,107	–	–
Total	158,505	199,018	–	–

3.2 Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debts expense from transactions that are mutually agreed. Supplies and services are recognised as an expense in the reporting period in which they are incurred.

	2023 \$	2022 \$
Supplies and services		
Purchase of supplies and consumables	167,286	175,955
Purchase of services (including remuneration of auditors)	141,751	123,416
Maintenance	3,137	533
Rental outgoings and expenses	120,292	98,674
Total other operating expenses	432,466	398,579

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

The Commission controls plant and equipment that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Commission to be utilised for delivery of those 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, equipment and vehicles 52

4.1 Total property, plant and equipment^(a)

	Gross carrying amount		Accumulated Depreciation		Net carrying amount	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
Right of use leased office space	744,720	744,720	(744,720)	(558,540)	-	186,180
Video Conferencing equipment	12,490	12,490	(3,903)	(781)	8,587	11,709
Motor vehicle at fair value	36,227	36,227	(26,954)	(19,923)	9,273	16,305
Net carrying amount	793,438	793,438	(775,578)	(579,244)	17,860	214,194

(a) See table 4.12 for movements.

Initial recognition: Items of property, plant, equipment and vehicles, 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.

The initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Right-of-use asset acquired by lessees – Initial measurement

The Commission 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; plus
- > any initial direct costs incurred; and
- > an estimate of costs to dismantle and

remove the underlying asset or to restore the underlying asset or the site on which it is located.

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

Subsequent measurement: Property, plant and equipment (PPE) as well as right-of-use assets under leases and are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following page by asset category. Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

Right-of-use asset

– Subsequent measurement

The Commission depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain re-measurements of the lease liability.

Impairment of property, plant, equipment and vehicles

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.

4.1.1 Depreciation and amortisation

Charge for the period

	2023	2022
	\$	\$
Right of use leased office space	186,180	186,180
Plant, equipment and vehicles	10,154	7,812
Total depreciation and amortisation	196,334	193,992

Asset	(years) Useful Life	
ROU leased asset	5	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 on the left.
Computer equipment and video conferencing Equipment	5	The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.
Motor vehicles	5	Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the Commission 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.

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

	Right of use leased office space at fair value		Vehicles at fair value		Computer equipment & video conferencing at fair value	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Opening balance 1 July 2022	186,180	372,360	16,304	23,335	11,709	-
Additions	-	-	-	-	-	12,490
Depreciation	(186,180)	(186,180)	(7,032)	(7,032)	(2,602)	(781)
Closing balance 30 June 2023	-	186,180	9,272	16,304	9,107	11,709

Note: Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that movements were not material (less than or equal to 10 per cent) for a full revaluation.

5. OTHER ASSETS AND LIABILITIES

Introduction	Structure	
This section sets out those assets and liabilities that arose from the Commission's operations.	5.1 Receivables	54
	5.2 Payables	54

5.1 Receivables

	2023	2022
	\$	\$
Contractual		
Sub-lease - Sentencing Advisory Council ^(a)	-	128,693
Statutory		
Amount owing from Victorian Government	246,898	124,165
Total receivables	246,898	252,858
<i>Represented by</i>		
Current receivables	246,898	252,858
Non-current receivables	-	-

(a) The Commission has a sub-lease agreement with the Sentencing Advisory Council for a portion of the office space leased. Refer to note 6.2.

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

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The Commission applies AASB 9 *Financial Instruments* 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. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Details about the Commission's impairment policies exposure to credit risk and the calculation of the allowance are in note 7.1.

5.2 Payables

	2023	2022
	\$	\$
Contractual		
Supplies and services	63,354	41,667
Statutory		
FBT payable	2,967	2,061
Total payables	66,321	43,728
<i>Represented by:</i>		
Current payables	66,321	43,728

Payables consist of:

contractual payables, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the Commission prior to the end of the financial year that are unpaid; and

statutory payables, that 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.

Payables for supplies and services have an average credit period of 30 days. No interest is charged on the 'other payables' for the first 30 days from the date of the invoice.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

Maturity analysis of contractual payables ^(a)

	Carrying amount	Nominal amount	Less than 1 month	Maturity dates		
				1–3 months	3 months – 1 year	1–5 years
	\$	\$	\$			
2023						
Supplies and services	63,354	63,354	63,354	-	-	-
Total	63,354	63,354	63,354	-	-	-
2022						
Supplies and services	41,667	41,667	41,667	-	-	-
Total	41,667	41,667	41,667	-	-	-

(a) Maturity analysis is presented using the contractual undiscounted cash flows.

6. FINANCING OUR OPERATIONS

Introduction

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

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 Borrowings	56
6.2 Leases	57
6.3 Cash flow information and balances	59
6.4 Trust account balances	60
6.5 Commitments for Expenditure	60

6.1 Borrowings

	2023	2022
	\$	\$
Current borrowings		
Lease liabilities – Buildings	–	330,387
Lease liabilities – Motor Vehicle	8,824	16,305
Total current borrowings	8,824	346,692
Non current borrowings		
Lease liabilities – Buildings	–	–
Lease liabilities – Motor Vehicle	–	–
Total non current borrowings	–	–
Total borrowings	8,824	346,692

Interest Expense

	2023	2022
	\$	\$
Lease liabilities – buildings	1,577	4,399
Lease liabilities – motor vehicle	419	658
Total interest expense	1,996	5,057

'Interest expense' includes the interest component of finance leases repayments. Interest expense is recognised in the period in which it is incurred.

'Borrowings' refer to interest bearing liabilities and lease liabilities.

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost unless the Commission elects to irrevocably designate them at fair value through profit or loss at initial recognition.

The election depends on the nature and purpose of the interest-bearing liabilities.

The Commission has designated lease liabilities at fair value through net result to eliminate or significantly reduce the accounting mismatch that would otherwise arise. All other interest-bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

For financial liabilities designated at fair value through net result, all transaction costs are expensed as incurred. And they are subsequently measured at fair value with changes in fair value relating to the Commission's own credit risk recognised in other comprehensive income and the remaining amount of changes in fair value recognised in net result.

Maturity analysis of borrowings

	Maturity dates					
	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
	\$	\$	\$	\$	\$	\$
2023						
Lease liabilities – Buildings	-	-	-	-	-	-
Lease liabilities – Motor Vehicle	8,824	8,824	645	1,290	6,889	-
Total	8,824	8,824	645	1,290	6,889	-
2022						
Lease liabilities – buildings	330,387	330,387	27,351	82,250	220,786	-
Lease liabilities – motor vehicle	16,305	16,305	628	15,677	-	-
Total	346,692	346,692	27,979	97,927	220,786	-

6.2 Leases

Information about leases for which the Commission is a lessee is presented below.

The Commission's leasing activities

The Commission leases its office space and a motor vehicle. The lease contract for the office space is for a five year period and for the motor vehicle it is a three year period. Lease payments for properties are renegotiated every five years to reflect market rentals. As at 30 June 2023 the lease term remaining was two years.

The Commission has a sublease arrangement with the Sentencing Advisory Council which is classified as

finance leases under AASB 16 as the present value of the lease payments amounts to substantially all of the fair value of the underlying asset and the lease terms are for the major part of the economic life of the underlying asset. As an intermediate lessor, the Commission has accounted for the head lease and the sublease as two separate contracts. The period of the agreement is for five years with the remaining term being two years as at 30 June 2023. Refer to receivables note 5.1.

Right-of-use Assets

Right-of-use assets are presented in note 4.1.

Amounts recognised in the Comprehensive Operating Statement

The following amounts are recognised in the Comprehensive Operating Statement relating to leases:

Amounts recognised in the Statement of Cashflows

The following amounts are recognised in the Statement of Cashflows for the year ending 30 June 2021 relating to building leases.

	2023	2022
	\$	\$
Interest expense on building lease liability	1,577	4,399
SAC share of lease liability	(128,693)	(121,904)
Repayment of building lease liability	330,387	312,958
Net outflow for building lease	203,272	195,453

For any new contracts entered into, the Commission 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 Commission assesses whether the contract meets three key evaluations:

- > Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Commission and for which the supplier does not have substantive substitution rights;
- > Whether the Commission 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 Commission has the right to direct the use of the identified asset throughout the period of use; and
- > Whether the Commission 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.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

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

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

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

Lease Liability – subsequent measurement

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

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

Short-term leases and leases of low-value assets

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

Presentation of right-of-use assets and lease liabilities

The Commission presents right-of-use assets as 'property plant equipment' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

6.3 Cash flow information and balances

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

For cash flow statement purposes, cash and cash equivalents are indicated below.

	2023	2022
	\$	\$
Funds held in trust ^{(a)(b)}	777,969	401,005
Balance as per cash flow statement	777,969	401,005

(a) Refer to note 2.3 for details of trust establishment

(b) Refer to note 6.4 for details of trust account balances

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

	2023	2022
	\$	\$
Net result for the period	430,659	110,035
Non cash movements		
Depreciation and amortisation of non current assets	196,334	193,992
Movements in assets and liabilities		
Decrease/(increase) in receivables	5,960	124,517
Decrease/(increase) in pre-payments	48,583	7,482
Increase/(decrease) in payables	22,592	12,648
Increase/(decrease) in provisions	(2,138)	7,860
Net cash flows from/(used in) operating activities	701,990	456,534

6.4 Trust account balances

Trust account balances relating to trust accounts controlled by the Commission

Cash and cash equivalents and investments	2023				2022			
	Opening balance as 1 July 2022	Total receipts	Total payments	Closing balance as 30 June 2023	Opening balance as 1 July 2021	Total receipts	Total payments	Closing balance as 30 June 2022
	\$	\$	\$	\$	\$	\$	\$	\$
Controlled trusts								
VLRC Trust Fund ^{(a)(b)}	401,005	2,040,375	1,663,411	777,969	260,367	1,893,049	1,752,411	401,005
Total controlled trusts	401,005	2,040,375	1,663,411	777,969	260,367	1,893,049	1,752,411	401,005

(a) The VLRC Trust fund was created to receive non-public monies, Section 144(3) of the *Legal Profession Uniform Law Application Act 2014*, specifically to receive monies paid to VLRC under Section 17(a) *Victorian Law Reform Commission Act 2000*.

(b) Refer to note 2.3 for details of trust establishment

6.5 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet. There were no outstanding commitments for expenditure as at 30 June 2023.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

The Victorian Law Reform Commission (the Commission) 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.

Structure

7.1	Financial instruments specific disclosures	61
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7.4	How this section is structured	64

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

Categories of financial assets

Financial assets at amortised cost

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

- > the assets are held by the Commission to collect the contractual cash flows, and
- > 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 Commission recognises the following assets in this category:

- > receivables (excluding statutory receivables); and
- > term deposits;

Categories of financial liabilities

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 Commission recognises the following liabilities in this category:

- > payables (excluding statutory payables); and
- > borrowings (including finance lease liabilities).

7.1.1 Financial instruments: Categorisation

2023	Cash and deposits	Financial assets at amortised cost (AC)	Financial Liabilities at amortised cost (AC)	Total
	\$	\$	\$	\$
Contractual financial assets				
Receivables ^(a)				
Investments and other contractual financial assets				
Term deposits	777,969	-	-	777,969
Other receivables ^(b)	-	-	-	-
Total contractual financial assets	777,969	-	-	777,969
Contractual financial liabilities				
Payables ^(a)				
Supplies and services	-	-	63,353	63,353
Borrowings				
Lease liabilities	-	-	8,824	8,824
Total contractual financial liabilities	-	-	72,178	72,178

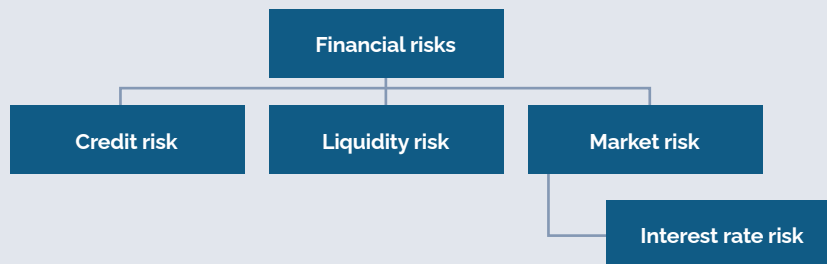
(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

(b) Refer to note 5.1

2022	Cash and deposits	Contractual financial assets—loans and receivables held to maturity	Contractual financial liabilities at amortised cost	Total
	\$	\$	\$	\$
Contractual financial assets				
Investments and other contractual financial assets				
Term deposits and cash	401,005	-	-	401,005
Other receivables	-	128,693	-	128,693
Total contractual financial assets	401,005	128,693	-	529,698
Contractual financial liabilities				
Payables ^(a)				
Supplies and services	-	-	41,667	41,667
Borrowings				
Finance lease liabilities	-	-	346,692	346,692
Total contractual financial liabilities	-	-	388,359	388,359

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7.1.2 Financial risk management objectives and policies



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

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the Commission's financial risks within the government policy parameters.

The Commission's main financial risks include credit risk, liquidity risk and interest rate risk. The Commission manages these financial risks in accordance with its financial risk management policy.

The Commission uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer of the Commission.

7.1.3. Credit Risk

Credit risk arises from the contractual financial assets of the Commission, which comprise term deposits and non-statutory receivables. The Commission's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Commission. Credit risk is measured at fair value and is monitored on a regular basis. Credit risk associated with the Commission's contractual financial assets is minimal because the main debtor is the Department of Justice and Community Safety.

7.1.4. Liquidity Risk

Liquidity risk is the risk that the Commission would be unable to meet its financial obligations as and when they fall due. The Commission operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. The Commission manages its liquidity risk through monitoring future cash flows and maturities.

7.1.5. Market Risk

The Commission's exposure to market risk is insignificant exposure to foreign currency risks. Objectives, policies and processes used to manage this risk are disclosed in the paragraphs below.

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

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

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.

The Commission had no contingent assets or liabilities as at 30 June 2023 (Nil 30 June 2022).

7.3. Fair value determination

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

The following assets and liabilities are carried at fair value:

- > financial assets and liabilities at fair value through operating result; and

- > property, plant, equipment and vehicles;

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes. The Commission determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

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

- > Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- > Level 2 – valuation techniques for

which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

- > Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Commission monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

7.4 How this section is structured

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

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

Fair value determination of financial assets and liabilities

The fair values and net fair values of financial 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 are 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; and
- > 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 Commission 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 2022–23 reporting period. The Commission applies Level 2 fair value determination to all assets and liabilities.

These financial instruments include:

Financial assets	Financial liabilities
<p>Cash and deposits</p> <p>Investments and other contractual financial assets:</p> <ul style="list-style-type: none"> > Trust fund deposits 	<p>Payables:</p> <ul style="list-style-type: none"> > For supplies and services <p>Borrowings:</p> <ul style="list-style-type: none"> > Lease liabilities

8. OTHER DISCLOSURES

Introduction

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

Structure

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8.1 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- > the revaluation of the present value of the long service leave liability due to changes in the bond interest rates;

	2023	2022
	\$	\$
Other gains/(losses) from other economic flows		
Net gain/(loss) arising from revaluation of long service liability ^(a)	2,813	16,173
Total other gains/(losses) from other economic flows	2,813	16,713

(a) Revaluation gain/(loss) due to changes in bond rates.

8.2. Responsible persons

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

Names

The persons who held the positions of Ministers and Accountable Officers in the Department of Justice and Community Safety (from 1 July 2022 to 30 June 2023 unless otherwise stated) are as follows: -

The Department

Attorney-General	The Hon. Jacyn Symes, MP	1 July 2022	to	30 June 2023
Acting Attorney-General	The Hon. Anthony Richard Carbines, MP	23 September 2022	to	2 October 2022
	The Hon. Anthony Richard Carbines, MP	28 December 2022	to	14 January 2023
	The Hon. Anthony Richard Carbines, MP	29 April 2023	to	30 April 2023

The Commission

The persons who were Responsible Persons of the Commission as stipulated in Section 7 of the *Victorian Law Reform Commission Act 2000*, for the reporting period are as follows:

Chair	The Hon. Anthony North KC	1 July 2022	to	30 June 2023
Commissioner	Bruce Gardner PSM	1 July 2022	to	30 June 2023
Commissioner	Liana Buchanan	1 July 2022	to	23 February 2023
Commissioner	Liana Buchanan	4 April 2023	to	30 June 2023
Commissioner	Gemma Varley PSM	1 July 2022	to	30 June 2023
Commissioner	Bernadette McSherry	1 July 2022	to	25 June 2023
Commissioner	Dan Nicholson	1 July 2022	to	30 June 2023
Commissioner	Jennifer Coate	1 July 2022	to	15 June 2023
Commissioner	Kathleen Foley SC	1 July 2022	to	30 June 2023
Commissioner	Dr Vivian Waller	1 July 2022	to	30 June 2023

Accountable Officer

Chief Executive Officer	Ms Merrin Mason PSM	1 July 2022	to	30 June 2023
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Remuneration

Remuneration of responsible persons ^(a)	2023	2022
Salary Band \$		
20,000–30,000	6	6
230,000–240,000	1	1
270,000–280,000	1	1

(a) Excludes unpaid Commissioners.

8.3. Related parties

The Commission is an independent agency established under the *Victoria Law Reform Commission Act 2000*. It is a wholly owned and controlled entity of the State of Victoria.

Related parties of the Commission include:

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

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

Significant transactions with government-related entities

The Commission received funding of \$2.819 million (2022: \$3.119 million) and made payments of \$0.235 million (2022: \$0.262 million) to government-related entities.

During the year, the Commission had the following government-related entity transactions:

- > \$84,042 in payroll tax to the State Revenue Office (2022: \$117,018).
- > \$150,894 in other transactions that are collectively, but not individually significant (2022: \$145,354).

Key management personnel of the Commission includes the Attorney-General, The Hon. Jaclyn Symes, MP; the Acting Attorney-General, The Hon. Anthony Richard Carbines, MP and the Chair and Commissioners of the Victorian Law Reform Commission; and members of the Senior Executive Team, which includes:

Key Management Personnel	Position Title
The Hon. Anthony North KC	Chair
Bruce Gardner PSM	Commissioner
Liana Buchanan	Commissioner
Gemma Varley PSM	Commissioner
Bernadette McSherry	Commissioner
Dan Nicholson	Commissioner
Jennifer Coate	Commissioner
Kathleen Foley SC	Commissioner
Dr Vivian Waller	Commissioner
Ms Merrin Mason PSM	Chief Executive Officer

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.

Remuneration of Key management personnel	Total Remuneration	
	2023 \$	2022 \$
Short-term employee benefits	635,509	637,063
Post-employment benefits	60,710	57,736
Other long-term benefits	19,037	19,257
Total remuneration	715,527	714,056
Total number of key management personnel^(a)	10	10
Total annualised employee equivalents^(b)	2.8	2.8

(a) Total number of key management personnel includes paid and unpaid Commissioners.

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

Transactions and balances with key management personnel and other related parties

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

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

8.3. Remuneration of auditors

	Total Remuneration	
	2023 \$	2022 \$
Victorian Auditor General's Office		
Audit of the financial statements	25,200	24,500
Other audit services		
Internal audit	-	18,450
Total remuneration of auditors	25,200	42,950

8.5. Subsequent events

Information about a renewed office lease for which the Commission is a lessee from the 1 July 2023 is presented below.

The Commission's long term existing office space lease expired on the 30 June 2023. A new lease contract for the office space was formalised and signed on the 21 July 2023, to operate from the 1st of July 2023. The new lease agreement is for a three and a half year period. The annual lease arrangements are on similar terms and conditions as the expired lease, allowing for normal rental increases.

The Commission has a long standing sub-lease arrangement with the Sentencing Advisory Council which is classified as a finance lease under AASB 16. The present value of the lease payments amount to substantially all of the fair value of the right of use asset and the lease term is for the main part of the economic life of the right of use asset. Accordingly, as an intermediate lessor, the Commission will account for the head lease and the sublease as two separate contracts. The period of the agreements is for three and a half years.

Accordingly, from the 1st of July 2023 a Right of Use Asset and Liability at a nominal value of approximately \$1,424,528 will be brought to account, offset by an amount of \$457,573 receivable from the Sentencing Advisory Council.

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

8.6. Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2022-23 reporting period. These accounting standards have not been applied to the Model Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

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

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

Among other things, the Standard:

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

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

AASB 17 Insurance Contracts, AASB 2022-8 Amendments to Australian Accounting Standards -Insurance Contracts: Consequential Amendments and AASB 2022-9 Amendments to Australian Accounting Standards -Insurance Contracts in the Public Sector

AASB 17 replaces AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts for not-for-profit public sector entities for annual reporting periods beginning on or after 1 July 2026.

AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026.

AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026. This Standard applies for annual reporting periods beginning on or after 1 January 2023.

AASB 2020-1. Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards current Liabilities with Covenants

AASB 2020-1 amended AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current and was applicable to annual reporting periods beginning on or after 1 January 2022.

AASB 2020-6 subsequently amended AASB 2020-1, deferring the mandatory effective date of AASB 2020-1 from 1 January 2022 to 1 January 2023. AASB 2022-6 was applicable for annual reporting periods beginning on or after 1 January 2022.

AASB 2022-6 amends and clarifies the requirements contained in AASB 2020-1. Among other things, it:

- > clarifies that only those covenants that an entity must comply with at or before the reporting date affect a liability's classification as current or non-current: and
- > requires additional disclosures for non-current liabilities that are subject to an entity complying with covenants within twelve months after the reporting date.

AASB 2022-6 applies to annual reporting periods beginning on or after 1 January 2023.

The Commission is currently in the process of assessing the potential impact of these standards and amendments.

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

8.7. Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Amortisation is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

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

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

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

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

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

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

Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Financial asset is any asset that is either:

- > cash
- > an equity instrument of another entity
- > a contractual right to receive cash or another financial asset from another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

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

Financial liability is any liability that is:

- > a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.

Financial statements in this Report comprises:

- > a balance sheet as at the end of the period;
- > a comprehensive operating statement for the period;
- > a statement of changes in equity for the period;
- > a cash flow statement for the period;
- > notes, comprising a summary of significant accounting policies and other explanatory information; and
- > comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 Presentation of Financial Statements.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

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

Non-financial assets are all assets that are not financial assets. It includes inventories and plant and equipment.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets and fair value changes of financial instruments.

Payables includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Receivables includes amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

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

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

8.8. Style conventions

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

The financial statements and notes are presented based on the illustration for a government Department in the *2022-23 Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the Commission's annual reports.

DISCLOSURE INDEX

The annual report of the Commission is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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FRD 112	Defined Benefit Superannuation Obligations	49
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Note: (a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.

Legislation

Freedom of Information Act 1982

Building Act 1993

Public Interest Disclosures Act 2012

Carers Recognition Act 2012

Disability Act 2006

Local Jobs First Act 2003

Financial Management Act 1994

BUDGET PORTFOLIO OUTCOMES

The Budget Portfolio Outcomes provide comparisons between the actual financial statements of the agency and forecast financial information published in the Budget Papers.

The following table provides information for the current and previous four financial years.

The following Budget Portfolio Outcomes statements are not subject to audit by the Victorian Auditor-General's Office.

Financial review of operations and financial condition

Five year financial summary	2023	2022	2021	2020	2019
	\$	\$	\$	\$	\$
Annual Appropriation Actual	824,000	1,226,200	890,000	856,100	662,300
Output appropriations					
– Department of Justice and Community Safety	778,600	816,200	890,000	856,100	662,300
Grants - Specific Purpose – Department of Justice and Community Safety	-	410,000	-	-	-
Grants - Legal Services Board	2,040,375	1,893,049	1,836,210	2,243,000	1,893,106
Interest	-	-	-	-	9,235
Total revenue	2,818,975	3,119,249	2,726,210	3,099,100	2,564,641
Total expenses	(2,391,129)	(3,025,387)	(3,168,704)	2,782,619	(2,577,906)
Net result from continuing operations	430,659	110,035	(436,752)	313,356	(29,674)
Net cash flow from operating activities	714,831	456,534	(92,795)	585,298	(83,364)
Total assets	1,046,505	933,260	1,106,124	1,697,544	506,024
Total liabilities	473,166	790,579	1,090,271	1,244,941	366,777

Any difference between the annual appropriation and the actual grant from The Department of Justice and Community Safety is a direct result of the annual Government Efficiency Dividend, plus an adjustment for depreciation funded capital expenditure.

Published by the Victorian Law Reform Commission

The Victorian Law Reform Commission was established under the *Victorian Law Reform Commission Act 2000* as a central agency for developing law reform in Victoria.

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This office is located on the land of the Traditional Custodians, the people of the Kulin Nations. We acknowledge their history, culture and Elders both past and present.

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Chair

The Hon. Anthony North KC

Commissioners

Liana Buchanan

The Hon. Jennifer Coate AO

Kathleen Foley SC

Bruce Gardner PSM

Professor Bernadette McSherry

Dan Nicholson

Gemma Varley PSM

Dr Vivian Waller

Chief executive officer

Merrin Mason PSM

GPO Box 4637
Melbourne
Victoria 3001
Australia

Level 3
333 Queen Street
Melbourne
Victoria 3000
Australia

Telephone
+61 3 8608 7800

Freecall
1300 666 555
(within Victoria)

Fax
+61 3 8608 7888

Email
law.reform@lawreform.vic.gov.au

lawreform.vic.gov.au

Printed on 100% recycled paper

GPO Box 4637
Melbourne
Victoria 3001
Australia

Level 3
333 Queen Street
Melbourne
Victoria 3000
Australia

Telephone
+61 3 8608 7800

Freecall
1300 666 555
(within Victoria)

Fax
+61 3 8608 7888

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