



ANNUAL REPORT 2024-25



Declaration

29 August 2025

The Hon. Ros Spence MP
Minister for Agriculture
Level 22, 50 Lonsdale Street
MELBOURNE VIC 3000

Dear Minister

PrimeSafe proudly acknowledges Victoria's Aboriginal communities and their rich culture and pays respect to their Elders past and present. We acknowledge Aboriginal people as Australia's first people and as the Traditional Owners and custodians of the land and water on which we rely. We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us. We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

In accordance with the *Financial Management Act 1994*, I am pleased to present PrimeSafe's Annual Report for the year ending 30 June 2025.

Yours sincerely



Alison Stone
Chair

Contents

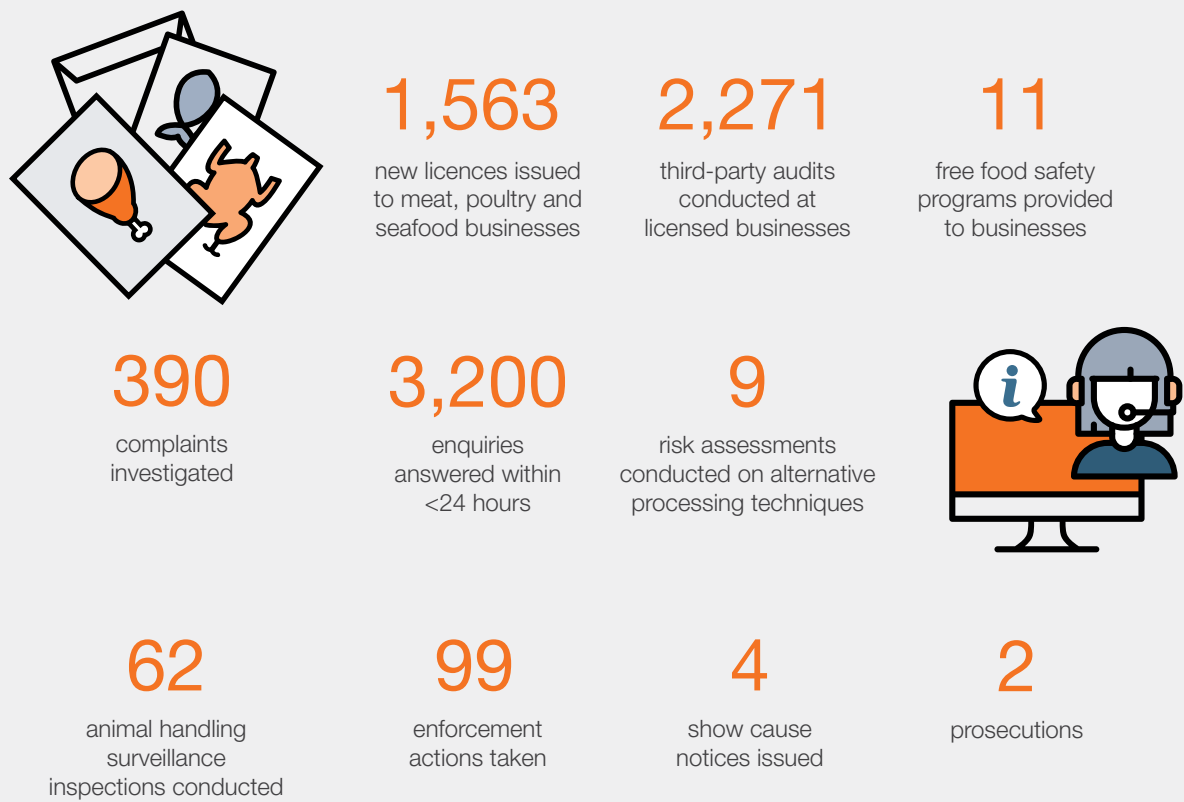
Declaration	2
Overview	4
Snapshot of PrimeSafe	4
Our purpose	5
Key highlights 2024-25	6
Chair's message	10
CEO's report	11
Year in review	12
Delivery on our objectives	12
Continuing to ensure the smooth flow of food to Victorian consumers	18
Organisational structure, people and governance	22
Board and committees	24
Organisational structure	28
CEO and Management	29
Financial summary	30
Workforce and executive data	30
Required disclosures	32
Financial statements	39

Snapshot of PrimeSafe

Who we are



Here are some of the ways PrimeSafe supported businesses and had a positive impact on food safety:



Our purpose

PrimeSafe safeguards the health of all consumers by making sure that meat and seafood businesses produce food that is safe

PrimeSafe is a specialist regulator responsible for setting and maintaining standards for food safety across the meat, poultry and seafood industries.

At PrimeSafe, our primary objective is the provision of safe and wholesome meat, poultry and seafood to Victorian consumers. We do this through our comprehensive food safety compliance arrangements that centre on licensing and audit. We place high priority on supporting businesses to understand and achieve compliance with food safety requirements. This underpins our ongoing focus to provide practical advice and information to businesses, to assist the development of a strong food safety culture.

Across all aspects of our operations, we aim to constructively engage with businesses so that we can be responsive to their needs and challenges and ensure we keep abreast of industry trends and innovations. We also partner with industry stakeholders and work closely with state and federal government agencies and food safety regulators to improve and achieve positive food safety outcomes. This includes the Department of Energy, Environment and Climate Action (DEECA), the Department of Health (DH), the Department of Treasury and Finance (DTF) and the Commonwealth Department of Agriculture, Fisheries and Forestry (DAFF).



Key highlights 2024-25

Regulatory Modernisation Program

PrimeSafe continued to implement recommendations following a comprehensive review of its Regulatory Operations in 2023.

The objective of the Regulatory Modernisation Program is to implement a regulatory approach that is more efficient but just as effective at producing strong food safety outcomes. PrimeSafe's regulatory approach will always ensure its vision and mission is maintained, to ensure the public has confidence in Victoria's meat, poultry, seafood, and pet meat.

While maintaining food safety as a priority, PrimeSafe continues to modernise its regulatory approach through investment in digital technology and reduced audit burdens on industry.

In 2024-25, PrimeSafe removed the requirement to conduct annual compliance inspections of Meat Transport Vehicles (MTVs) and vessels as part of the annual licence renewal process. These changes came into effect for the 2025-26 licence period, which renewals for MTVs began on 20 April 2025.

A review of historical compliance data indicated that MTVs pass their annual inspection in over 95% of cases. In addition, food transportation poses a reduced risk to food safety in comparison to other areas of the industry and this change allowed PrimeSafe's regulatory focus and resources to be shifted to higher-

risk processes. This approach also aligns with the food transport vehicle licensing requirements in some other Australian jurisdictions.

PrimeSafe continues to conduct surveillance activities of vehicles and vessels to verify that vehicles remain compliant and do not jeopardise food safety requirements. Vehicles and vessels linked to licensed facilities continued to be subjected to audits and inspections as part of the existing audit and inspection systems in place through PrimeSafe and third-party auditors.

MTVs and vessels still require an initial inspection when first being licensed by PrimeSafe. These inspections are performed by PrimeSafe remotely through an assessment of photos of each new vehicle uploaded with applications submitted via the PrimeSafe Licensee Portal.

These changes reduce the time that MTVs and vessels cannot be used, providing a time cost saving for the businesses, so drivers no longer need to attend to the inspections. In addition, MTV owners who usually have their vehicles inspected by third-party Conformity Assessment Bodies (CAB) will no longer incur any fees related to renewal inspections. In total, the regulatory burden reductions from these measures are estimated at around \$1.41 million per annum for industry.

Focusing regulatory resources on the right things

To complement the reduced audit program, PrimeSafe established an unannounced surveillance verification program which continued in 2024-25. Results indicate non-compliance in 11.6% of unannounced inspections compared with 4.1% non-compliance identified by scheduled third-party audits over the same period.

This demonstrates that the unannounced surveillance verification program provides an added layer of assurance regarding food safety and compliance while reducing the third-party audits at licensed facilities.

PrimeSafe has also taken stronger enforcement action where the level of non-compliance has warranted a stronger response. During 2024-25, PrimeSafe completed two prosecutions and issued four show cause notices regarding the suspension or cancellation of licences or amending licence conditions.

The majority of licensees remain compliant with their licensing requirements and will benefit from the reduced auditing approach.

Active engagement with business, industry and government stakeholders

PrimeSafe recognises constructive engagement and strong working relationships with industry and government stakeholders is essential to achieving positive food safety outcomes.

In 2024-25 PrimeSafe continued a number of measures to improve stakeholder and industry engagement. These include:

- Inviting industry licensees to present, providing licensees to directly engage with the PrimeSafe Board
- Continued investment in Salesforce Marketing Cloud which has improved PrimeSafe's ability to directly engage one-on-one with individual licensed businesses
- Continued monitoring of performance surveys of the PrimeSafe Licence Management Process and Third-Party Audit Process. These enable individual licensees to provide direct feedback on core regulatory activities

- Comprehensive licensee survey sent to all licensees
- Consultation on the new Corporate Plan 2025-2030 released 1 July 2025
- PrimeSafe continues to use forums to engage with industry and government stakeholders.

More broadly, the feedback PrimeSafe receives through all interactions with licensees and stakeholders will help to improve PrimeSafe's understanding and ability to effectively communicate the industry's needs in policy making forums while also helping PrimeSafe directly respond to these needs wherever possible, and better support future innovations.



Licensee Survey

Every two years, PrimeSafe conducts a comprehensive licensee survey. During 2024-25, PrimeSafe received 189 responses and surveyed respondents through a 20-minute online questionnaire, as well as phone interviews to gather further information and feedback.

The survey results reinforce industry satisfaction with PrimeSafe as a trusted regulator.

81%

of licence holders are satisfied with PrimeSafe overall

84%

believe PrimeSafe improves industry food safety

82%

feel PrimeSafe enhances their business's food safety

Key highlights 2024-25

Improving efficiency and food safety through digitisation

The PrimeSafe digital licensing platform is now used by 99% of licensees with a 95% satisfaction rate from users.

PrimeSafe commenced providing electronic licences to businesses from 20 May 2025. With the exception of licence holders of meat transport vehicles and field harvest vehicles, all licensed businesses will now receive their licences electronically promptly following approval, removing the need to wait for postal delivery. In addition to time efficiencies, this change has also reduced postage-related costs.

PrimeSafe is also exploring the application of artificial intelligence (AI) to enable staff to provide consistent advice to applicants and licensees, and allow licensees to receive 24/7 support in certain circumstances.

The digitisation is underpinned by continued investment in enhancing cybersecurity to ensure high security scores of key software and network systems used within PrimeSafe to safeguard PrimeSafe data, especially licensee data.

Artificial Intelligence

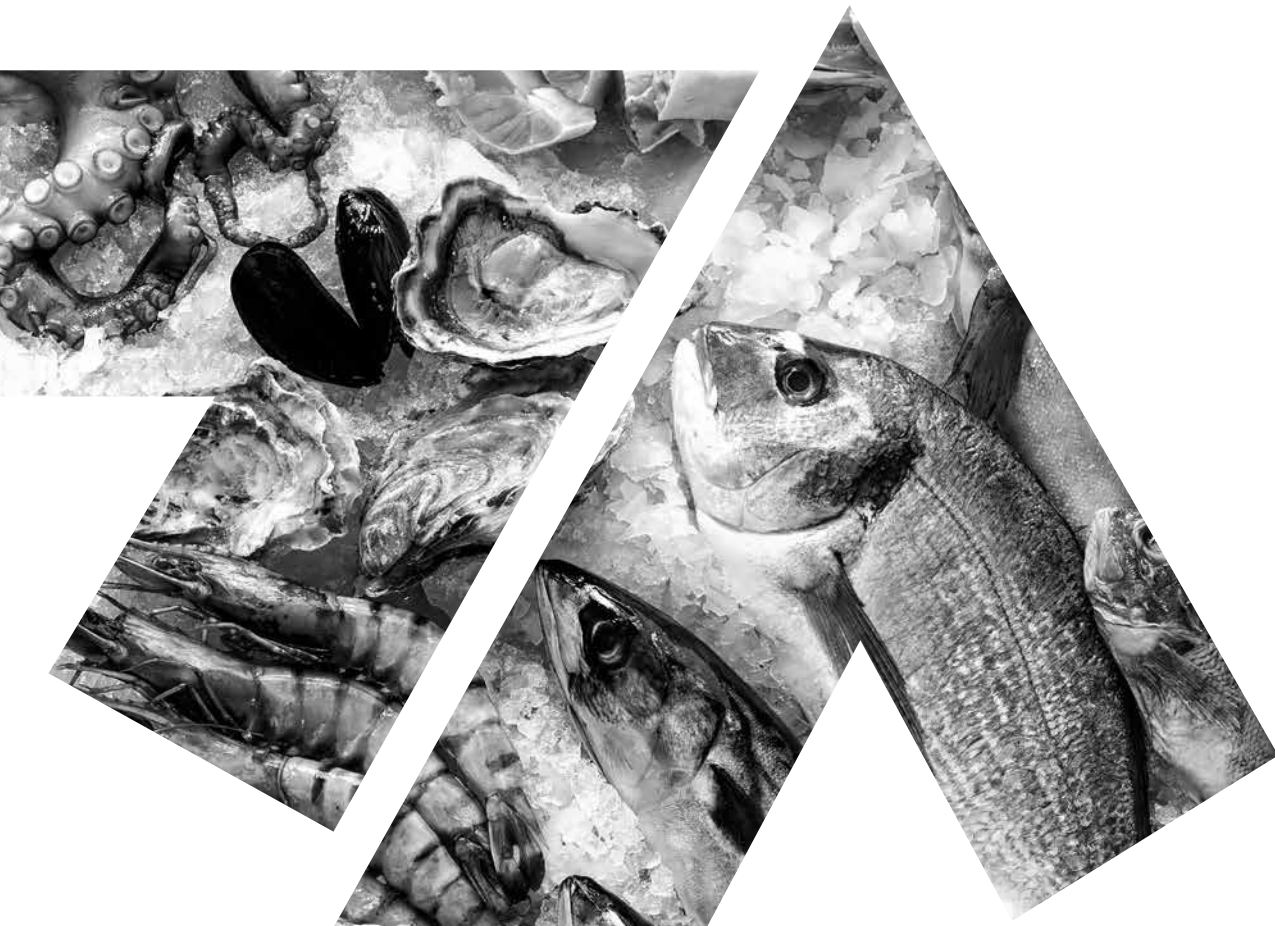
PrimeSafe commenced a proof of concept (POC) to explore the use of artificial intelligence (AI) within its Salesforce-based licence management system. This initiative forms part of a broader digital transformation strategy aimed at improving operational efficiency, service consistency, and responsiveness.

The POC focused on three core use cases:

- An internal agent to assist staff with real-time guidance on applying policies to cases
- An external service concierge to help licensees navigate licensing queries and get tailored information through the website
- Case automation tools to classify and summarise service requests, reducing manual handling.

The AI agents are designed to operate within secure guardrails, ensuring data security and response accuracy while enabling 24/7 support and significantly faster information access. Early results have shown potential to reduce administrative burden, improve turnaround times, and support consistent communication with licensees.

The POC delivered tangible prototypes and a roadmap for scalable AI adoption that will enhance PrimeSafe's regulatory functions and readiness for future service demands.



Chair's message

Alison Stone
Chair

As the Chair of PrimeSafe, I am pleased to present PrimeSafe's Annual Report for 2024-25 and report that there have been no major food safety outbreaks involving PrimeSafe licensees during 2024-25.

During the year, PrimeSafe finalised our Corporate Plan 2025-2030 which was developed through a consultative process and feedback from government, industry stakeholders and licensees. The Corporate Plan is prepared in accordance with section 64 of the *Meat Industry Act 1993* and was approved by the Minister for Agriculture, the Hon. Ros Spence. PrimeSafe's Corporate Plan 2025-2030 sets out how PrimeSafe's Board and staff will focus resources and activities to meet emerging opportunities and challenges and the expectations of government, industry and consumers of meat, seafood and poultry produced in Victoria.

PrimeSafe remains focused on our legislated responsibility of ensuring food safety across the meat, seafood and poultry sectors and continues to identify options to ensure we operate a modern, effective and efficient regulatory system. I'd like to highlight a number of PrimeSafe's key achievements for 2024-25, including:

- Finalising the digital and licensing platform resulting in more streamlined application and renewal process for licensees
- Further reducing the regulatory burden for licensees who maintain a strong commitment to food safety and compliance with licence conditions

- Monitoring and improving the performance of PrimeSafe's licence management and third-party audit processes
- Increasing the number of unannounced inspections, providing an added layer of assurance regarding food safety and compliance
- Targeting PrimeSafe's regulatory resources to the areas of highest risk
- Strengthening our capability to support targeted and risk-based enforcement action
- Redesign of PrimeSafe's website to provide more accessible information for existing and prospective licensees and for general enquiries
- Continued constructive interactions and engagement with industry.

It is particularly pleasing to report on the results from our most recent licensee survey which returned a strong level of industry and licensee satisfaction with PrimeSafe as a trusted regulator, and confirmation that PrimeSafe improves the food safety outcomes for businesses and the industry as a whole. This highlights the importance of PrimeSafe's strong engagement with industry and businesses, which is essential to achieving strong food safety outcomes.

This will be my last Annual Report as I will finish my second, three-year term as Chair of PrimeSafe which concludes later in 2025. Over the past six years I have been privileged to engage, meet or be onsite with a range of businesses and work with industry leaders, federal and state agencies, our licensees and other valued stakeholders. The changing operating environment for PrimeSafe as a regulator and

for our licensees has raised both challenges and opportunities over the past six years. PrimeSafe has demonstrated a strong food safety and customer focused culture and has responded over the years by managing, with minimal disruption, our food safety responsibilities through the Covid restrictions and the 2019-20 bushfires, delivering efficiencies through a staged program of digital transformation, reducing the regulatory burden through removing dual auditing processes and PrimeSafe's reduced audit and verification program for licensees, improved risk-based approaches to compliance, surveillance and enforcement resulting in several successful prosecutions, remaining highly responsive and working collaboratively with other agencies in incident management and providing accessible and relevant information services to prospective and current licensees to promote a strong food safety culture.

I extend my great appreciation to all current and past PrimeSafe Directors for their expertise and contributions and shaping our strategic priorities and building year-by-year a systematic approach to continued improvements to the governance and operation of PrimeSafe. I would also like to thank and acknowledge the Minister for Agriculture the Hon. Ros Spence, and the staff of Agriculture Victoria for their continued support throughout 2024-25.

For a small organisation, the CEO and the staff of PrimeSafe have, and continue to deliver major initiatives that ensure a strong food safety culture which strengthens consumer confidence in Victoria's meat, seafood and poultry sectors. I applaud and deeply thank the staff for their commitment to ensuring food safety outcomes and for their outstanding professionalism over my time as Chair. I wish everyone at PrimeSafe well for the coming years.

CEO's report

Michael Coffey

Chief Executive Officer

PrimeSafe continued its commitment to becoming a more efficient regulator and developing a regulatory system that rewards businesses that produce strong food safety outcomes.

PrimeSafe undertook a comprehensive review of our regulatory operations. This review has resulted in streamlined compliance requirements that have reduced the regulatory burden for meat, seafood, and pet meat businesses.

PrimeSafe also continues to invest in the digitisation of how meat, seafood, and pet meat businesses are licensed in Victoria. 99% of licences held with PrimeSafe are now utilising the digital licensing platform. The digital platform delivers a more efficient process that results in cost savings for both PrimeSafe and PrimeSafe licensees.

PrimeSafe has also explored the application of artificial intelligence technology to deliver better service outcomes in future.

In 2024-25 PrimeSafe continued its focus on reducing regulatory burden to industry.

Digitisation and reform of the regulatory system is now estimated to deliver the industry approximately \$4.3 million in savings year on year.

Where community and industry expectations are not being met, PrimeSafe will continue to take strong enforcement action.

We work closely with the Department of Agriculture, Fisheries and Forestry on revised arrangements for monitoring domestic food safety at licensed facilities that also export.

PrimeSafe has also contributed to changes to the *Meat Industry Act 1993* and *Seafood Safety Act 2003* to further reduce regulatory burden across the industry.

I thank the Chair and Board for their continued commitment and support for PrimeSafe's continuous improvement.

I also thank the staff and auditors for their dedication and contribution.

During 2024-25, PrimeSafe has ensured food safety outcomes that enhance consumer confidence in the Victorian meat and seafood industries, while also facilitating industry prosperity and growth.

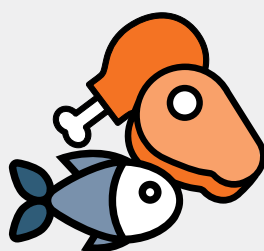
Congratulations and well done to all on a great year.

Delivery on our objectives

In order to meet our responsibilities to Victorian consumers, industry and Government, we have set six objectives that we will achieve through the strategies and activities described in our Corporate Plan 2020-25.

MEASURING OUR PERFORMANCE

PrimeSafe measures its performance against the objectives, measures and targets outlined in the Minister for Agriculture's Statement of Expectations (SOE), and the PrimeSafe Corporate Plan 2020-25. This drives continuous improvement as a best practice regulator.



OBJECTIVES 1-3

Licensee compliance with Australian Standards for food safety is assured through monitoring and surveillance.

OUTPUTS

Maintained credible licensing systems: During the 2024-25 financial year, PrimeSafe approved a total of 1,563 new licences, of which 1,363 were Meat Transport Vehicles (MTVs), and 95% were approved within the target timeframe of 30 days. PrimeSafe also approved 18 registrations for meat inspectors and field harvesters. The total number of PrimeSafe licensees is 2,453 and approximately 94% (or 2,305) are small businesses (less than 20 employees). The number of licences in each licence category is outlined in Table 1 on page 18.

Maintained an effective risk-based monitoring and compliance system: PrimeSafe's JAS-ANZ accredited third-party auditors conducted 2,271 audits at licensed facilities during 2024-25. 95.9% of licensee audits recorded full compliance and 4.1% recorded a major or critical non-conformance. The types of non-conformance are described in Figure 3 on page 21.

Conducted targeted surveillance at licensed facilities:

PrimeSafe's surveillance program involves unannounced inspections and online surveillance. The type, number and results of surveillance inspections are detailed below:

- 62 animal handling inspections were conducted at facilities dealing with live animals (abattoirs, poultry processors and pet meat processors), of which one recorded a major non-compliance.
- 182 inspections were conducted to monitor usage of sulphur dioxide (SO₂) in red meat. There were 2 detections of illegal SO₂ usage during 2024-25.
- Eight licensees were subject to the Repeat CAR program due to having more than one major or critical non-compliance in the previous year and were then subjected to an increased audit schedule for the next 12 months.

Maintained a targeted, risk-based enforcement program:

During 2024-25, PrimeSafe conducted 99 enforcement actions, which comprised the following: 52 Intensified Audit Frequencies; 38 Increased Audit Schedules (operate for 12 months); Three prohibition notices; four show cause notices to suspend or cancel licences; and two prosecutions.

Provided timely management of complaints:

PrimeSafe triaged and resolved 390 complaints of which 309 involved licensed facilities, 81 involved unlicensed facilities, none involved PrimeSafe service delivery and one involved a third-party auditor. An additional 82 duplicate complaints were received for matters already under investigation. In 2024-25, there were 18 complaints concerning food-borne illness, five of which were substantiated and none of which resulted in an outbreak. An outbreak requires two or more connected cases.

Continued to improve audit management through regular monitoring of auditor performance, capability and consistency and review of complaints:

During 2024-25, we held six meetings with Conformity Assessment Bodies, which allows for discussion and resolution of auditor issues and ensures consistency. We received one complaint about audit performance

during the reporting period which was substantiated and addressed by requiring the Conformity Assessment Body concerned to undertake refresher (calibration) training and by communication of the issue to all auditors to ensure shared learning. PrimeSafe has implemented an audit performance survey via the digital licensing platform. This survey informs PrimeSafe and third-party auditors on how to make improvements to service delivery.

OUTCOMES

Prevention of food borne illness outbreaks through early detection and effective management of non-compliance

Animals are handled in accordance with relevant standards for meat processing

Consumers have confidence in the safety and wholesomeness of meat and seafood

Consistency in licensing and auditing maintains trust in the credibility of PrimeSafe's regulatory arrangements



OBJECTIVE 4

Licensees and PrimeSafe collaborate on information to assist compliance with regulatory requirements

OUTPUTS

Provided timely advice and information to licensees and stakeholders: We answered 3,200 enquiries during the reporting period, of which 707 involved requests for technical advice. We answered 100% of the inquiries within the target timeframe of <24 hours.

Enhanced understanding of food safety requirements across the meat and seafood sectors and assisted compliance: We assisted businesses to better understand listeria management through a food safety forum. We continue to publish support materials on our website, including a factsheet on Reducing the Compliance Burden for Victorian Businesses and four new editions of eNews, which contains a range of food safety updates and information. PrimeSafe currently has 3,602 subscribers to the eNews. During 2024-25, we recorded 118,000 page views on the PrimeSafe website, of which 77.7% were returning visitors and 22.3% were new visitors.

Assisted businesses to develop food safety quality assurance programs that meet domestic requirements: We provided 11 free food safety programs to businesses and we developed an additional four

food safety programs on a fee-for-service basis. The latter covered complex processing activities relating to the manufacture of smallgoods and harvesting, wet storage and aquaculture of bivalve shellfish.

Listened to feedback from licensees and stakeholders and responded to their needs: PrimeSafe has continued our commitment to regular and open engagement with industry, regulators and government agencies. PrimeSafe hosts specific and multi-sector events, with meetings with industry and agencies, as well as receiving presentations from Turosi Food Solutions and Don KR Castlemaine.

The feedback on the refresh of PrimeSafe's Corporate Plan for 2025-30 has been well-received by industry, and the successful implementation of the changes we are delivering has been supported and strengthened by our approach to engaging with industry.

During a significant seafood safety incident, PrimeSafe kept 107 impacted businesses up to date through text and email messages distributed directly from the digital licensing platform.

PrimeSafe conducts regular short surveys on its two key functions of licence application and renewal

and the third-party audit program. These surveys show high levels of satisfaction with PrimeSafe's core services to industry.

In 2024-25, PrimeSafe also conducted a more comprehensive licensee survey. The results reinforced industry satisfaction with PrimeSafe as a trusted regulator with 81% satisfied.

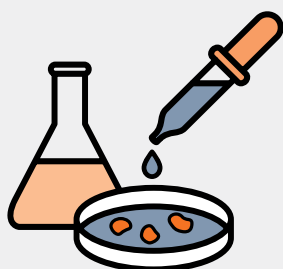
OUTCOMES

Businesses have better understanding of food safety requirements, which makes compliance easier

The food safety culture across the industry is growing, improving food safety performance

Strengthened relationships with our businesses and stakeholders

Our reputation as a trusted, specialist regulator is maintained



OBJECTIVE 5

PrimeSafe achieves best practice governance and regulatory practice through contemporary policies and the delivery of legislated functions

OUTPUTS

Conducted risk assessments to facilitate the development of new processing techniques and novel foods: Our in-house technical experts on food safety conducted 9 risk assessments of alternative processes during the 2024-25 financial year, of which one was approved, six are in a trial phase and two were ceased by the applicant.

Encouraged and rewarded superior performance in food safety through reduced audits: Since 1 July 2023, PrimeSafe has implemented the Regulatory Modernisation Program, where most businesses licensed with PrimeSafe now receive fewer PrimeSafe audits annually, reducing their regulatory burden and audit costs. In 2025, PrimeSafe also removed the requirement for an annual inspection when renewing meat transport vehicles and vessels associated with seafood businesses, due to compliance rates at over 95%.

Continuous review of all PrimeSafe policies to ensure they are contemporary and effective:

PrimeSafe assisted in updating the Meat Industry Regulations 2025 to align with recent amendments to the *Meat Industry Act 1993*.

PrimeSafe continually reviews policies with updates in 2024-25 including to the reduced audit program to reflect the modernisation program, hardening of IT security, gifts, benefits and hospitality, conflict of interest and risk management. The periodic review of policies is underpinned by PrimeSafe's internal audit function.

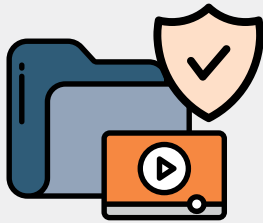
OUTCOMES

Food safety culture grows as businesses are incentivised and rewarded for superior food safety performance

More product and process innovations are emerging that meet consumer demands

The reputation of Victoria's meat and seafood businesses improves and the industry grows

We maintain credibility through integrity and accountability



OBJECTIVE 6

Continuous improvement through corporate and business planning

OUTPUTS

Moved to digitisation and automated systems to reduce administrative burden on businesses:

The investment in digitalisation has seen vast improvements in renewal and response rates with 99% of PrimeSafe licensees now utilising our digital platform.

PrimeSafe implemented electronic delivery of licence certificates for all new facility licences and the 2025–26 facility licence renewals.

Independent economic modelling estimates the digitisation of PrimeSafe administration processes will save industry and PrimeSafe over \$800,000 year on year in reduced administration burden.

PrimeSafe continues investment in cyber security and business resilience and commissioned an audit of our disaster recovery approach to identify gaps and improve recovery.

Collaborated with our key stakeholders to ensure effective and coordinated delivery of Victoria's food safety system:

During 2024-25, we worked closely with the Department of Energy, Environment and Climate Action, Department of Health and Department of Treasury and Finance on legislative and policy reforms to consolidate food regulation as part of delivery of the Victorian Government Economic Growth Statement.

PrimeSafe also continues to work with stakeholders to deliver the objectives of the Agriculture Strategy for Victoria (Strong, Innovative, Sustainable: A new strategy for agriculture in Victoria).

Recruited and retained highly skilled staff:

All our staff are selected through a rigorous and competitive recruitment process that complies with relevant legislation and public sector employment principles, and applies the principles of merit and equal opportunity to ensure the best person is recruited for each position. PrimeSafe is committed to being an employer of choice and retaining its staff, and to this end we provide all staff with development opportunities as part of their professional development plans.

We supported and protected the health and wellbeing of staff:

PrimeSafe has an Occupational Health and Safety (OH&S) policy that ensures all staff remain safe and healthy while at their worksites. An OH&S Incident Reporting system is in place and staff are required to include an OH&S component within their annual workplans. PrimeSafe, in so far as is practicable:

- Provides and maintains systems of work that are safe and healthy
- Uses, handles, stores and transports articles and substances in a way that is safe, and controls risks to health
- Provides vaccinations for influenza, Covid and Q fever
- Provides safety equipment to field staff, including uniforms and personal protective equipment (PPE)
- Provides all staff with confidential access to an Employee Assistance Program
- Provides Standard Operating Procedures to guide enforcement duties and provide a safe working environment

- The Board-appointed People, Governance and Culture Committee provides oversight and support for the safety of all PrimeSafe staff.

During the reporting period, PrimeSafe conducted training with the objective of improving the health and wellbeing of staff. All staff completed an appropriate workplace behaviour training program, animal handling training for field staff, and hazard analysis and critical control points refresher training. All Directors and staff have been updated and provided with guidance on the requirements of declaring and managing conflicts of interest and how to respond to offers of gifts, to ensure compliance with government policies.

Policies in relation OH&S and conflict and interest have been reviewed, with further improvement planned in 2025-26.

In accordance with our policies, the CEO assesses and reviews any OH&S incidents. In 2024-25, there were no injuries reported.

OUTCOMES

Businesses save time and money through our automated licence and payment processes

Food safety is regulated in a coordinated and consistent manner

Minister for Agriculture receives timely and comprehensive advice

PrimeSafe continuously improves efficiency and effectiveness of its operations and achieves best regulatory practice

Continuing to ensure the smooth flow of food to Victorian consumers

Licence numbers

Figure 1 - Number of new licences granted per category for 2024-25 reporting period



Table 1 - Licence numbers per category for last five years 2020-25

Total number licences per category	2024-25	2023-24	2022-23	2021-22	2020-21
Export abattoirs	28	28	28	26	25
Domestic abattoirs	13	14	14	16	15
Poultry processing facilities	16	16	19	19	19
Further meat processing facilities	340	333	334	345	339
Retail butcher shops	815	809	820	845	860
Prime tallow processing facilities	2	2	2	2	2
Game meat processing facilities	4	4	4	3	3
Game harvest vehicles	90	99	88	71	52
Field Depot Vehicle / Facility	18	22	19	13	11
Inedible rendering facilities	9	9	9	9	9
Pet meat processing facilities	12	11	9	9	10
Pet food establishments	70	67	63	61	58
Seafood processing facilities	136	140	143	148	155
Seafood retailers	185	187	191	200	197
Aquaculture businesses	17	17	17	17	14
Wildcatch businesses	111	112	108	121	121
Meat transport vehicles	6,655	6,458	6,450	5,528	5,608
TOTAL	8,521	8,328	8,318	7,433	7,498

Live animals processed

Table 2 - Number of animals processed per category in 2024-25 (for domestic market)

Animal type	2024-25
Cattle	197,855
Calves	398
Sheep	3,769
Lamb	828,230
Pigs (farmed)	205,777
Pigs (game)	202
Goats (farmed)	75,656
Goats (game)	15
Kangaroo	56,629
Deer (farmed)	4
Deer (game)	1,605
Emu/Ostriches	3,883
Rabbit (farmed)	0
Rabbit (game)	6,744
Alpaca/Llama	0
Buffalo/Bison	3

Note: Game data (including kangaroos) only includes animals harvested for human consumption and does not include animals harvested for pet food at pet meat processing facilities.

Table 3 - Number of animals processed (domestic and export) for last five years 2020-25

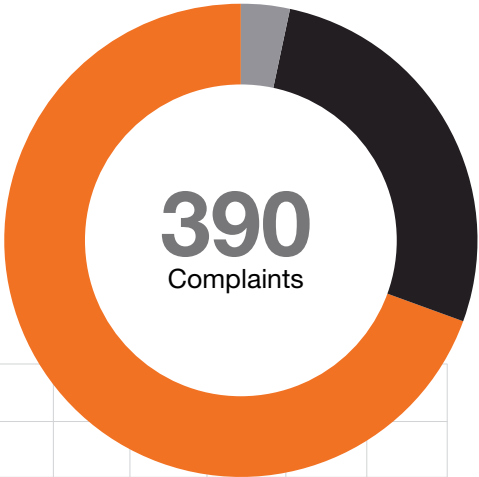
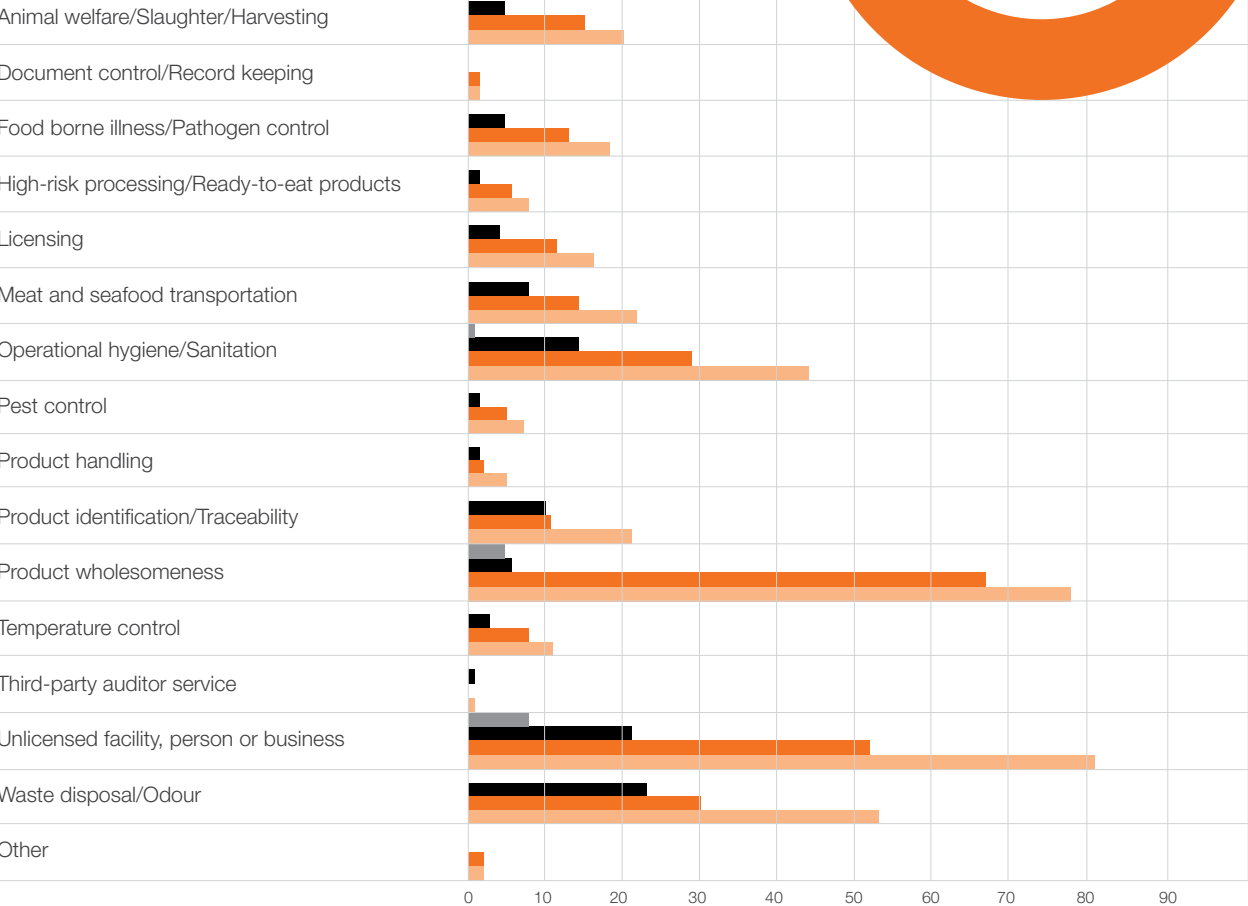
Animal type	2024-25	2023-24	2022-23	2021-22	2020-21
Cattle	2,212,646	1,769,812	1,260,713	1,214,915	1,633,866
Calves	324,908	297,911	217,561	177,923	228,168
Sheep	4,510,677	3,985,268	3,284,851	3,025,006	2,345,540
Lamb	14,313,920	14,410,589	10,311,223	10,342,324	9,829,016
Pigs (farmed)	1,242,327	1,258,406	1,182,097	1,180,245	1,210,017
Pigs (game)	202	17	-	-	-
Goats (farmed)	1,904,293	1,413,211	909,681	834,819	542,087
Goats (game)	15	-	-	-	-
Kangaroo	56,629	21,123	-	-	-
Deer (farmed)	4	0	282	357	1,522
Deer (game)	1,605	1,955	1,655	1,629	655
Emu / Ostriches	3,883	6,688	4,041	3,458	1,827
Rabbits (farmed)	0	7,956	11,373	3,377	6,947
Rabbits (game)	6,744	3,425	4,848	12,240	21,558
Alpaca / Llama	0	9	3	0	6
Buffalo / Bison	3	29	37	4	86

Note: Game data (including kangaroos) only includes animals harvested for human consumption and does not include animals harvested for pet food at pet meat processing facilities.

Major and critical non-conformances detected through complaints investigation

Figure 2 - Non-compliance detected through investigation of complaints relating to licensees

Complaints category



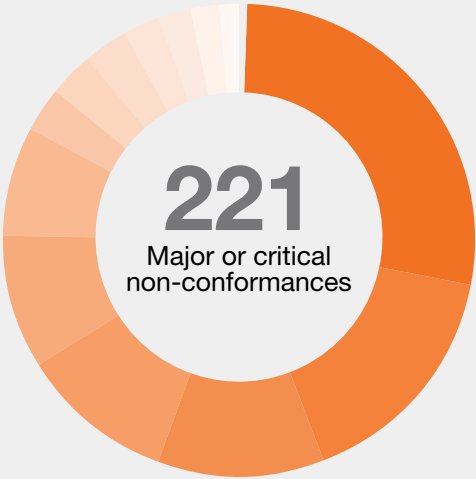
Outcome

- In Progress
- Substantiated
- Unsubstantiated
- Total

Major and critical non-conformances detected at audit

Figure 3 - Types of major and critical non-conformances detected at audit

Type of non-conformance	
Construction and equipment maintenance	59
Temperature control	45
Document control/Record keeping	26
Staff training	19
Food borne illness/Pathogen control	17
Operational hygiene/Sanititation	15
Product identification/Traceability	12
Product wholesomeness	5
Pest control	5
High-risk processing/Ready-to-eat products	5
Product handling	4
Licensing	4
Meat & seafood transportation	3
Unlicensed facility, person or business	1
Animal welfare/Slaughter/Harvesting	1
Waste disposal/Odour	0
TOTAL	221



Organisational structure, people and governance

PrimeSafe is a statutory authority established under the *Meat Industry Act 1993*. Our functions, powers and responsibilities are described in the *Meat Industry Act 1993* and the *Seafood Safety Act 2003*. The PrimeSafe Board is the governing body and reports to the Minister for Agriculture on the delivery of PrimeSafe’s legislative functions, responsibilities and objectives.

OUR VALUES

Responsible and accountable



We will use sound judgment and make clear, transparent and consistent decisions. We will do what we say and will be accountable for our actions

Responsive and respectful



We will actively monitor and respond to feedback from businesses so that we can improve our services. We will treat staff and stakeholders with respect and dignity

Risk-based and reasonable



We will make risk-based decisions and take proportionate regulatory action that is necessary to protect public health and encourage compliance

Efficient and effective



We are committed to delivering regulatory services in a timely and effective manner in order to reduce costs to businesses

Integrity



We will be impartial, act fairly and make decisions that are supported by evidence

MISSION

Advance and regulate food safety in Victorian meat, poultry, seafood and pet meat industries through credible quality assurance systems and services that also support opportunities for industry growth and innovation.

Minister for Agriculture

During the reporting period, the Minister for Agriculture was the Hon. Ros Spence MP.

Legislative powers and regulatory functions

PrimeSafe has all the powers necessary to enable it to perform its functions under the *Meat Industry Act 1993* and the *Seafood Safety Act 2003*. Section 44 of the *Meat Industry Act 1993* lists the following functions:

- to control and keep under review the standards of meat, poultry meat and game meat produced for consumption or sale within the State
- to control and keep under review the standards of the construction and hygiene of plant and equipment in a meat processing facility
- to control and keep under review the standards of construction, maintenance, cleanliness and hygiene of meat transport vehicles
- to ensure that appropriately qualified persons are authorised as inspectors to licence meat processing facilities
- subject to the Regulations, to determine categories of licences
- to approve quality assurance programs and monitor the implementation of those programs

- in consultation with the Secretary of the Department of Health or a municipal council, to protect public health
- to fix and charge fees in respect of the carrying out of any of its functions or the exercise of any of its powers
- to carry out the functions conferred on the Authority by the *Seafood Safety Act 2003* or the regulations made under that Act
- to carry out any other function that is conferred on the Authority by the *Meat Industry Act 1993* or the regulations, or by any other Act or the regulations made under any other Act.

Australian Standards for food safety and animal handling

The Victorian Government is a signatory to the national food regulation system and applies Australian Standards for food safety wherever available.

Board and committees

PrimeSafe Board members

Responsibilities

The key responsibilities of the Board include:

- setting the broad strategy, objectives and performance targets for PrimeSafe
- review of PrimeSafe’s progress towards achievement of specific goals
- risk management for all key business and operational risks
- review of the internal financial and operational control arrangements of PrimeSafe to ensure that they remain effective and current
- approval of strategic plans, the annual accounts and PrimeSafe’s policies
- Chief Executive Officer selection, appointment, succession planning and performance assessment
- oversight of the management of PrimeSafe by the Chief Executive Officer to ensure it operates effectively and has a culture of compliance and best practice business performance in all areas of operational, financial, human resource, risk management and asset management.

Members

The PrimeSafe Board consists of at least eight and no more than 10 members who are appointed by the Minister for Agriculture under the *Meat Industry Act 1993*. The Board is responsible for strategic direction, governance and oversight of the delivery of PrimeSafe’s legislative functions, Corporate Plan and Business Plan.

For the 2024-25 financial year, the PrimeSafe Board members were:

- Alison Stone (Chair)
- Mark Wray (Deputy Chair)
- Dr Kate Clarke
- Frances Freeman
- Dr Marion Healy PSM
- Stephanie Kaparos
- James Kellaway
- Richard Norton
- Timothy Ryan
- Dr Mary Wu.

Committees

The Board has established two committees to assist the Board in meeting its statutory responsibilities: the Audit and Risk Committee and the People, Governance and Culture Committee. The responsibilities of each committee and its members during the reporting period are outlined below.

Audit and Risk Committee

The Audit and Risk Committee acts as an independent advisory service to the PrimeSafe Board to assist in the effective discharge of responsibilities including:

- fulfilling of statutory and fiduciary responsibilities relating to the accounting and financial reporting practices of the PrimeSafe Board
- oversight of the Victorian Auditor-General's report of PrimeSafe
- provision of advice to the PrimeSafe Board regarding risks to the Authority.

Audit and Risk Committee members during 2024-25:

Mark Wray (Chair)
Frances Freeman
Richard Norton
Timothy Ryan
Dr Marion Healy (until 23 August 2024).

People, Governance and Culture Committee

The People, Governance and Culture Committee is to assist members of the Board to:

- review the organisation's governance by making recommendations to the Board
- guide the Stakeholder Engagement Strategy for PrimeSafe
- provide oversight of the People Matters Survey and Licensee Engagement Strategy

- review direction, priorities and performance measures for the CEO's Performance and Development Plan
- annually review the performance and remuneration of the CEO
- appoint the CEO (as required), including total remuneration payable to the CEO.

People, Governance and Culture Committee members during 2024-25:

Dr Marion Healy PSM (Chair)
Dr Kate Clarke
Stephanie Kaparos
James Kellaway.

Table 5 - Board and committee meetings and attendance

	Board (eligible)	Audit and Risk Committee (eligible)	People, Governance and Culture Committee (eligible)
Alison Stone	6 (6)	-	-
Mark Wray	5 (6)	3 (3)	-
Dr Kate Clarke	5 (6)	-	4 (4)
Frances Freeman	6 (6)	2 (2)	-
Dr Marion Healy	6 (6)	1 (1)	4 (4)
Stephanie Kaparos	3 (6)	-	2 (4)
James Kellaway	6 (6)	-	2 (4)
Richard Norton	6 (6)	3 (3)	-
Timothy Ryan	6 (6)	1 (2)	-
Dr Mary Wu	4 (6)	-	-

Board members

ALISON STONE (CHAIR)

Alison Stone has deep experience in shaping strategic direction in policy, regulation and in operational businesses across primary industries, land and emergency management. Alison is the NSW Agriculture Commissioner, and she has a passion for working with regional communities, has held senior executive positions in the Victorian, Federal and NSW Governments and is a Graduate of the Australian Institute of Company Directors (AICD). Alison has a strong record of achievement leading and serving on Government Boards and Advisory Councils. She contributes in her local community as a volunteer and was previously the President for Riding for the Disabled in the lower Hunter region of NSW.

MARK WRAY (DEPUTY CHAIR)

Mark is an experienced agribusiness executive with an outstanding track record in chicken, pork, beef, lamb and seafood vertical supply chains. Mark's perspective on contemporary agribusiness is informed by previous roles as Chairman Arcadian Organic Meat, CEO and CFO of Craig Mostyn Group and CFO of Steggles. Mark completed a B.Ag.Sc from Adelaide University in 1983 and was admitted as a Solicitor of Supreme Court of NSW in 1999. He is currently a Fellow of the Australia Society of Certified Practising Accountants and Member of the AICD.

DR KATE CLARKE

Dr Kate Clarke is a veterinary professional with over two decades of clinical experience in regional Victoria and the UK. She brings expertise in governance, regulation, and strategic business management, with a strong focus on improving human and animal health outcomes. Kate holds an MBA and is a Graduate of the AICD and an alumna of the Homeward Bound leadership program.

She has held leadership roles including Deputy President of the Veterinary Practitioners Registration Board of Victoria and founding Director of Sustainable Veterinary Careers. Her consultancy work spans strategic planning, HR, policy development, and stakeholder engagement. Kate is also active in national veterinary policy through the Australian Veterinary Association and the Australasian Veterinary Boards Council.

FRANCES FREEMAN

Fran is a respected leader in food safety, agriculture, and trade, with years of experience in the Australian Public Service. She is skilled in governance, compliance, and risk management.

Fran has chaired international food safety and trade committees and served as Minister Counsellor (Agriculture) in Washington. She is also a member of the Australian Institute of Company Directors and a consultant for the Global Food Safety Initiative.

DR MARION HEALY PSM

Marion has held senior executive leadership positions in national agencies responsible for public health and/or environmental risks associated with food supply and industrial chemicals, and the biosecurity risks from the international movement of plants/plant products. She has deep experience in regulatory systems, particularly at the science/policy interface. She has represented Australia in developing international regulatory frameworks, in APEC committees and negotiations with overseas counterparts. Her regulatory skills and influence were recognised through the awarding of a Public Service Medal in 2021. She is also the NSW Independent Biosecurity Commissioner and a Member of the AICD.

STEPHANIE KAPAROS

Stephanie has over a decade of experience in the seafood industry, including serving as CEO of Clamms Seafood, a leading seafood processor and distributor. She also holds director roles in several industry organisations, demonstrating her leadership and expertise. With a strong background in finance, operations, and governance, Stephanie is well-equipped to handle the industry's challenges. Her experience includes guiding strategic direction, ensuring efficient operations, and managing risks.

Stephanie holds a Master of Business Administration, a Bachelor of Science, and is a graduate of the AICD. She continues to enhance her skills in governance to achieve effective industry outcomes.

JAMES KELLAWAY

James is a senior agribusiness executive with experience in supply chains, regulation, stakeholder relations, business development, product marketing and R&D investment with organisations including the Australian Egg Corporation, where he was Managing Director for 13 years; Horticulture Australia, the former Australian Horticultural Corporation; Meat & Livestock Australia, the former Australian Meat & Livestock Corporation; and the former NSW Meat Industry Authority.

James is currently CEO of Oz Group Co-op Limited, Australia's largest berry grower and supplier. In addition to his executive roles, James has been a non-executive director of the Australian Livestock Export Corporation, a non-executive director of the Australian Poultry Co-operative Research Centre (CRC), a Board member of the International Egg Commission and Chairman of the Livestock Biosecurity Network. He is currently Chairman of the Export Fodder Industry Panel with Agrifutures. James holds a Master of Business Administration, a Graduate Diploma in Marketing Management, and a Bachelor of Applied Science in Agriculture. James is also a Graduate Member of the AICD, a Graduate of the Governance Institute and an Associate Fellow of the Australian Institute of Management.

RICHARD NORTON

Richard is an experienced CEO and holds an MBA (Monash University), GAICD (International Directors Course) and Chartered Mgr MIML (UK). He has held executive positions in retail, innovation, logistics, marketing, and agribusiness for over 30 years, with 10 years as CEO and Managing Director. Currently CEO of Food Agility, NED Australasian Global Exports and former Director of Australian Independent Rural Retailers, Titan AG (manufacturer of herbicides, fungicides and insecticides), AUS-MEAT Australia and AustionPlus. He has also held the position of MD of Landmark Operations, Meat & Livestock Australia and General Manager of Elders Retail.

TIMOTHY RYAN

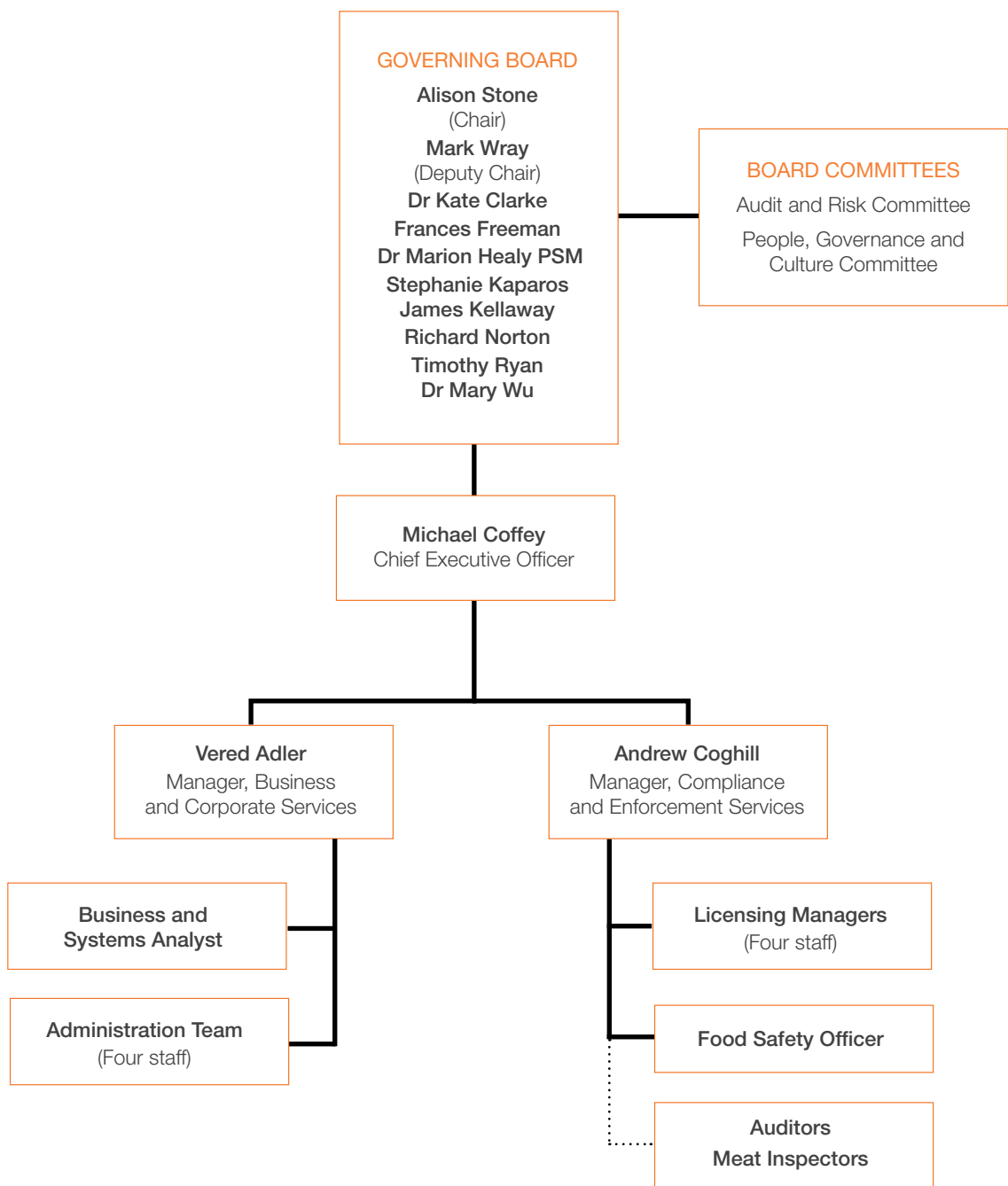
Tim has extensive experience in the red meat industry, working in slaughterhouses and meat distribution. At Meat & Livestock Australia, he focused on market reports, economic forecasts, and marketing, during three years in Singapore. Tim oversees animal welfare, biosecurity, sustainability, and meat standards as the CEO at the Australian Meat Industry Council.

Tim holds a Bachelor of Commerce (Honors in Economics) and has completed courses in international trade. He also spent seven years on the Meat Judging Association committee, with stints as Treasurer and national team coach, where he developed a passion for supporting young professionals entering the Australian meat industry.

DR MARY WU

Mary is a veterinarian by training, with post-graduate qualifications in public administration. Mary has held senior executive and board positions in national and state agencies responsible for agriculture, as well as the red meat industry and is currently the CEO of the Australian Chicken Meat Federation. Mary is experienced in representing Australian livestock industries in various domestic and international forums on animal health, welfare, trade, regulatory reform, sustainability, R&D and workforce matters, and is currently the Chair of Animal Health Australia's Industry Forum. Mary is also a Graduate Member of the AICD.

Organisational structure



CEO and Management

MICHAEL COFFEY, CEO

Michael has a 20-year career in leadership roles across safety and regulatory environments, and a commitment to engaging with and supporting industry sectors across Victoria. Michael's experience spans both the Victorian Public Service and the private sector having worked for three ASX 100 companies. Michael's most recent role was leading the regulatory approach for Hazardous Industries at WorkSafe Victoria.

He coordinated the WorkSafe-led government taskforce, including the EPA, fire services, the Victoria Police and local councils, to oversee the removal of toxic waste chemical stockpiles in Epping, Campbellfield and Craigieburn. Michael holds a Bachelor of Science and a Masters of Business Administration.

VERED ADLER, MANAGER, BUSINESS AND CORPORATE SERVICES

Vered is a CPA qualified Finance Manager with extensive experience in chartered accounting, private sector, not-for-profit and public sector. Having worked in the engineering, construction, hospitality, retail, and healthcare sectors, Vered brings a wealth of experience and best practice in finance and business management. Vered is responsible for the management of financial, information technology, human resource and statutory functions of PrimeSafe.

ANDREW COGHILL, MANAGER, COMPLIANCE AND ENFORCEMENT SERVICES

Andrew joined PrimeSafe in 2006 and was appointed Manager, Compliance and Enforcement Services in 2014. Andrew oversees the regulatory management of the meat, poultry and seafood industries in Victoria, and has significant experience interpreting and applying legislation and standards within a regulatory environment. Andrew holds a Bachelor of Commerce and successfully completed the ANZSOG Executive Fellowship Program in 2024.

DR AMITA BERNARDI, MANAGER, INFORMATION AND SUPPORT SERVICES

Amita joined PrimeSafe in April 2014 having had over 30 years' experience in the private food sector. With a broad range of compliance expertise and a strong background in quality assurance and product development, Amita oversaw the development and delivery of key information and support services for licensees and the general public. She also oversaw the arrangement between PrimeSafe and third-party conformity assessment bodies, and meat inspectors at Tier 1 meat processing facilities. Amita holds a PhD in Food Science.

Dr Bernardi concluded her role with PrimeSafe in April 2025. PrimeSafe acknowledges her notable contributions during her time with the organisation.

Financial summary

Table 6 – Five-year financial summary

Table 6 – Five-year financial summary	2025 \$	2024 \$	2023 \$	2022 Restated* \$	2021 Restated* \$
Total income from transactions	3,751,408	3,627,706	3,511,379	4,639,780	3,244,157
Total expenses from transactions	3,476,579	3,663,320	3,946,098	4,659,033	3,617,395
Net result from transactions	274,829	(35,615)	(434,719)	(19,253)	(373,238)
Net result for the period	269,800	(18,401)	(416,765)	17,539	(363,928)
Comprehensive result	269,800	64,056	0	0	0
Net cash flow from operating activities	601,624	264,010	(65,357)	100,235	(203,862)
Total assets	4,995,202	4,583,954	4,393,315	4,797,225	4,471,073
Total liabilities	3,667,277	3,525,829	3,399,246	3,386,391	3,077,778
Net worth	1,327,925	1,058,125	994,069	1,410,834	1,393,295

*Restated 2022 and 2021 comparatives due to accounting policy changes applied retrospectively. See Note 8.6 in the Financial Statements for 2021-22 restatement details and Note 8.6 in the 2021-22 Financial Statements for the 2020-21 restatement.

Workforce and executive data

Table 7 – Full-time equivalents (FTE) staffing trends from 2021 to 2025(i),(ii)

2025	2024	2023	2022	2021
12	13	13.6	13.2	16.6

Table 8 – Details of employment levels in June 2024 and 2025(i),(ii)

	2025						2024					
	All employees		Ongoing			Fixed term and Casual	All employees		Ongoing			Fixed term and Casual
	Head count	FTE	Full-time (head count)	Part-time (head count)	FTE	FTE	Head count	FTE	Full-time (head count)	Part-time (head count)	FTE	FTE
Gender												
Men	5	5	3	0	3	2	5	5	3	0	5	5
Women	8	7	3	3	5	2	9	8	2	2	9	8
Self-described	0	0	0	0	0	0	0	0	0	0	0	0
Total	13	12	6	3	8	4	14	13	5	2	14	13
Age												
35-44	4	3.6	3	1	3.6	0	4	3.6	3	1	4	3.6
45-54	7	6.6	3	1	3.6	3	7	6.6	2	0	7	6.6
55-64	2	1.8	0	1	0.8	1	3	2.8	0	1	3	2.8
Total	13	12	6	3	8	4	14	13	5	2	14	13

Note: (i) All figures reflect employment levels during the last full pay period in June of each year.
(ii) Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies.

Executives

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

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year.

Note 8.3 in the Financial Statements lists the actual number and amount of remuneration paid to executives over the course of the reporting period. The Financial Statement does not distinguish between executive levels, nor does it disclose vacant positions and the Accountable Officer.

The following tables disclose the Executives of PrimeSafe for 30 June 2025:

- table 9 discloses the total numbers of Executives for PrimeSafe broken down by gender
- table 10 provides a reconciliation of executive numbers presented between the report of operations and Note 8.3 Remuneration of executives in the financial statements
- tables 9 to 10 also disclose the variations, denoted by ‘var’, between the current and previous reporting periods.

Table 9 – Total number of executives for PrimeSafe, broken down into gender

	All		Women		Men		Self-described	
	No.	Var.	No.	Var.	No.	Var.	No.	Var.
Accountable Officer	1	1	0	0	1	0	0	0
Total	1	1	0	0	1	0	0	0

Table 10 – Reconciliation of executive numbers

	2025	2024
Executives with total remuneration over \$100,000 (Financial Statement Note 8.3)	0	0
Vacancies	0	0
Accountable Officer (Chief Executive Officer)	1	1
Separations	0	0
Total executive numbers at 30 June	1	1

Required disclosures

As a statutory authority, PrimeSafe is required to report on its compliance with the following legislation, policies and principles.

Local Jobs First

PrimeSafe has not undertaken any projects during the financial reporting period relevant to the Local Jobs First initiative within the *Local Jobs First Act 2003*.

Social procurement

Government departments, agencies and public entities are required to measure and report their achievements under the Victorian Government Social Procurement Framework (SPF), which includes 10 social and sustainability objectives.

As PrimeSafe is principally engaged in the delivery of regulatory services, it has limited procurement activity, especially reportable social procurement activity. However, we embrace the principles underpinning the SPF and aim to apply them across our operations.

Sustainability: PrimeSafe's continued investment in the adoption of cloud technology has reduced our carbon footprint and improved overall sustainability. We are committed

to minimising paper-based processes and have made significant progress toward this goal. PrimeSafe began issuing facility licence certificates electronically, following a successful pilot program. This initiative has further reduced reliance on postal delivery and physical printing. Currently, 99% of licence applications and payments are made electronically, reflecting our commitment to more sustainable, digital-first operations.

Diversity and inclusion: In accordance with the SPF, PrimeSafe is committed to creating an inclusive working environment where equal opportunity and diversity are valued. PrimeSafe's workforce data demonstrates that it continues to put these values into action through gender equality and cultural diversity in its workforce.

Supporting our regions: PrimeSafe supports regional towns and communities through its operational activities. PrimeSafe staff regularly travelled to Victorian regional towns to conduct operations and field training, involving overnight stays in regional accommodation and the purchase of food and other services, all of which contribute to local economic activity and employment.

During 2024-25, PrimeSafe has highlighted two case studies of suppliers and their social procurement objectives.

Case study

PrimeSafe has retained OU Design for the design and layout of its Annual Report, reflecting an ongoing partnership developed over recent years.

As a predominantly state and local government service provider, OU Design actively supports the Victorian Government's Social Procurement Framework through environmentally responsible practices and inclusive workplace values.

Based in Melbourne, OU Design is led by two female directors and supported by a diverse team within Australia and New Zealand. The studio fosters an equal opportunity workplace that is inclusive of women, culturally diverse individuals, and the LGBTIQ+ community.

OU Design prioritises sustainability in its operations by:

- Using 100% recycled paper stocks or sustainably managed forest papers and selecting printers that offer water-based inks
- Promoting digital alternatives to reduce environmental impact
- Operating as a fully remote team to minimise travel and workplace emissions.



Case study

PrimeSafe engaged Nutshell Graphics to design and layout the new PrimeSafe Corporate Plan 2025-2030.

Nutshell Graphics is proud to support the Victorian Government's Social Procurement Framework by fostering a fair, inclusive, and sustainable economy. Nutshell Graphics is a female-owned and operated Brunswick-based small business of seven, with women making up 70% of the team. The business actively engages with its community, creating pathways for young people to gain valuable work experience in the creative industries, building skills and confidence for their future careers.

Nutshell's operations are grounded in sustainability. The studio is located in Nightingale Wurru wurru biik, a fossil-fuel-free, 7.5+ star NatHERS rated building powered by 100% GreenPower, built with low-embodied-energy materials and supported by rainwater harvesting. With no private car spaces, excellent public transport access, and secure bicycle facilities, the business minimises their footprint while maximising their positive impact on people, place, and planet.

Government advertising expenditure

PrimeSafe did not undertake a government advertising campaign during 2024-25.

Consultancy expenditure

Details of consultancies valued at \$10,000 or greater

In 2024-25, there were no consultancies where the total fees payable to the consultant was \$10,000 or greater.

Details of consultancies under \$10,000

In 2024-25, there was one consultancy engaged during the year where the total fees payable to the consultant was less than \$10,000. The 2024-25 total expenditure occurred in relation to all consultancies was \$2,000 (excl. GST).

Information and communication technology expenditure

ICT expenditure refers to PrimeSafe's costs in providing business enabling ICT services with the current reporting period. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (non-BAU) ICT expenditure. Non-BAU expenditure relates to extending or enhancing PrimeSafe'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. The details of PrimeSafe's expenditure on ICT during the 2024-25 reporting period is outlined in Table 11.

Table 11 - ICT expenditure

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
	Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure	
	Operational expenditure	Capital expenditure	
(Total)	(Total)	(Total)	(Total)
\$435,537	\$16,440	\$426,758	\$8,778

Disclosure of major contracts

PrimeSafe did not enter into or award any major contracts (valued at \$10 million or more) during 2024-25.

Freedom of information (FOI)

The *Freedom of Information Act 1982* (the FOI Act) allows the public a right of access to documents held by PrimeSafe. During 2024-25, PrimeSafe received two valid requests which were from the general public.

In 2024-25, there were two FOI access decisions and the average time taken to finalise the request was 56 days.

Making an FOI request

FOI requests can be lodged online at ovic.vic.gov.au. An application fee of \$33.60 will be applied for the year commencing 1 July 2025. Access charges may also be payable if the document pool is large, and the search for material, time consuming. Access to documents may be obtained through written request to the Manager, Business and Corporate Services, as detailed in Section 17 of the FOI Act. In summary, the requirements for making a request are:

- it should be in writing
- it should identify as clearly as possible which document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for the documents in the possession of PrimeSafe should be addressed to:

**Manager, Business and
Corporate Services**
PrimeSafe
PO Box 2057
SOUTH MELBOURNE VIC 3205

Access charges may also apply once documents have been processed and a decision on access is made; for example, photocopying and search and retrieval charges. Further information regarding FOI requests can be found at ovic.vic.gov.au.

Compliance with the *Building Act 1993*

PrimeSafe 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 that where services compete, or potentially compete, with the private sector, any net advantage arising from government ownership is accounted for if it is not in the public interest.

Government businesses are required to set a competitively neutral price, which accounts for any net advantage that comes from public ownership.

Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

PrimeSafe ensures Victoria fulfills its requirements on competitive neutrality reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

Public interest disclosures

The *Public Interest Disclosure Act 2012* (the PID Act) encourages and assists people to make disclosures of improper conduct by public officers and public bodies.

The PID Act provides protection to people who make disclosures in accordance with the PID Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

PrimeSafe does not tolerate improper conduct by 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 risk to public health and safety or the environment.

PrimeSafe 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. No disclosures of improper conduct by PrimeSafe or its employees were made during the 2024-25 reporting period.

Making a public interest disclosure

A member of the public can make a public interest disclosure about PrimeSafe, or its Board members, officers or employees by contacting the Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria on the contact details provided below.

Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria

Address: Level 1, North Tower,
459 Collins Street
MELBOURNE VIC 3000

Postal address: IBAC
GPO Box 24234
MELBOURNE VIC 3001

Phone: 1300 735 135

Website: ibac.vic.gov.au

Email: See the website above for the secure email disclosure process which also provides for anonymous disclosures.

PrimeSafe has established procedures to protect a person who makes a public interest disclosure about PrimeSafe, its Board members or employees from detrimental action in reprisal for making the disclosure.

PrimeSafe's procedures are accessible on the PrimeSafe website at primesafe.vic.gov.au.

Disclosure of procurement complaints

Under the Governance Policy of the Victorian Government Purchasing Board (VGPB), PrimeSafe must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

PrimeSafe received no complaints through its procurement complaints management system in 2024-25.

Reviews and studies expenditure

PrimeSafe is required to disclose certain information about reviews or studies undertaken in the reporting period. Reviews or studies that are commercial in confidence are excluded. In 2024-25, PrimeSafe did not undertake any reviews and studies.

Disclosure of emergency procurement

In 2024-25, PrimeSafe did not activate any emergency procurement, resulting in nil spending for emergency procurement.

Environmental reporting

PrimeSafe is committed to environmental sustainability in its operations. PrimeSafe supports the Victorian public sector in adopting new technology that lowers emissions and increases environmental sustainability.

Electricity production and consumption

PrimeSafe continues to maintain operational practices that aim to have minimal environmental impact and remain sustainable. This is evidenced in the use of equipment and consumables, transport choices, and recycling practices within the organisation including reducing single use plastics. In 2024-25, PrimeSafe introduced electronic delivery of licences, which have previously been mailed to licensees. This initiative will decrease the environmental impact associated with printing, paper, ink and postage.

Under Financial Reporting Direction (FRD) 24, PrimeSafe is required to report on electricity consumption and electricity offsets for leased accommodation where electricity has been purchased via a separate retail contract.

Table 13 – Electricity production and consumption

Electricity consumption	2024-25	2023-24	2022-23
Total electricity consumption (MWh)	22.2	22.7	25.0
Purchased electricity – office	22.2	22.7	25.0
Total electricity offsets (MWh)	0	0	0

Transportation

PrimeSafe's fleet comprised of five vehicles essential to PrimeSafe's provision of services that require onsite visits for inspections across Victoria. One of these vehicles is an executive vehicle and four are allocated to Licensing Managers. Of the vehicles, 80% are hybrid vehicles

Table 14 – Vehicles

Vehicles	2024-25	%	2023-24	%	2022-23	%
Number and proportion of vehicles	5	100	6	100	6	100
Road vehicles	5	100	6	100	6	100
Passenger vehicles - petrol	1	20	2	33	2	33
Hybrid	4	80	4	67	4	67

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 PrimeSafe and are available (in full) on request, subject to the provisions of the *Freedom of Information Act 1982*.

- a) a statement of declarations of pecuniary interests have been duly completed by all relevant officers
- b) details of publications produced by PrimeSafe about itself, and how these can be obtained
- c) details of any major external reviews carried out on PrimeSafe
- d) details of major research and development activities undertaken by PrimeSafe
- e) details of major promotional, public relations and marketing activities undertaken by PrimeSafe to develop community awareness of the agency and its services
- f) details of changes in prices, fees, charges, rates and levies charged
- g) details on industrial relations within PrimeSafe.

The information is available on request from:

Manager, Business and Corporate Services
PrimeSafe
Email: info@primesafe.vic.gov.au

Additional information included in annual report

Details in respect of the following items have been included in PrimeSafe's annual report, on the pages indicated below:

- h) assessments and measures undertaken to improve the occupational health and safety of employees (on page 16)
- i) a list of PrimeSafe's major committees, the purposes of each committee, and the extent to which the purposes have been achieved (on page 24).

Information that is not applicable to PrimeSafe

The following information is not relevant to PrimeSafe for the reasons set out below:

- j) a declaration of shares held by senior officers (No shares have ever been issued in PrimeSafe)
- k) details of overseas visits undertaken (No Board members or senior executives took overseas work-related trips).

Attestation for Department of Energy, Environment and Climate Action Portfolio Financial Management Compliance

I, Alison Stone, on behalf of PrimeSafe, certify that PrimeSafe has been granted full exemption from the Standing Directions and Instructions under the *Financial Management Act 1994*. This exemption has been granted by the Assistant Treasurer on the basis PrimeSafe complies with the Department of Energy, Environment and Climate Action Portfolio Financial Management Compliance Framework.

The PrimeSafe Audit and Risk Committee has verified this.



Alison Stone
Chair

29 August 2025





Financial statements

How this report is structured

PrimeSafe has presented its audited general purpose financial statements for the financial year ended 30 June 2025 in the following structure to provide users with the information about PrimeSafe’s stewardship of resources entrusted to it.

PrimeSafe Declaration	42
Auditor General's Report	43
Financial Statements	
Comprehensive operating statement	45
Balance sheet	46
Cash flow statement	47
Statement of changes in equity	48
Notes to the financial statements	
1. About this report	49
<i>The basis on which the financial statements have been prepared and compliance with reporting regulations</i>	
2. Funding delivery of our services	50
<i>Revenue recognised from taxes, grants, sales of goods and services and other sources</i>	
2.1 Summary of income that funds our service delivery	50
2.2 Other income	51
3. The cost of delivering services	51
<i>Operating expenses of PrimeSafe</i>	
3.1 Expenses incurred in delivery of services	51
3.2 Employee and Board member benefits	52
3.3 Other operating expenses	54
4. Key assets to support service delivery	55
<i>Property, intangible assets, and other financial assets</i>	
4.1 Total property, plant and equipment	55
4.2 Intangible assets	57
4.3 Impairment of assets	58

5. Other assets and liabilities	59
<i>Working capital balances, and other key assets and liabilities</i>	
5.1 Receivables	59
5.2 Payables	60
5.3 Contractual liabilities	61
6. How we financed our operations	62
<i>Leases, cash flow information and commitments</i>	
6.1 Leases	62
6.2 Cash flow information	64
6.3 Commitments for expenditure	64
7. Risks, contingencies and valuation judgements	65
<i>Financial risk management, contingent assets and liabilities as well as fair value determination</i>	
7.1 Financial instruments	65
7.2 Contingent assets	66
7.3 Fair value determination	67
8. Other disclosures	68
8.1 Other economic flows included in net result	68
8.2 Responsible persons	68
8.3 Remuneration of executives and payments to other personnel	70
8.4 Related parties	70
8.5 Remuneration of auditors	71
8.6 Subsequent events	71
8.7 Contingent liability	71
8.8 Accounting for the Goods and Services Tax (GST)	71
Disclosure index	72

PrimeSafe declaration

In accordance with a resolution of the Board of PrimeSafe, we declare that the attached financial statements for PrimeSafe have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and financial position of PrimeSafe as at 30 June 2025.

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 29 August 2025.



Alison Stone
Chair

Melbourne
29 August 2025



Michael Coffey
Chief Executive Officer

Melbourne
29 August 2025



Vered Adler
Chief Financial Officer

Melbourne
29 August 2025

Independent Auditor's Report

To the Board of PrimeSafe

Opinion	I have audited the financial report of PrimeSafe (the entity) which comprises the: • balance sheet as at 30 June 2025 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • PrimeSafe declaration. In my opinion, the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2025 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 Australian Accounting Standards – Simplified Disclosures.
Basis for opinion	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. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants (including Independence Standards)</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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor’s responsibilities for the audit of the financial report	As required by the <i>Audit Act 1994</i>, 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 entity’s internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board • conclude on the appropriateness of the Board’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity’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 entity to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
---	--

MELBOURNE
11 September 2025


Timothy Maxfield
as delegate for the Auditor-General of Victoria

Comprehensive operating statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

		2025	2024
		\$	\$
Continuing Operations	Notes		
Revenue and Income from transactions			
Licence and registration fees	2.1	3,594,284	3,452,157
Interest income	2.1	141,287	135,292
Other income	2.2	15,837	40,257
Total revenue and income from transactions		3,751,408	3,627,706
Expenses from transactions			
Employee expenses	3.2	1,883,871	1,800,789
Board and committee fees	3.2	215,928	249,523
Depreciation	4.1.2	108,397	134,326
Interest expense	6.1	6,651	9,591
Amortisation	4.2	31,729	11,461
Other operating expenses	3.3	1,230,003	1,457,630
Total expenses from transactions		3,476,579	3,663,320
Net result from continuing operations		274,829	(35,615)
Other economic flows included in net result	8.1		
Impairment of contractual receivables		(20)	-
Net (loss)/gain on disposal of non-financial assets		(5,009)	17,213
Total other economic flows included in net result		(5,029)	17,213
Net result		269,800	(18,401)
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	4.1.1	-	82,457
Comprehensive result		269,800	64,056

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

Balance sheet

AS AT 30 JUNE 2025

		2025	2024
	Notes	\$	\$
Assets			
Financial assets			
Cash and cash equivalents	6.2	4,225,072	3,719,542
Receivables	5.1	64,489	69,610
Total financial assets		4,289,561	3,789,152
Non-financial assets			
Property, plant and equipment	4.1	323,251	412,733
Intangible assets	4.2	120,240	151,968
Prepayments		262,150	230,101
Total non-financial assets		705,641	794,802
Total assets		4,995,202	4,583,954
Liabilities			
Payables	5.2	156,037	171,645
Lease liability	6.1	124,598	196,768
Contractual liabilities	5.3	3,001,354	2,783,283
Provisions	3.2.3	385,288	374,133
Total liabilities		3,667,277	3,525,829
Net assets		1,327,925	1,058,125
Equity			
Accumulated surplus		714,630	414,813
Physical asset revaluation surplus		52,440	82,457
Contributed capital		560,855	560,855
Net worth		1,327,925	1,058,125

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

Cash flow statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

		2025	2024
	Notes	\$	\$
Cashflows from operating activities			
Receipts from licence holders and other sources		3,817,927	3,652,036
Goods and services tax recovered from the ATO ^(a)		152,349	147,441
Interest received		141,287	135,292
Total receipts		4,111,563	3,934,769
Payments to suppliers and employees		(3,503,288)	(3,661,168)
Interest expense on lease liability		(6,651)	(9,591)
Total payments		(3,509,939)	(3,670,759)
Net cashflows from/(used in) operating activities	6.2	601,624	264,010
Cashflows from investing activities			
Proceeds from sale of property, plant and equipment		46,364	37,728
Payments for intangibles assets	4.2	-	(163,430)
Payments for property, plant and equipment	4.1.1	(70,288)	(54,678)
Net cashflows used in investing activities		(23,924)	(180,380)
Cash flows from financing activities			
Repayment of principal lease liabilities	6.1	(72,170)	(67,308)
Net cashflows used in financing activities		(72,170)	(67,308)
Net increase in cash held		505,530	16,322
Cash and cash equivalents at the beginning of the financial year		3,719,542	3,703,220
Cash and cash equivalents at the end of the financial year	6.2	4,225,072	3,719,542

The cash flow statement should be read in conjunction with the notes to the financial statements.

Notes:

(a) GST paid to the Australian Taxation Office is presented on a net basis.

Statement of changes in equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

		Accumulated Surplus	Contributed Capital	Total
		\$	\$	\$
Balance at 1 July 2024	-	433,214	560,855	994,069
Total comprehensive income for the year	82,457	(18,401)	-	64,056
Balance at 30 June 2024	82,457	414,813	560,855	1,058,125
Total comprehensive income for the year	-	269,800	-	269,800
Transfer to accumulated surplus	(30,017)	30,017	-	-
Balance at 30 June 2025	52,440	714,630	560,855	1,327,925

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

Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

1. About this report

The financial statements cover PrimeSafe as an individual reporting entity.

PrimeSafe operates under the provisions of the *Meat Industry Act 1993* and the *Seafood Safety Act 2003*.

Its principal address is:

PrimeSafe
150 Albert Road
SOUTH MELBOURNE VIC 3205

A description of the nature of PrimeSafe's operations and its principal activities is included in the Organisational Profile and Report of Operations, which does not form part of these financial statements.

Statement of compliance

These general purpose financial statements have been prepared on a going concern basis 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 the AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

These annual financial statements were authorised for issue by the Board of PrimeSafe on 29 August 2025.

Basis of accounting preparation and measurement

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

PrimeSafe is a Tier 2 entity in accordance with FRD 101. These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. PrimeSafe's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As PrimeSafe is not a 'significant entity' as defined in FRD 101, it was required to change from Tier 1 to Tier 2 reporting effective from 1 July 2024.

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

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

Judgements, estimates and assumptions are required to be made about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

1. About this report (continued)

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS that have significant effects on the financial statements and estimates relate to:

- the fair value of leasehold improvements, plant and equipment (refer to Note 7.3); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.2.3).

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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

2. Funding delivery of our services

Objectives and funding

The mission of PrimeSafe is to advance and regulate food safety in Victorian meat, poultry, seafood and pet food industries through credible quality assurance systems and services that also support opportunities for industry growth and innovation.

This is achieved through the following outcomes:

- meat, seafood and poultry are safe for all consumers
- recognition of comprehensive food safety and QA systems
- industry growth through innovation and market access
- governance and resources for sustainable service delivery and
- the preferred food safety regulator.

PrimeSafe is funded by the payment of licence fees from the meat, poultry and seafood industries in Victoria.

2.1 Summary of income that funds our service delivery

		2025	2024
	Notes	\$	\$
Licence and registration fees		3,594,284	3,452,157
Interest income		141,287	135,292
Other income	2.2	15,837	40,257
Total revenue and income from transactions		3,751,408	3,627,706

Revenue 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.

Licence fees

Revenue from licence fees is recognised over time, on a straight-line basis, over the performance period to which the licences relate. The prepaid portion is recorded as a contractual liability, in line with AASB 15 Revenue from Contracts with Customers. These amounts are recognised as revenue when the performance obligation is met. The portion of licence fees received in advance is recorded as a contract liability, which is classified as a current liability on the balance sheet.

Registration fees

Registration fees for registering meat inspectors are recognised upon receipt of income.

Interest Income

Interest is recognised on a time proportionate basis that takes into account the effective yield of the financial asset.

2.2 Other income

	2025	2024
	\$	\$
Review and audit fees	3,000	3,000
Court costs received	6,826	31,775
Sundry income	6,011	5,482
Total other income	15,837	40,257

Other income

Other income includes review and audit fees and court costs received. Court costs are recognised when PrimeSafe receives notification of an entitlement. All other income is recognised in the period that the service occurs or rights to income arises.

3. The cost of delivering services

This section provides an account of the expenses incurred by PrimeSafe 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.

3.1 Expenses incurred in delivery of services

		2025	2024
	Notes	\$	\$
Employee benefit expenses	3.2	1,883,871	1,800,789
Board and committee fees	3.2	215,928	249,523
Other operating expenses	3.3	1,230,003	1,457,630
Total expenses incurred in delivery of services		3,329,802	3,507,942

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

3.2 Employee and Board member benefits

3.2.1 Employee and Board member benefits in the comprehensive operating statement

	2025 \$	2024 \$
Employee expenses		
Salaries and wages including FBT and WorkCover	1,706,170	1,634,917
Superannuation expense	177,701	165,872
Total employee expenses	1,883,871	1,800,789
Board and committee fees		
Member fees	179,611	169,133
Superannuation expense	20,650	18,610
Recruitment fees	-	54,600
Meeting and travel expenses	15,667	7,180
Total Board and committee fees	215,928	249,523

Employee expenses

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

Board and committee fees

These expenses include all costs related to Director fees including wages and salaries, superannuation, recruitment, meeting and travel expenses for Board members.

3.2.2 Superannuation

PrimeSafe is required to recognise all superannuation payments as expenses in its comprehensive operating statement. The Department of Treasury and Finance recognises the aggregate unfunded superannuation liability relating to employing entities in its financial statements as at 30 June 2025, as the Victorian Government has assumed responsibility for this liability.

Total employer contributions to superannuation plans during the year were \$195,250 (2024: \$210,686), with no significant outstanding contributions at 30 June 2025 or 30 June 2024. Refer to Note 5.2 for further information on payables.

3.2.3 Employee benefits in the balance sheet

Provisions are recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2025 \$	2024 \$
Current provisions		
Employee benefits	265,769	267,561
On-costs	50,418	49,512
Total current provisions	316,187	317,073
Non-current provisions		
Employee benefits	57,850	47,984
On-costs	11,251	9,076
Total non-current provisions	69,101	57,060
Total provisions for employee benefits	385,288	374,133

Employee benefits

Provisions are recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

(i) Wages and salaries, annual leave and sick leave

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

3.2 Employee and Board member benefits (continued)

(ii) Long service leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where PrimeSafe 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.

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 liability 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.

Employee benefits on-costs

Provisions for on-costs such as payroll tax, workers' compensation and superannuation are recorded separately from the provision for employee benefits.

3.3 Other operating expenses

	2025 \$	2024 \$
Other operating expenses		
Motor vehicle and travelling costs	45,030	41,728
Computer costs	401,580	482,292
Communication costs	33,957	33,612
Insurance	80,216	67,024
Legal fees	84,830	50,203
Consultancies	-	28,400
Service fees	415,713	565,176
Printing and postage	39,933	44,028
Industry and government liaison	6,205	10,015
Lease payments and operating costs	82,447	76,608
Other supplies and consumables	40,092	44,264
Impairment of receivables	-	14,280
Total other operating expenses	1,230,003	1,457,630

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and are recognised as an expense in the reporting period in which they are incurred.

Other supplies and consumables include costs such as bank charges, office supplies, stationery, archiving and cleaning.

Computer costs represent configuration and customisation cost incurred in implementing cloud software services.

4. Key assets available to support service delivery

PrimeSafe controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources purchased by PrimeSafe to be utilised for delivery of those outputs.

Significant judgement: Classification of property, plant and equipment as 'key assets'

PrimeSafe has made the judgement that property, plant and equipment are key assets utilised to support PrimeSafe's objectives and 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.

4.1 Total property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Right of use buildings at fair value	619,828	619,828	(511,646)	(443,345)	108,182	176,483
Leasehold improvements	104,970	82,810	(83,564)	(81,905)	21,406	905
Plant and equipment at fair value	146,220	140,952	(130,706)	(127,334)	15,514	13,618
Motor vehicles at fair value	203,728	226,272	(25,579)	(4,545)	178,149	221,727
	1,074,746	1,069,862	(751,495)	(657,129)	323,251	412,733

Recognition and measurement

Items of property, plant and equipment, are measured initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

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

PrimeSafe 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.

Right-of-use asset – Subsequent measurement

PrimeSafe 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 estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

4.1 Total property, plant and equipment (continued)

Vehicles are valued using the current replacement cost method. PrimeSafe 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 an experienced fleet manager in PrimeSafe who sets relevant depreciation rates during use to reflect the utilisation of the vehicles.

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

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

4.1.1 Reconciliation of movements in carrying amounts^(a)

	Motor vehicles at fair value	Plant and equipment at fair value	Leasehold improvements	Buildings (right-of-use) at fair value	Total
	\$	\$	\$	\$	\$
Opening balance 1 July 2024	221,727	13,618	905	176,483	412,733
Additions	42,580	5,548	22,160	-	70,288
Disposals	(51,374)	-	-	-	(51,374)
Depreciation	(34,784)	(3,654)	(1,659)	(68,301)	(108,398)
Closing balance 30 June 2025	178,149	15,512	21,406	108,182	323,249

Note:

(a) 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 as per the requirement of FRD 103. The next scheduled full revaluation for this purpose group will be conducted in 2026. Refer to note 7.3 for more information.

4.1.2 Depreciation^(a)

	2025	2024
	\$	\$
Buildings at fair value (right-of-use)	68,300	68,300
Leasehold improvements at fair value	1,659	2,164
Plant and equipment at fair value	3,654	16,548
Motor vehicles at fair value	34,784	47,314
	108,397	134,326

Note:

(a) This reconciliation is provided voluntarily to enhance transparency following the revaluation of assets in 2024.

Depreciation

Plant and equipment, and other non-financial physical assets (excluding items under operating leases) that have finite useful lives are depreciated.

Depreciation is calculated on a straight-line basis at rates that allocate the asset’s value, less any estimated residual value, over its estimated useful life. Right-of use assets are depreciated over the shorter of the asset’s useful life and the lease term.

The following are typical estimated useful lives for the different asset classes for current and prior years.

Asset class	Useful life
Buildings (right-of-use)	5 years
Leasehold improvements	9 - 15 years
Plant and equipment	5 - 25 years
Motor vehicles	8 years

For asset classes where a single useful life is disclosed, this reflects a consistent approach to asset acquisition and classification across reporting periods. A range is shown only where different asset sub-categories exist and are subject to varied useful lives.

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

Right-of-use assets are generally depreciated over the shorter of the asset’s useful life and the lease term.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

4.2 Intangible assets

	2025 \$
Gross carrying amount, representing closing balance	163,430
Accumulated amortisation	
Opening balance	(11,461)
Amortisation of intangible produced assets	(31,729)
Closing balance	(43,190)
Net book value at end of financial year	120,240

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

4.2 Intangible assets (continued)

Recognition and measurement

When the recognition criteria in AASB 138 *Intangible Assets* are met, internally generated intangible assets are recognised and measured at cost less accumulated amortisation and impairment.

Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to PrimeSafe.

Intangible assets with finite useful lives are amortised as an expense from transactions on a systematic (typically straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The typical estimated useful lives for intangible assets for current and prior years is three years. However, during 2025, PrimeSafe reassessed the useful life of certain intangible assets, such as internal software including the corporate website, and determined an increased useful life of up to five years, based on expected continued use and functionality.

The useful life of internally developed software now ranges from five to ten years, depending on the nature and purpose of the asset.

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

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 4.3.

Internal use of software is capitalised and amortised where the expected useful life is greater than a year and the costs to be capitalised exceed \$2,000. Where costs do not exceed \$2,000, they are expensed as incurred.

4.3 Impairment of assets

At the end of each reporting period, PrimeSafe assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus applicable to that class of asset. If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

During the 2025 financial year, no assets were impaired (2024: Nil).

5. Other assets and liabilities

This section sets out other assets and liabilities in PrimeSafe.

5.1 Receivables

	2025	2024
	\$	\$
Current receivables		
Contractual		
Other receivables	8,806	2,000
	8,806	2,000
Statutory		
GST input tax credit recoverable	52,225	67,610
Fringe benefits tax receivable	3,458	-
	55,683	67,610
Total receivables	64,489	69,610

Receivables consist of:

- contractual receivables, which include debtors in relation to court cost recoveries, and accrued investment income; and
- statutory receivables, such as amounts owing from the ATO for Goods and Services Tax (GST) input tax credits recoverable.

Contractual receivables are recognised initially at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost, less an allowance for impaired receivables. A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected, and bad debts are written off when identified.

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. PrimeSafe applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

5.1.2 Impairment loss

	Notes	2025 \$	2024 \$
Impairment loss			
Impairment loss on contractual receivables			
<i>In other economic flow</i>	8.1	20	-

In accordance with FRD 114 Financial Instrument, all entities shall apply the simplified approach, which requires the loss allowance to always be measured at an amount equal to lifetime expected credit losses for all trade receivables, lease receivables and statutory receivables.

The loss allowances for receivables and contract assets are based on assumptions about risk of default and expected loss rates. The expected loss rates applied as at 30 June 2025 is equivalent to 10 per cent for receivables that are more than 365 days past due.

An allowance for expected credit loss is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts when there is objective evidence that a receivable is impaired. Bad debts are considered as written off by mutual consent.

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.

5.2 Payables

	2025 \$	2024 \$
Current payables		
Contractual		
Supplies and services ⁽ⁱ⁾	78,585	97,124
Other payables	24,232	13,605
	102,817	110,729
Statutory		
FBT payable	5,082	5,166
PAYG payable	32,210	36,467
SGC payable	15,928	19,283
	53,220	60,916
Total payables	156,037	171,645

Notes:

(i) The average credit period is 30 days. No interest is charged on the other payables for the first 30 days from the date of the invoice.

Payables consist of:

- contractual payables, such as accounts payable and accrued expenses. These represent liabilities for goods and services provided to PrimeSafe prior to the end of the financial year that are unpaid, and arise when PrimeSafe becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, recognised and measured similarly to contractual payables, but not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Given the short-term nature of current payables, their carrying amount is considered to approximate fair value.

5.3 Contractual liabilities

	2025	2024
	\$	\$
Contractual liabilities	3,001,354	2,783,283
Total contractual liabilities	3,001,354	2,783,283

The revenue from licence and registration fees is recognised over the performance period to which the licences relate, with the prepaid portion recorded as contractual liabilities. The contractual liabilities are a current liability and will be recognised as income in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

6. How we financed our operations

This section provides information on the sources of finance utilised by PrimeSafe during its operations, along with other information related to financing activities of PrimeSafe.

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.

6.1 Leases

	2025	2024
	\$	\$
Lease liability		
Current lease liability		
Right-of-use lease liabilities	77,291	72,170
Non-current lease liability		
Right-of-use lease liabilities	47,307	124,598
Total lease liability	124,598	196,768

'Interest expense' includes interest component of lease liabilities. Interest expense is recognised in the period in which it is incurred.

	2025	2024
	\$	\$
Interest expense	(6,651)	(9,591)

6.1.1 Recognition and measurement of leases as a lessee

For any new contracts entered into, PrimeSafe assesses whether a contract is, or contains, a lease. A lease is defined as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

PrimeSafe recognises a lease liability and corresponding right-of-use asset at the commencement date of the lease.

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, or, if that cannot be readily determined, PrimeSafe's incremental borrowing rate.

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

- Fixed payments (including in-substance fixed payments) less any lease incentives receivable
- Variable lease payments based on an index or rate
- Amounts expected to be payable under residual value guarantees
- Payments for purchase options or termination penalties (if reasonably certain to be exercised).

Lease liability – subsequent measurement

After initial recognition, the lease liability is measured at amortised cost using the effective interest method. It is remeasured if there is a change in future lease payments due to:

- Lease term changes
- Index or rate changes
- Modifications to the lease.

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

6.1.2 Presentation of right-of-use assets and lease liabilities

For the year ended 30 June 2025, \$6,651 (2024: \$9,591) was recognised as interest expense on lease liabilities in the Comprehensive Operating Statement (refer note 3.3).

6.1.3 Future lease payments

	Minimum future lease payments	
	2025	2024
	\$	\$
Not longer than 1 year	80,789	78,819
Longer than 1 year but not longer than 5 years	47,809	128,601
Longer than 5 years	0	0
Minimum future lease payments	128,598	207,420
Less future finance charges	(4,000)	(10,652)
Present value of minimum lease payments	124,598	196,768

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

6.2 Cash flow information

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank. PrimeSafe's bank accounts are held in the Central Banking System (CBS) under the Standing Directions 2018.

	2025	2024
	\$	\$
a) Reconciliation of cash and cash equivalents		
Cash on hand	300	300
Cash at bank	4,224,772	3,719,242
Balance as per cash flow statement	4,225,072	3,719,542

6.3 Commitments for expenditure

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

	2025	2024
	\$	\$
Capital expenditure commitments payable		
Less than one year	-	3,552
Total capital expenditure commitments	-	3,552
Other commitments payable		
Less than one year	41,712	85,974
Longer than one year but not longer than five years	6,338	370
Total other commitments	48,050	86,344
Total commitments (inclusive of GST)	48,050	89,896
Less GST recoverable from the Australian Taxation Office	4,368	8,172
Total commitments for expenditure (exclusive of GST)	43,682	81,724

7. Risks, contingencies and valuation judgements

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

7.1 Financial instruments

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

Categories of financial instruments

Financial assets at amortised cost

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

- the assets are held by PrimeSafe to collect 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.

PrimeSafe recognises the following assets in this category:

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

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired
- PrimeSafe retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third-party under a 'pass through' arrangement or
- PrimeSafe has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards but has transferred control of the asset.

Financial liabilities at amortised cost are initially recognised on the date they 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. Financial instrument liabilities measured at amortised cost include all of PrimeSafe's contractual payables and lease liabilities.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

7.1 Financial instruments (continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms are substantially modified, such replacement or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the Comprehensive Operating Statement.

Table 7.1.1: Financial instruments by category

	Carrying amount 2025	Carrying amount 2024
Category	\$	\$
Financial assets at amortised cost		
Cash and cash equivalents	4,224,772	3,719,242
Other receivables	8,806	2,000
Total financial assets at amortised cost	4,233,578	3,721,242
Financial liabilities at amortised cost		
Payable	102,817	110,729
Lease liability	124,598	196,768
Total financial liabilities at amortised cost	227,415	307,497

Impact on the Comprehensive Operating Statement

The net gain or loss from financial instruments at amortised cost is recognised in the Comprehensive Operating Statement. This includes interest income from cash and cash equivalents, and the interest expense on lease liabilities, which are disclosed in Note 6.1. No other material gains or losses were recognised in relation to these financial instruments during the reporting period.

Fair value movements related to financial instruments measured at amortised cost (e.g. lease liabilities) are not recognised in the balance sheet unless required by the applicable standard. PrimeSafe recognises all changes in carrying amounts of financial instruments through the comprehensive operating statement where applicable.

7.2. Contingent assets

PrimeSafe did not have any contingent assets as at 30 June 2025 (2024: Nil).

7.3. Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. Changes to assumptions could have a material impact on the results and financial position of PrimeSafe. Plant, equipment and vehicles are carried at fair value. For all assets measured at fair value, PrimeSafe considers the current use to be the highest and best use.

Valuation techniques and assumptions

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

Vehicles (including right-of-use assets) are valued using the current replacement cost method. PrimeSafe 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 an experienced fleet manager in PrimeSafe who sets relevant depreciation rates during use to reflect the utilisation of the vehicles.

PrimeSafe conducted a fair value assessment as at 30 June 2025. This assessment did not identify any material movements requiring revaluation adjustment. The next scheduled revaluation is planned for 2026 in accordance with internal policy and FRD 103.

Description of significant assumptions applied to fair value measurement.

2024 and 2025	Valuation technique	Significant unobservable inputs	Range (weighted average)
Vehicles	Current replacement cost	Cost per unit Useful life of vehicles	\$30,000–\$40,000 per unit 8 years
Plant and equipment	Current replacement cost	Cost per unit Useful life of plant and equipment	\$2,000–\$3000 per unit 5-25 years (7 years)
Leasehold improvements	Current replacement cost	Useful life of leasehold improvements	9 to 15 years (12 years)
Right-of-use-Buildings	Current replacement cost	Useful life of leasehold premises	5 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

8. Other disclosures

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

8.1 Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

	2025	2024
	\$	\$
Net (loss)/gain on non-financial assets		
Net gain/(loss) on disposal of property, plant and equipment	(5,009)	17,213
Total net (loss)/gain on non-financial assets	(5,009)	17,213
Net (loss)/gain on financial instruments		
Impairment of receivables	(20)	-
Total (loss)/gain on financial instruments	(20)	-
Total other economic flows included in net result	(5,029)	17,213

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Net gain/(loss) on disposal of non-financial assets

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is determined after deducting from the proceeds the carrying value of the asset at that time.

8.2 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance 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 Minister and Accountable Officer in PrimeSafe are as follows:

Minister for Agriculture	The Hon. Ros Spence, MLC	1 July 2024 to 30 June 2025
Chief Executive Officer	Mr Michael Coffey	1 July 2024 to 30 June 2025

8.2 Responsible persons (continued)

Remuneration

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 received or receivable by the Accountable Officers in connection with the management of PrimeSafe during the reporting period was in the range: \$310,000–\$319,999 (2024: \$310,000–\$319,999).

The individuals who held the positions of Responsible Officers, other than the Minister and Accountable Officer in PrimeSafe are as follows:

Governing Board		
Chair	Ms Alison Stone	1 July 2024 to 30 June 2025
Deputy Chair	Mr Mark Wray	1 July 2024 to 30 June 2025
Director	Mr Paul Conway	1 July 2024 to 30 September 2024
Director	Mr Noel Kelson	1 July 2024 to 30 September 2024
Director	Ms Renee Pearce	1 July 2024 to 30 September 2024
Director	Dr Katherine Clarke	1 July 2024 to 30 June 2025
Director	Dr Marion Healy PSM	1 July 2024 to 30 June 2025
Director	Mr James Kellaway	1 July 2024 to 30 June 2025
Director	Mr Richard Norton	1 July 2024 to 30 June 2025
Director	Dr Mary Wu	1 July 2024 to 30 June 2025
Director	Ms Frances Freeman	1 October 2024 to 30 June 2025
Director	Ms Stephanie Kaparos	1 October 2024 to 30 June 2025
Director	Mr Tim Ryan	1 October 2024 to 30 June 2025

	2025	2024
	\$	\$
Governing Board		
\$0 – 9,999	-	-
\$10,000 – 19,999	9	9
\$40,000 – 49,999	1	1
Total amount (includes base and total remuneration)	200,267	184,340

8.3 Remuneration of executives and payments to other personnel

Remuneration of executives

There were no persons who held a position of executive officer as defined by the *Public Administration Act 2004* for the years ended 30 June 2025 and 30 June 2024.

8.4 Related parties

PrimeSafe is a Statutory Authority of the State of Victoria. PrimeSafe is a wholly owned and controlled entity of the Victorian Government. Related parties of PrimeSafe include:

- all key management personnel, their close family members and personal business interests
- 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.

8.4.1 Key management personnel

Key management personnel of PrimeSafe includes all Responsible Persons as listed in Note 8.2. Compensation comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

	2025	2024
Compensation of KMPs	\$	\$
Total	524,375	486,984

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

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

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

Termination benefits include termination of employment payments, such as severance packages.

8.4.2 Transactions with key management personnel and other related parties

Certain directors are PrimeSafe licensees and therefore remit licence fees to PrimeSafe on normal commercial terms and conditions. There were no transactions outside the normal course of business during the financial year between the directors and PrimeSafe.

Compensation comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

8.5 Remuneration of auditors

	2025	2024
	\$	\$
Victorian Auditor-General's Office		
Audit of the financial statements	30,100	29,000
	30,100	29,000

8.6 Subsequent events

PrimeSafe has assessed events occurring after 30 June 2025 and up to the date of authorisation of these financial statements. There are no known subsequent events.

8.7 Contingent liability

PrimeSafe is currently in an ongoing open litigation. The outcome of this case and potential liability, if any is not yet determined.

8.8 Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are recognised net of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

Commitments and contingent assets and liabilities are also stated inclusive of GST.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Disclosure index

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

Legislation	Requirement	Page reference
MINISTERIAL DIRECTIONS		
Report of Operations – FRD Guidance		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	22
FRD 22	Purpose, functions, powers and duties	5, 22
FRD 8	Departmental objectives, indicators and outputs	12
FRD 22	Initiatives and key achievements	6
FRD 22	Nature and range of services provided	5, 23
Management and structure		
FRD 22	Organisational structure	28
Financial and other information		
FRD 8	Performance against output performance measures	N/A
FRD 8	Budget portfolio outcomes	N/A
FRD 10	Disclosure index	72
FRD 12	Disclosure of major contracts	34
FRD 15	Executive disclosures	31
FRD 22	Employment and conduct principles	16
FRD 22	Occupational Health and Safety Policy	16
FRD 22	Summary of the financial results for the year	30
FRD 22	Significant changes in financial position during the year	N/A
FRD 22	Major changes or factors affecting performance	N/A
FRD 22	Subsequent events	71
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	34
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	34
FRD 22	Statement on Competitive Neutrality Policy	34
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	34
FRD 22	Application and operation of the <i>Carers Recognition Act 2012</i>	N/A
FRD 22	Details of consultancies over \$10,000	33
FRD 22	Details of consultancies under \$10,000	33
FRD 22	Disclosure of government advertising expenditure	33
FRD 22	Reviews and studies expenditure	35
FRD 22	Disclosure of ICT expenditure	33
FRD 22	Statement of availability of other information	37
FRD 22	Disclosure of emergency procurement	35

Legislation	Requirement	Page reference
FRD 24	Environmental reporting	36
FRD 25	Local Jobs First	32
FRD 29	Workforce data disclosures	30

Compliance attestation and declaration

	Attestation for compliance with DEECA Portfolio Financial Management Compliance Framework	37
SD 5.2.3	Declaration in report of operations	2

Financial Statements – FRD Guidance

Declaration

SD 5.2.2	Declaration in financial statements	42
----------	-------------------------------------	----

Other requirements under Standing Directions 5.2

SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	49
SD 5.2.1(a)	Compliance with Standing Directions	42

Other disclosures as required by FRDs in notes to the financial statements*

FRD 9	Departmental disclosure of administered assets and liabilities by activity	N/A
FRD 11	Disclosure of ex gratia expenses	N/A
FRD 13	Disclosure of Parliamentary Appropriations	N/A
FRD 21	Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the financial report	68
FRD 103	Non-financial physical assets	55
FRD 110	Cash flow statements	47, 64
FRD 112	Defined benefit superannuation obligations	N/A
FRD 114	Financial Instruments - general government entities and public non-financial corporations	65

* Note:

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	34
Building Act 1983	34
Public Interest Disclosures Act 2012	34
Local Jobs First Act 2003	32
Disability Act 2006	N/A
Financial Management Act 1994	42







150 Albert Road
South Melbourne VIC 3205

PO Box 2057
South Melbourne

www.primesafe.vic.gov.au