

# Annual Report

2025



## About this report

**The Holmesglen Institute 2025 Annual Report is a report to the Parliament of Victoria required under Section 45 of the Financial Management Act 1994 Standing Directions and Instructions, applicable Australian Accounting Standards and Financial Reporting Directions.**

This document describes the operations of Holmesglen in 2025, including consolidated financial statements performance statements and other information required. In preparing this report, Holmesglen has followed the reporting guidelines issued by the Department of Jobs, Skills, Industry and Regions (DJSIR).

Requests for further information under the provisions of the Freedom of Information Act should be directed to:

**Freedom of Information Officer  
Holmesglen  
PO Box 42 Holmesglen VIC 3148  
E: [foi@holmesglen.edu.au](mailto:foi@holmesglen.edu.au)**

Our annual reports and other corporate publications can be obtained from our website [holmesglen.edu.au](http://holmesglen.edu.au)

Cover image: Holmesglen's Cyber Security Operations Centre (CSOC)

### Acknowledgment of Country

Holmesglen Institute acknowledges the Traditional Owners of the lands on which we live and work and in particular the **Wurundjeri, Bunurong and Taungurung** peoples on whose lands Holmesglen's campuses stand.

We pay our respects to Elders past, present and emerging, and extend that respect to all First Nations peoples.

Our work at Holmesglen is education, to share and pass knowledge on to those who seek to gain it and we recognise the long-standing tradition of teaching and learning that has played such a great part in over 60,000 years of Australian culture.

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# Introduction

On behalf of the Holmesglen Institute and the Board, we are pleased to present our 2025 Annual Report.

**In 2025 the Institute continued to transform lives, build workforce capability and enrich communities through education and training delivering critical skills required for a sustainable economy.**

The second year of our 2024 - 2026 Strategy: Looking Out and Looking Up was one filled with significant achievements for individuals, employers and communities we work with. Key achievements include:

- Focus on ICT and technology – ICT refresh of systems, new ICT Strategy, and digital literacy and AI focused workshops and professional development
- New Environmental Sustainability Strategy which includes targets and KPIs
- Focus on pedagogy in faculties
- New Diversity and Inclusion Committee
- \$250,000 in scholarships for students
- \$845,000 from the Foundation to support students
- Seven Funded Staff Fellowships
- Our apprentice Emma Jepsen was a finalist at the Victorian Training Awards
- Refurbishment of facilities for staff and students
- Immersion Week – a whole of Institute planning immersion week
- The development of a Universal Design for Learning (UDL) professional development program for educators to ensure access remains at the core of learning design and delivery

We have continued activities to realise our Strategic Plan 2024-2026, including the development of a Service Excellence Framework for use across the Institute; the development of sustainability focused graduate programs and short courses; and the development of new Artificial intelligence to assist our people in their jobs.

Significant work on both financial and environmental sustainability have delivered a very solid financial position to ensure we can continue to invest in programs and people that deliver in-demand skills. Key achievements include positive EBITDA for FY 2025 with a 4% growth in enrolments.

The external environment remains complex, however, support for TAFE remains strong with commitment from the Commonwealth and the Victorian Government to invest in the National TAFE Network; an initiative to fund projects to enhance TAFE, its products and service and promote innovation in delivery.

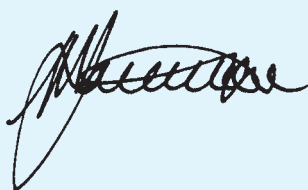
We extend our sincere gratitude to our dedicated staff and directors, whose expertise and commitment have been instrumental in our achievements in 2025.

Their commitment to teaching excellence and learner success has strengthened our reputation and achieved remarkable outcomes. We are equally grateful to our industry partners, who work alongside us to deliver excellence in skills led learning.

This Annual Report highlights the significant achievements we have been able to deliver together for the benefit of our learners who remain at the heart of Holmesglen.



**Michael Gorton AM**  
**Chair**  
Holmesglen Institute  
18 March 2026



**Mary Faraone**  
**Chief Executive**  
Holmesglen Institute  
18 March 2026

# Our organisation

Holmesglen is established under the *Education and Training Reform Act 2006*.

This Act – along with the Institute’s Constitution – defines our functions and duties to provide:

- Vocational education and training and higher education programs to benefit Victorian industry and communities
- Applied research in partnership with learners, industry and communities
- Facilities and services to support our learners and communities

In 2025, the Minister for Skills and TAFE was The Hon. Gayle Tierney MP.

The organisational strategy has been informed by the TAFE Network Statement of Priorities - the Minister’s agreement with TAFE Institutes that sets the strategic direction for the Network.

This year we enrolled a total of 32,450 learners. Overall, the number of learners enrolled at Holmesglen increased by 4% percent compared to the previous year.

During the year we served our local communities across eight sites and remotely, delivering quality skills led learning and applied research and providing exceptional support services. Programs delivered include our Victorian Government funded Skills First and Free TAFE programs, Skills and Jobs Centre services and the Reconnect program. We also participated in commercial projects and educational partnerships in Australia and overseas.

## Our Board

Holmesglen’s Board of Directors is responsible to the Victorian Government for the effective oversight and governance of the Institute. The Board advances our objectives and operates in accordance with the economic and social objectives and public sector management policies established by government. It also assists and informs the Minister for Skills and TAFE or the Ministers’ delegates as required.

### Directors in 2025 were:

- Michael Gorton AM (Chair)
- Janelle Allison
- Ann Barker (to 31 August 2025)
- Kathryn Bellion
- Kashif Bouns
- Maruym Chaudhry
- Anita Chow
- Mary Faraone
- Alyssa Forbes-Nicolson
- Ian Hamm
- David Imber
- Christina (Christy) Karamzalis (to 30 June 2025)

Four committees support the Board to execute its governance responsibilities.

## Asset and Infrastructure Committee

This committee oversees and advises the Board on matters related to strategic asset management, data, systems and technology. It also monitors the progress of major strategic capital works.

### Committee members include:

- Ian Hamm (Chair)
- Ann Barker (to 31 August 2025)
- Kashif Bouns (from 27 August 2025)
- Anita Chow (from 27 August 2025)
- Mary Faraone
- Michael Gorton AM
- Christy Karamzalis (to 30 June 2025)

## Finance, Audit and Risk Management Committee

This committee independently reviews and assesses the effectiveness of the Institute’s systems and controls for financial management, performance and sustainability, and risk management. The committee also reviews the annual financial statements and makes recommendations to the Board on adopting the statements and authorising their release to parliament. It operates in accordance with the Standing Directions 2018 under the *Financial Management Act 1994*.

### Committee members include:

- Anita Chow (Chair)
- Janelle Allison
- Maryum Chaudhry
- Alyssa Forbes-Nicolson
- Michael Gorton AM
- David Imber

## People, Culture and Remuneration Committee

This committee oversees all people-related activities and ensures proper governance and capabilities to deliver our strategic objectives.

### Committee members include:

- Kathryn Bellion (Chair)
- Maryum Chaudhry
- Mary Faraone
- Michael Gorton AM

## Quality Committee

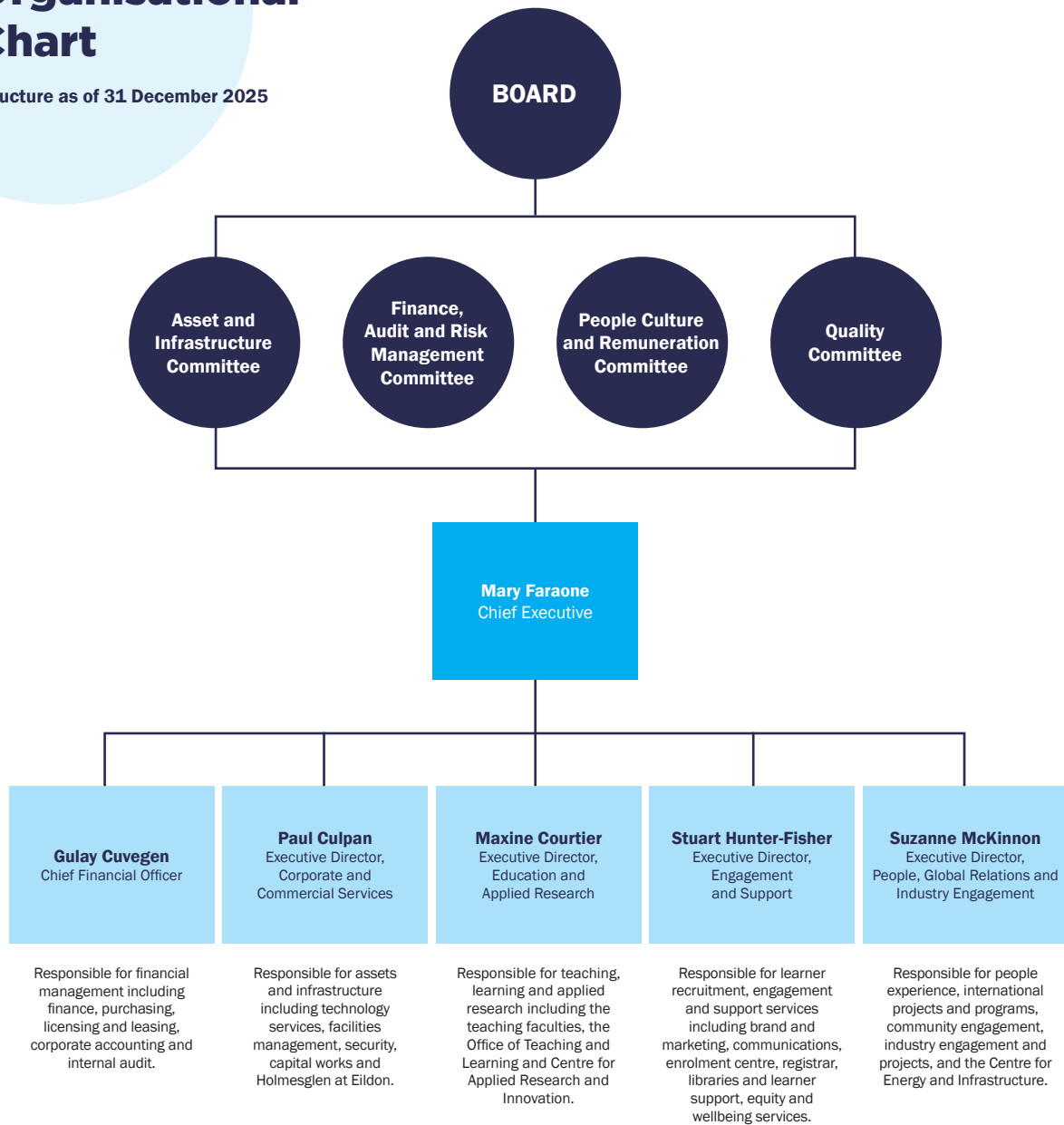
This committee oversees and advises the Board on the quality of our teaching and learning outcomes and operations. It also monitors the adequacy of our educational compliance and quality management practices.

### Committee members include:

- Janelle Allison (Chair)
- Michael Gorton AM
- Mary Faraone
- Gary O’Donovan

# Organisational Chart

Structure as of 31 December 2025



## Controlled entities

### Holmesglen Foundation and Glenuc Pty Ltd

The Holmesglen Foundation is a controlled entity of Holmesglen Institute and operates through a trust deed between the Institute and Glenuc Pty Ltd. Company Directors are responsible for ensuring the Foundation operates according to the trust deed and complies with all governance and regulatory requirements.

The Directors of Glenuc Pty Ltd in 2025 were:

- Peter Lewinsky AM (Chair)
- Ann Barker (to 31 August 2025)
- Andrew Brookes
- Ros Casey
- Mary Faraone
- Hannah Piterman
- David Imber (from 8 December 2025)

### Holmesglen International Training Services Pty Ltd

Holmesglen International Training Services Pty Ltd is a fully owned subsidiary of Holmesglen Institute. Mary Faraone was the sole Director of Holmesglen International Training Services in 2025.

# Our Strategy 2024 - 2026

## Mission

We transform lives, build workforce capability and enrich communities through education and training.

## Vision 2030

Holmesglen is a leader in education, training and applied research, renowned for its innovation and its commitment to learner and industry success.

## Values

**A**mbition  
**S**cholarship  
**P**assion  
**I**ntegrity  
**R**espect  
**E**xcellence

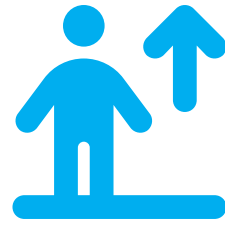


**Planned Outcomes**

- **Work ready, life ready, world ready graduates**
- **Excellence in applied research**
- **An inspirational and inclusive place of work and learning**
- **Engaged people, learners and partners**
- **New opportunities for skills development**
- **Collaborative culture**

## Year in Review

32,450



2025 Students, 4.14% increase



11,129

Females enrolled

21,183

males enrolled



30



mean age of a  
Holmesglen learner



8,485

Free TAFE enrolments

1,328



new apprenticeships and Trainees

6,391

graduates in 2025



\* CALD learners are classified as those speaking a language other than English at home.

6,134



Culturally and Linguistically  
Diverse Learners\*

\$9.5M

invested in facilities  
upgrades



2,481

total solar panels  
generating  
renewable energy



\$250,000

re-invested to scholarships, including  
from the Holmesglen Foundation

2,690



career seekers supported by  
Holmesglen Employment Centre



1200+

staff transforming lives

952



small businesses started with  
the help of Self Employment  
Assistance program

# Our Achievements

Holmesglen student satisfaction with training in 2025 increased to 79.9% (up from our 2024 result of 79.5%), and is on par with the 2025 Victorian average (79.9%) and higher than the TAFE Network average of (78.2%).

In addition to the achievements highlighted in our Year in Review we also celebrated the following:

## Future Ready

### Goal 1

- Completion of a \$5.9m refurbishment of Chadstone's Plumbing Training Workshop, featuring ten types of modular training pods, 25 metre sandpit and welding facilities.
- Introduction of a new basketball court and recreation areas at the Glen Waverley campus, and refurbished student wellbeing lounges at Glen Waverley and Chadstone campuses.
- Chadstone courtyard upgrade and recreation areas.

## Inclusive and People Centric

### Goal 2

- Established a Diversity and Inclusion Working Group and a First Nations Working Group.
- Refurbished student wellbeing and recreational areas, including a new basketball court at the Glen Waverley campus, a First Nations space and yarnning circle.
- Provided professional development opportunities for over 800 staff attending our ASPIRE conference.
- 40 staff participated in the ASPIRE programs. (24 ASPIRE Development Program participants 16 ASPIRE Leaders participants).
- 129 ASPIRE Heroes peer-to-peer nominations in 2025 (1,613 nominations since 2018).
- 76 ASPIRE Heroes pins awarded in 2025 (517 pins awarded since 2018).
- Holmesglen Student Recruitment team won the Best Student Engagement Team in the Education Sector in 2025 awarded by CSBA.

## Environmentally Sustainable

### Goal 3

- Lowered our gas usage over the four main campuses by over 3.1 million MJ by switching heavy equipment reliant on gas to renewable electricity.
- Saved a total of 2782KL of water over four campuses - equal to the usage of 18 average suburban homes.
- Completed installation of 2481 solar panels and 9 EV charging stations across campuses.

## Technology Enabled

### Goal 4

- Information Communications and Technology (ICT) refresh of systems underway.
- New ICT Strategy.
- Digital literacy and AI focused workshops and professional development.
- Holmesglen Cyber Security Operations Centre (CSOC) opened in March 2025.
- Staff survey and consultation on artificial intelligence (AI).

## Adaptive and Engaged

### Goal 5

- Grew our global partnerships in Sri Lanka and Indonesia
- 10 staff members awarded in the inaugural round of Holmesglen Fellowships.
- Holmesglen Employment Centre (HEC) provided services to 7,943 people. In addition to delivering 126 workshops, the Holmesglen Job Fair and the Chadstone Career Expo, HEC have been contacted by 445 businesses for recruitment support.
- Holmesglen and North East Link Apprenticeship Development - Spark Consortium were named a finalist at the 2025 Victorian Training Awards, in the Employer Award for Apprenticeship Development category.
- Our apprentice Emma Jepsen was a finalist in the Victorian Training Awards.

## Embracing AI responsibly

AI continued to dominate many of the discussions in 2025, including in the areas of governance, risk and its effective and safe use in teaching and learning. Holmesglen adjusted its operational policies and practises pertaining to the ethical and appropriate use of AI.

Over 600 staff participated in AI training at the annual ASPIRE Conference and dedicated team-based training and development also occurred in many work groups. Work commenced on Holmesglen's first own generative AI tool for staff, to be launched in 2026.

## New global partnership in Sri Lanka

In July Holmesglen announced an offshore IT education partnership with the Australasian Academy in Sri Lanka, marking a significant milestone in the Institute's global education efforts. The collaboration will deliver a dual diploma in Advanced Programming and Back End Web Development, offering students in Sri Lanka access to internationally recognised training and pathways into further study in Australia.

## Strengthening long term partnerships

Holmesglen continued its training of SPARK North East Link underground project workers, with over 10,000 staff inducted at our Victorian Tunnelling Centre since the project's commencement. Work with Suburban Rail Loop contractors has also seen Holmesglen continue to deliver essential skills for Victoria's infrastructure programs including participation in STEM Immersion with sessions targeted at school students and a focus on greater female participation in the trades.

Our partnership with the Saint Kilda Football Club expanded with solid growth in enrolments. Work this year included in the development and introduction of the Saints Career Pathways, which will see the delivery of the Bachelor of Sports Business and Bachelor of Sports Media offered in 2026.

Work in the IT space included strengthened partnerships with the AWS academy, Australian Information Security Association (AISA), Australian Signals Directorate (ASD), CISCO Networking academy, Microsoft Academy and the Paloalto Cybersecurity Academy.

## In Focus: Building Cyber Resilience for the Fourth Economy

Our In Focus events are a series of industry events aimed at fostering thought leadership, generating valuable insights and strengthening connections with our industry partners.

Our 2025 key stone event was focused on cybersecurity, an event that brought industry, alumni and employers together. The summit found savvy humans and businesses remain Australia's first and best line of defence against online threats despite advances in artificial intelligence.

Speakers at Holmesglen Institute's In Focus summit agreed that Small to Medium Enterprises (SMEs) should offer their employees modern cyber training, use security operations centres (SOC) and implement affordable security solutions like Multi-factor Authentication (MFA).

Holmesglen released a Research Paper at the summit, exploring the role of TAFE-delivered cyber security training in building national digital resilience for the Fourth Economy.

## Community Engagement

Our community engagement program expended its reach in 2025 to deliver support for learners and our community partners. Eight community markets were held across our campuses helping to support over 2800 learners with access to fresh produce and grocery items. We also forged new relationships through Local Learning and Employment Networks and established new opportunities for local school students and careers practitioners to participate in immersive tours and tastings to support career planning and pathways.

*In Focus: Building Cyber Resilience for the Fourth Economy*



## Apprentice Success: Responding to the skill development needs of the clean energy sector

Apprentice Success delivered Apprentice Connect Australia Provider (ACAP) services to apprentices undertaking eight qualifications across the New Energy sector. To further highlight the importance of New Energy apprenticeships, Apprentice Success actively participated in a range of careers and industry events promoting apprenticeship opportunities in this growing field.

Key events included the All Energy Australia Conference and the Gippsland New Energy Conference, along with several Local Learning and Employment Network (LLEN) events, local council expos, and Skills and Jobs Centre showcases. At each of these events, members of the Apprentice Success team engaged directly with prospective apprentices, employers, and community partners to raise awareness of the training pathways supporting Australia's clean energy transition.

Despite the challenges associated with being a specialist ACAP provider focused on maximising apprenticeship completions in the clean energy sector, Apprentice Success is successfully building a strong base of employers committed to developing the workforce skills needed to support the nation's future energy needs.

## Educating globally

In 2025 market conditions remained challenging as international student policies evolved throughout the year. New international commencements remained aligned with our expectations.

Our inbound study tours continue to grow and we were delighted to host increased numbers of delegates from our partner institutions to our campuses. Our Bachelor of Sports Media study abroad program continued for a second year, through the generous support of the Holmesglen Foundation, with students heading off to the US to study with the University of Nevada, Las Vegas.

Key highlights of our offshore international work for 2025 include:

### South Asia

- A Tunnel Boring Machine training program in Australia in April through South Asia Regional Infrastructure Connectivity (SARIC) program. The program offered participants from Bhutan, Nepal and Pakistan a program which focused on cutting-edge skills in the operation and maintenance of tunnel boring machines

### China

- Delivery of our programs with long term partners Shandong Institute of Commerce and Technology (SBTI) and Zhejiang Business Technology Institute (ZBTI) in China which focus on business and accounting programs
- Delivery of an early childhood program with Suzhou Vocational University (SVU)

### India

- We hosted a visit by a delegation led by Mr Jayant Chaudhary, the Indian Minister for Skill Development and Entrepreneurship and Minister of State for Education

### Indonesia

- Training delivered to PT ODG Indonesia, an electrical contracting firm in Indonesia through an electrical skillset program. This program was jointly funded through the Australian governments Katalis Program and PT ODG who established a dedicated skills training centre in Jakarta. Four out of six skillsets were successfully delivered, accompanied by a Professional Development program for PT ODG trainers

- A delegation from the Regency of Kotabaru in South Kalimantan in Indonesia visited Holmesglen in September. The visit included signing of a Memorandum of Understanding and campus tours of Chadstone, the VTC at Drummond Street, and the Moorabbin campus
- We hosted a group of secondary school students from Indonesia, led by our Indonesian partner of 14 years, Universitas Muhammadiyah Semarang (UNIMUS), an institute holding partnerships with around 450 senior high schools in Indonesia



Holmesglen's Carolina Modesto, Sandra Barboza and Atheena Avison with international students from Indonesia

Holmesglen's Risk Management Rule and Risk Management Plan outline strategies for managing all the Institute's operational and strategic risks, including those from our international operations. We evaluate and monitor these risks regularly, and report to the Finance, Audit and Risk Management Committee and Board. If further mitigation is required, additional risk treatments are identified and implemented. Risk categories are reviewed annually and management plans updated. The Institute's internal audit strategy includes a regular review of our international operations. Internal audit findings, recommendations and closeout actions are reported to the Board's the Finance, Audit and Risk Management Committee.

Performance measures for Holmesglen's international education operations include international learner enrolments and satisfaction, revenue growth, and the number of offshore projects and alliances.

## Holmesglen Joins NAWIC for Allyship in Action

Holmesglen was proud to partner with The National Association of Women in Construction (NAWIC) in a three-year program *Allyship in Action: Transforming Culture to Attract and Retain Women*. The project was designed to engage men in construction as allies and sponsors to promote female participation, retention and advancement in construction.

Funded by a \$5 million grant from the federal government's flagship Building Women's Careers (BWC) Program, the project partners include ADCO, the Australian Workers Union, CPB Contractors, Holmesglen Institute and the University of Sydney.

# Applied Research and Innovation

Our approach to research is industry orientated, outcomes focused and aims to equip a workforce for an increasingly digitalised world. In this report, information is provided about our research projects and our research engagement with industry and community.

## Building 4.0 CRC

Established in early 2020 the Building 4.0 CRC involves a partnership between Holmesglen and an industry-university based consortium to create, through research, an innovation 'ecosystem' in building construction. Holmesglen has been working with university researchers and its partner organisations to develop research programs that will support the development of training programs in the use of new technologies (including digital technologies); innovations to work processes; and policy and regulations improvement.

Projects undertaken during 2025 include:

- Implications of Industry 4.0 technologies on Work Practices
- Smart contracts and Smart Finance in Construction
- B4.0CRC Shared Interest Project Program: The Retrofit Housing Atlas: Adaptive Reuse of Housing in Australia
- Insolvency in Construction
- Evaluation of the effectiveness of roofing work inspection using Remotely Piloted Aircraft Systems.
- Modern Methods of Construction and VET
- Graduate Certificate in Sustainable Building

## Supporting skills development in the Care Economy

In 2025, Holmesglen's Centre for Applied Research and Innovation launched the **Applied Research and Innovation (ARI) Project**, funded by the Victorian Government, and led by Holmesglen. This initiative incorporates a multi-stakeholder approach and positions Victorian TAFEs as key innovation partners in Victoria's care economy. It supports collaboration between TAFEs, industry, and community organisations to develop applied research solutions that address critical sector needs, challenges, and opportunities.

In 2025, Holmesglen's Centre for Applied Research and Innovation was able to offer the Victorian TAFE Network, and potential industry partners, the opportunity to collaborate in funded research projects that focus on problems affecting the care economy. A research project framework was developed to support Victorian TAFEs to transform their practical expertise into formal research projects to foster professional development and cultivate a culture of continuous inquiry, problem-solving, and evidence-based practice across the institutions. This Applied Research and Innovation (ARI) project conducted six workshops and 3 community of practice sessions throughout 2025.

The ARI Project awarded 3 funded projects from different TAFEs across Victoria in its first funding round in 2025. A second funding round closed at the end of 2025.

## Other research in progress

- ISSI Fellowship recipient: Developing and Improving Sustainable Upholstery Training in Victoria
- Scoping study: 'Understanding the barriers to accessing student support services to enhance the wellbeing of TAFE Students'
- Knowledge and technology transfer: podcast on mindfulness by a recent ISS Fellow
- Research into the Development of Educator Digital Skills (Peter Lewinsky Teaching Fellowship recipient)

The Faculty of Health Science, Community and Social Studies had a range of innovative projects focused around improving teaching and learning including:

- Using educational escape rooms to develop transferrable skills
- Sustainable practices in healthcare: reuse, repurpose and recycling in healthcare
- Using forum theatres to foster empathy and improve communication
- Building resilient students through mindfulness workshops

Holmesglen's research program provided continued support for our researchers through forums and other opportunities to share their research with colleagues and industry practitioners. These included:

- AVETRA 2025 Conference
- ASPIRE Conference at Holmesglen
- B4.0 CRC KNOWLEDGE SHARE symposium
- Annual Council for Australasian Tourism and Hospitality Education (CAUTHE) Conference in Brisbane
- Australasian Simulation Congress 2025
- Centre for Sociocultural Sport and Olympic Research Conference in Los Angeles, USA
- HERDSA Conference in Perth, Australia

In October 2025, Holmesglen's Applied Research Centre hosted the annual International Specialist Skills Institute (ISSI) fellowship presentations. This fellowship offers VET teachers a unique opportunity to gain specialised knowledge, enhance their skills, and network with global experts in their vocational field.

## Published Research

Holmesglen researchers seek to report their work through a range of publications to inform discussion, contribute to the improvement of teaching and learning, and provide the groundwork for further research and innovation.

These included articles on: Gamification; AI with blockchain technology; sports media; Australian literature in other languages; transportation; wireless sensor networks; social and emotional learning in the apprentice experience; curriculum development in hospitality (Adopting design thinking and artificial intelligence tools to enhance educator digital competencies); and apprenticeship curriculum in the workplace.

# Awards

In 2025 some of our highest achieving learners and staff were recognised at local, state and national awards.

## 2025 Holmesglen Awards Winners - Students

**1. First Nations Student of the Year:**

Isaiah Columbine

**2. Individual Achievement:**

Lara Freney

**3. Vocational Student of the Year - VCE Major:**

Sebastian Kastrup

**4. Vocational Student of the Year - Certificate:**

Destiny Oung

**5. Vocational Student of the Year - Diploma:**

Fiona Wilson

**6. George Kline Apprentice of the Year:**

Emma Jepsen

**7. Higher Education Student of the Year:**

Kirra Johnston

**8. International Student of the Year:**

Soyeong Ahn



## 2025 Holmesglen Awards Winners - Staff

**9. Aspire Award:**

Andrew Yarde

**10. Leadership Award:**

Marilou Fisher

**11. Service Award:**

Kim Kenwell

**12. Teacher/Trainer of the Year:**

Glenda Llatas

## 2025 Holmesglen Awards - Industry

**Industry Appreciation Award:**

Eric Jones Stair Building Group

### Peter Lewinsky Teaching Fellowship

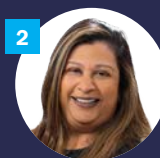
Peter Lewinsky AM was a member of the Holmesglen Board for 11 years and Chair of the Board for 10 of those years. Peter is also currently the Chair of the Holmesglen Foundation. Peter has offered a Teaching Fellowship to be awarded annually to a member or members of Holmesglen's teaching staff.

The \$5,000 Peter Lewinsky Fellowship is designed to support staff in undertaking professional development or other scholarly activities that enable them to make a meaningful contribution to the broader Holmesglen community. The Fellowship provides recipients with the opportunity to enhance their knowledge, skills, or expertise in a way that directly benefits their teaching, colleagues, students, or institutional practices.

**The 2025 recipient was Lily Su a Lecturer from our Bachelor of Hospitality Management.**

### 30 years of service

**Staff members Grisel Arancio (1), Michelle Fernandez (2), Chris Frost (3), Helen Georgiou (4) and Suzanne McKinnon (5) were recognised for their outstanding 30 years of service at the Institute.**



## 2025 External Award Winners

### 1. Master Builders of Victoria:

- Sebastian Blacket  
 • 2025 Apprentice of the Year  
 • State Apprentice of the Year – Craftsperson Award

### 2. Victorian Training Awards Apprentice of the Year - Finalist:

Emma Jepsen

### 3. Design Matters Awards:

- Nikita Ojha Pandey  
 • Best Digital Presentation by an Emerging Designer  
 • Best Response to Design Brief by an Emerging Designer

Stephen Chambers  
 • Excellence in Documentation by an Emerging Designer

### 4. 2025 Lithographic Institute of Australia Awards

- Jackson Young  
 • LIA Victorian Graduate of Year  
 • LIA National Graduate of the Year

### 5. 2025 Housing Industry Association (HIA) Victorian Apprentice Award winners:

Flynn Orchard, Jessica Herrod, Paige Hunter and Shintaro Umeki

### 6. Wildflowers Australia's Floristry Competition Victorian state winner:

Hailey Lee

### 7. 2025 Multicultural Youth Awards Young Apprentice/Vocational Award:

Zahra Ebrahimi

### 8. 2025 Victorian Patisserie Challenge - Bronze:

Michael Sutcliffe and Ayako Ishida

### 9. The WorldSkills Australia National Championships:

- Thomas Wain (VETiS Plumbing) – Silver
- Rachel Gluzman (Web design and development) – Bronze
- Kip Meister (Construction steel work) – Medallion for Excellence
- Robert Chettle (Carpentry) – Medallion for Excellence
- Sarah Randazzo (Cyber security) – Medallion for Excellence

### 10. 2025 Melbourne International Flower & Garden Show:

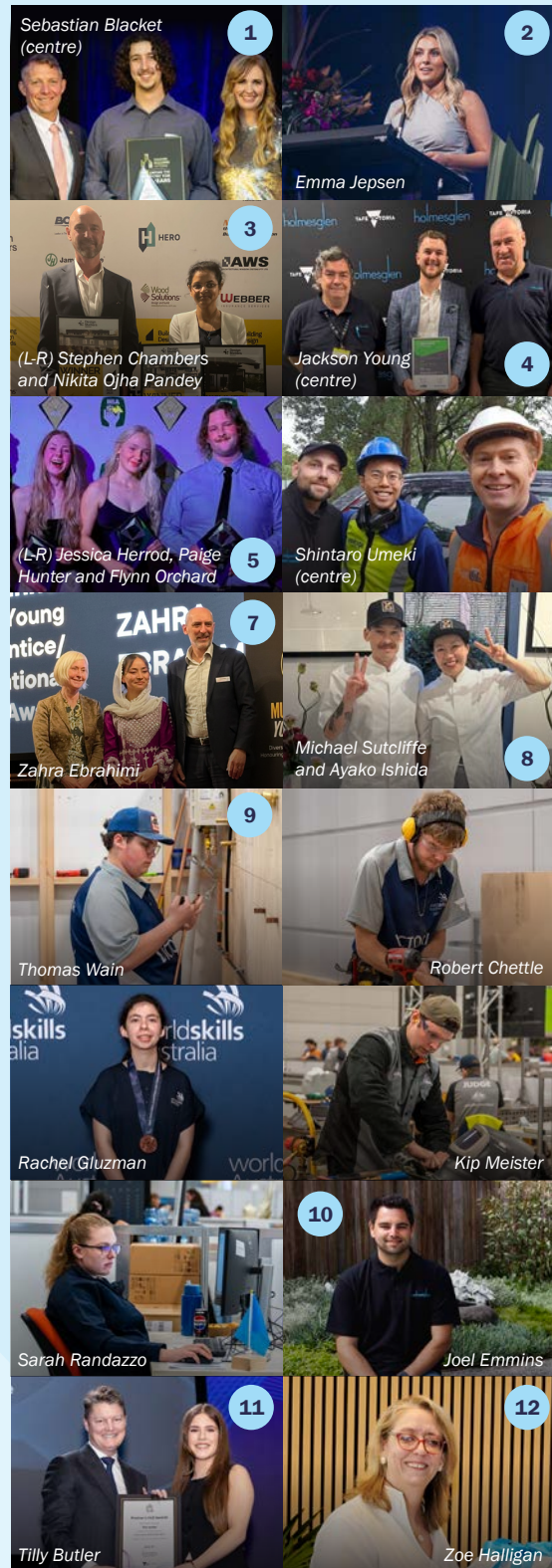
- Gold: 'Elemental Garden' – Joel Emmins
- Silver: 'Mediterranean Musings' – Adam Clements
- Bronze: 'Back to Basics' – Mitchell Reynolds
- Best Use of Plant Life: 'Mediterranean Musings' – Adam Clements
- Silver – Holmesglen Floristry Team

### 11. Premier's VCE Award for Academic Excellence in Laboratory Skills (VCE VET):

Tilly Butler

### 12. Best New Business Award 2025 from the National Self-Employment Association:

Zoe Halligan



# Our financial performance

Our financial sustainability strategy supports us to:

- **Deliver on our strategic plan**
- **Meet our financial management obligations**
- **Ensure sound financial performance**
- **Achieve a stable and sustainable financial position now and into the future**

In 2025, the Institute's revenue improved by 12 % compared to the previous year. The increase in revenue was partially offset by an increase in overall expenditure, and we recorded a positive net result on a consolidated basis.

<b>Table 1: Five-year financial summary (year ending 31 December)</b>	<b>2021 \$'000</b>	<b>2022 \$'000</b>	<b>2023 \$'000</b>	<b>2024 \$'000</b>	<b>2025 \$'000</b>
<b>Financial performance</b>					
Revenue from government contributions	86,540	87,019	99,135	109,133	131,311
Income from government contributions	5,889	1,742	-	-	-
Revenue from fees, charges and sales	50,717	51,050	56,990	61,171	59,590
Other income	9,642	10,545	11,267	12,273	13,824
<b>Total income from transactions</b>	<b>152,788</b>	<b>150,356</b>	<b>167,392</b>	<b>183,027</b>	<b>204,725</b>
Employee benefits	109,160	108,135	117,053	118,418	130,469
Depreciation and amortisation	16,650	13,721	11,944	10,271	10,425
Supplies, services and other operating expenses	32,083	38,930	47,873	49,676	50,190
<b>Expenses from transactions</b>	<b>157,893</b>	<b>160,786</b>	<b>176,870</b>	<b>178,365</b>	<b>191,084</b>
<b>Net result from transactions</b>	<b>(5,105)</b>	<b>(10,430)</b>	<b>(\$9,478)</b>	<b>4,662</b>	<b>13,641</b>
Other economic flows included in net result	4,833	10,480	11,544	(2,018)	(6,664)
<b>Net result</b>	<b>(272)</b>	<b>50</b>	<b>2,066</b>	<b>2,644</b>	<b>6,977</b>
<b>Financial position</b>					
Total assets	602,494	654,523	659,462	657,352	690,789
Total liabilities	55,482	55,000	57,873	53,119	52,200
<b>Net worth</b>	<b>547,012</b>	<b>599,523</b>	<b>601,589</b>	<b>604,233</b>	<b>638,589</b>
Operating surplus before depreciation and capital grants	5,813	1,621	2,628	14,933	24,066
Liquidity ratio	2.19:1	2.22:1	2.08:1	2.19:1	2.66:1
Net cash flow from operations	19,418	6,167	2,840	13,839	13,307

Material movements in our financial performance and financial position between 2024 and 2025 include:

- **12% increase in income due to increased revenue from government contributions**  
The increase in government contributions was due to additional funds being received in 2025
- **Decrease in other economic flows included in net result**  
This is due to losses on the revaluation of the Institute's investment properties

Operational liquidity as measured by our liquidity ratio and net cashflow from operations remain stable, positive and at financially sustainable levels. We have adequate cashflows and reserves to meet our financial obligations as they fall due over the medium to long term. The preparation of our financial statements on a going concern basis continues to be appropriate.

# Environmental Performance

In 2025 we developed a five-year Environmental Sustainability Strategy. The Strategy sets out objectives and targets designed to meet the Victorian Governments goal of achieving net zero greenhouse emissions by 2050. As well as TAFE sector priorities relating to building climate change resilience, workforce adaption skills and incorporating environmental sustainability into future decision-making processes and practices.

The strategy will be overseen by the Institute’s executive with its objectives based on the following areas:

- Energy and Carbon Management
- Waste and Recycling
- Water
- Procurement and Supply Chain
- Travel and Transport
- Communication and Engagement
- Knowledge and Capacity
- Sustainable Construction and Refurbishment

## Key achievements

In 2025, we continued to improve our environmental practices across our operations and manage our energy usage, water usage, waste production and CO<sub>2</sub> emissions. This has included:

- Replacement of gas-fired generation plant and equipment with electric powered plant.
- Installation of additional hybrid and electric car charging stations.
- Acquisition of 5 new hybrid and electric cars.
- Repair and maintenance of water pipes to minimise water loss.
- All major works projects tenders incorporating requirements to include efficient plant and equipment into submissions as well as recycling of demolition waste materials.
- Continuation of Sustainability September 2025 with a special focus on recycling.

## Key performance outcomes 2025

- Electricity consumption has increased by 5% due to increases on-campus activities, electrification of plant and longer, colder winter versus previous years.
- Conversely, Gas consumption has reduced by 7% due to the replacement of gas-fired equipment with electricity power plant.
- Waste has reduced by 8% as a result of an overall focus on waste management.
- Water consumption has reduced by 21% due to the improvements in the condition of the water pipes and reduction in water leaks.

## Future initiatives

### In 2026, we will:

- Commence the implementation of the 2026 – 2030 Environmental Sustainability Strategy, driven by the eight objectives defined above.
- Provide additional bike and electric scooter parking facilities to encourage alternative transport to petrol driven vehicles.
- Implement green waste/food organics recycling program across all campuses.
- Update asset related policies to include environmental considerations.
- Continue replacement of gas-fired generation plant with electric powered equipment.

## Environmental performance

### Reporting boundaries

The environmental performance results below reflect the energy, waste, water and fuel usage for all activities in 2025. This includes teaching, service and office-based environments and activities across all our owned campuses (Chadstone, Moorabbin, Glen Waverley, Drummond Street and Eildon) and leased premises. All figures have been based on up to date information available at time of preparation. Where data was not available in prior years but has since become available, the prior year figures have been adjusted so that the data is presented on a consistent basis.

The Institute has used workforce FTE for its normalisation indicator in the following disclosures.

<b>Table 2: Electricity production and consumption (2023 - 2025)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>EL1 Total electricity consumption segmented by source (MWh)</b>			
Purchased directly through an electricity retailer	6,991	6,808	7,169
Not directly purchased, but from outside the organisation	228	251	252
Self-generated	254	164	135
<b>Total electricity consumption</b>	<b>7,473</b>	<b>7,223</b>	<b>7,556</b>
<b>EL2 On-site electricity generated (MWh)</b>			
Solar PV	254	164	135
<b>Total on-site electricity generated</b>	<b>254</b>	<b>164</b>	<b>135</b>
<b>EL3 On-site installed capacity (MW)</b>			
Solar PV	0.82	1.25	1.25
<i>Total on-site installed capacity</i>	0.82	1.25	1.25
<b>EL4 Total electricity offsets (MWh)</b>			
LGCs voluntarily retired	-	-	-
GreenPower	-	-	-
<b>Total electricity offsets</b>	<b>-</b>	<b>-</b>	<b>-</b>

Electricity consumption includes electricity at all Institute owned campuses. Data is collected through billing information provided by electricity suppliers. Electricity consumed on leased premises is based on billing information provided by the landlords. Electricity used by our sub-tenants for their activities is not included.

Solar electricity generated information was not available for all solar installations during the year. A program to install meters for all solar sites is to be undertaken in 2026. The Institute has continued to implement energy saving measures during the year. Overall consumption has increased due to the increase in on campus activities, and increased electrification of plant as well as a longer and colder winter than previous years.

Stationary fuel includes natural gas, which is used in Institute owned buildings for heating and cooling, and co-generation plant, which is primarily at the Chadstone, Glen Waverley and Moorabbin campuses. Usage data is collected through billing information from fuel suppliers. Stationary gas usage has decreased due to the progressive discontinuation of gas fired plant, replaced with electric-powered equipment.

<b>Table 3: Stationary energy use (2023 - 2025)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>F1 Total fuel used in buildings and machinery separated by fuel type (MJ)</b>			
Buildings (natural gas)	44,861,610	45,626,158	40,403,841
<b>F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (Tonnes CO<sub>2</sub>-e)</b>			
Natural gas	2,312	2,351	2,082

<b>Table 4: Transportation energy (2023 - 2025)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>T1 Total energy used in transportation (MJ)</b>			
<b>Road vehicles</b>			
- Petrol	2,029,428	1,293,136	612,217
- Diesel	1,186,024	1,117,323	1,079,102
- Plug In Hybrid Electric Vehicles	105,199	222,252	797,061
<b>Total energy used in transportation</b>	<b>3,320,651</b>	<b>2,632,711</b>	<b>2,479,380</b>
<b>T2 Number and proportion of vehicles</b>			
<b>Road vehicles</b>			
- Petrol	32	32	32
- Diesel	34	24	24
- Plug In Hybrid Electric Vehicles	10	13	13
- Electric			2
<b>Total vehicles</b>	<b>76</b>	<b>69</b>	<b>71</b>
<b>T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type (Tonnes CO<sub>2</sub>-e)</b>			
<b>Road vehicles</b>			
- Petrol	137.2	86.6	41.0
- Diesel	83.5	77.0	73.7
- Plug In Hybrid Electric Vehicles	7.7	14.9	53.4
<b>Total greenhouse gas emissions from transportation</b>	<b>228.4</b>	<b>178.5</b>	<b>168.1</b>
<b>T4 Air travel</b>			
<b>Total distance travelled by air (km)</b>	<b>564,164</b>	<b>798,016</b>	<b>654,745</b>
<b>Total greenhouse gas emissions from air travel (CO<sub>2</sub>-e)</b>	<b>136</b>	<b>223</b>	<b>152</b>

<b>Table 5: Total energy use (2023 - 2025)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>E1 Total energy usage from fuels (megajoules (MJ))</b>	44,861,610	45,626,158	40,403,841
<b>E2 Total energy usage from electricity (megajoules)</b>	25,988,918	25,412,098	26,713,822
<b>E3 Total energy usage (megajoules) segmented into renewable and non-renewable sources</b>			
- Renewables			
- Non-renewables	70,850,528	71,038,256	67,117,663
<b>E4 Units of energy used normalised by FTE</b>	70,950	70,565	67,091

<b>Table 6: Waste and recycling (2023 - 2025)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>WR1 Total units of waste disposal by method (kg)</b>			
Landfill	421,760	467,290	453,320
Recycled	219,620	192,760	152,650
<b>Total units of waste disposal</b>	<b>641,380</b>	<b>660,050</b>	<b>605,970</b>
<b>WR3 Units of waste disposal per FTE employee (kg/FTE)</b>	<b>642</b>	<b>656</b>	<b>606</b>
<b>WR4 Recycling rate (% of total weight)</b>	<b>34.2%</b>	<b>29%</b>	<b>25.2%</b>
<b>WR5 Greenhouse gas emissions associated with waste disposal (Tonnes CO<sub>2</sub>-e)</b>	<b>548</b>	<b>607</b>	<b>589</b>

Contracted waste collection services are carried out at the Chadstone, Moorabbin, Glen Waverley and Drummond Street campuses. Organic waste is managed through re-cycling practices. Waste and re-cycling disposal figures are based on information provided by our waste contractor.

<b>Table 7: Water consumption (2023 - 2025)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>W1 Total units of metered water consumed (kL)</b>	35,263	39,921	31,379
<b>W2 Units of metered water consumed by FTE (kL/FTE)</b>	35	40	31

Metered water includes all water supplied to Institute owned metropolitan campuses at Chadstone, Moorabbin, Glen Waverley and Drummond Street. Water consumption is based on billing information provided by the water authorities. Estimates have been used where up to date information was not available. Water consumption has decreased due to the repairs and maintenance carried out to reduce the pipes leakages. 100% of the water used at our Eildon campus comes from rainwater and pump water sourced via pumping rights.

<b>Table 8: Greenhouse gas emissions (2022 - 2024)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>G1 Total scope one (direct) greenhouse gas emissions (Tonnes CO<sub>2</sub>-e) from stationary gas and vehicles.</b>	2,540	2,529	2,250
<b>G2 Total scope two (indirect electricity) greenhouse gas emissions (Tonnes CO<sub>2</sub>-e)</b>	5,608	5,242	5,663
<b>G3 Total scope three (other indirect greenhouse gas emissions from commercial air travel and waste disposal (Tonnes CO<sub>2</sub>-e)</b>	684	830	741



Table 9: Sustainable buildings and infrastructure (2025)		2025
<b>B1 Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings</b>	There were no entity owned newly completed buildings or infrastructure projects during the year.	
<b>B2 Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease schedule.</b>	No new entity leases were entered into during the year.	
<b>B3 NABERS (National Australian Built Environment Rating System) Energy ratings of newly completed/occupied entity owned office buildings and substantial tenancy fit outs</b>	There were no entity owned newly completed office buildings and substantial tenancy fit outs completed/occupied during the year.	
<b>B4 Environmental performance ratings achieved for newly completed for entity owned non-office buildings or infrastructure projects or upgrades with a value of over \$1 million</b>	Environmental considerations were included in the upgrades of key projects, with a focus on recycling and energy efficient plant and utilities.	

### Sustainable procurement

Sustainable procurement is considered through the implementation of the Victorian Government’s Social Procurement Framework, which establishes requirements that apply to departments and agencies when they procure goods, services and construction. Details of our implementation of the Social Procurement Framework are contained in the social procurement section of the Annual Report.

## Holmesglen Foundation

The Holmesglen Foundation embodies our commitment to accessible education and skills development, particularly for learners who need financial support to study at the Institute. In 2025, the Foundation and its Board of Directors continued to build on the student scholarship program.

We also continued to cultivate positive connections with donors and supporters to assist with delivering transformational impact to Holmesglen learners.

### Highlights include the following:

- Over \$845,000 was distributed by the Foundation to Institute programs and learners to ensure access to and equity in our programs including 100 Access Scholarships.
- 150 scholarships and bursaries up to \$10,000 were given to learners, which was critical to their continued success in a challenging year.
- \$220,000 in philanthropic revenue was raised from donors, foundations and grants.

Through the generous support of donors and foundations, the Holmesglen Foundation was able to deliver a range of scholarships aligned with our values. These included:

#### Excellence – Scholarship – Ambition

- George Kline Memorial Scholarships
- HESTA Superannuation Scholarships
- Peter Grundy Scholarships
- Building and Construction Foundation Scholarships
- Holmesglen Foundation Scholarships
- Peter Lewinsky Teaching Fellowship and Student Mobility Award
- Anthony Dalleore Educational Scholarships

#### Passion – Respect – Integrity

- McNally Family Foundation Scholarships
- Wilfred & CH Brookes Charitable Foundation Scholarships
- Winter Wishes Campaign
- Summer Smiles Campaign

# Social procurement

We are committed to the Victorian Government’s Social Procurement Framework and use our purchasing power to generate positive social, economic and environmental outcomes that benefit our communities. These outcomes go beyond the monetary value of the goods, services, assets and construction works we procure.

**Our Social Procurement Strategy includes the following social and sustainable procurement objectives:**

☰ Procurement objectives	☰ Outcomes sought
<b>Opportunities for Victorian Aboriginal people</b>	<ul style="list-style-type: none"> <li>• Purchasing from Victorian Aboriginal businesses</li> <li>• Employment of Victorian Aboriginal people by our suppliers</li> </ul>
<b>Opportunities for Victorians with a disability</b>	<ul style="list-style-type: none"> <li>• Purchasing from Victorian social enterprises and Australian Disability Enterprises</li> <li>• Employment of Victorians with disability by our suppliers</li> </ul>
<b>Women’s equality and safety</b>	<ul style="list-style-type: none"> <li>• Adoption of family violence leave by our suppliers</li> <li>• Gender equality within our suppliers</li> </ul>
<b>Opportunities for disadvantaged Victorians</b>	<ul style="list-style-type: none"> <li>• Purchasing from Victorian social enterprises</li> <li>• Job readiness and employment for:               <ul style="list-style-type: none"> <li>- long-term unemployed people</li> <li>- disengaged youth</li> <li>- single parents</li> <li>- migrants and refugees</li> <li>- workers in transition</li> </ul> </li> </ul>
<b>Supporting safe and fair workplaces</b>	<ul style="list-style-type: none"> <li>• Purchasing from suppliers that comply with industrial relations laws and promote secure employment</li> </ul>
<b>Environmentally sustainable business practices</b>	<ul style="list-style-type: none"> <li>• Adoption of sustainable business practices by our suppliers</li> </ul>

**Our social procurement processes include two approaches:**

- **direct** - where we purchase goods, services or construction from a social benefit suppliers who deliver social and sustainable outcomes
- **indirect** - where we purchase goods, services or construction from other suppliers, use invitations to supply or implement contractual requirements to deliver social and sustainable outcomes.

In 2025, we increased our direct social procurement purchases to \$536,000 and we continue to partner with Supply Nation, Social Traders and Kinaway, Chamber of Commerce. Holmesglen Institute’s Purchasing staff complete Gender Impact Assessment (GIA) training to strengthen our capability to identify and address gender impacts in procurement activities and to support inclusive, equitable outcomes.

<b>Table 10: Social procurement metrics (2023 – 2025)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Direct approach expenditure (\$'000)	\$201	\$254	\$536
Number of direct approach suppliers	20	18	21
Indirect approach expenditure (\$'000)	\$9,168	\$15,557	\$8,782
Number of indirect approach suppliers	16	21	14
<b>Total social procurement expenditure (\$'000)</b>	<b>\$9,369</b>	<b>\$15,811</b>	<b>\$9,318</b>
<b>Total number of social procurement suppliers</b>	<b>36</b>	<b>39</b>	<b>35</b>
Percentage of total goods and services expenditure	15%	27%	15%

**Strengthening Social Procurement through Ethical Suppliers**

We have incorporated the Ethical Supplier Register into our State Purchase Contracts and Registers Procedure. This strengthens our commitment to social procurement by prioritising Ethical Supplier Register suppliers who locally manufacture corporate clothing, uniforms, workwear and personal protective equipment (PPE), supporting ethical sourcing and local industry outcomes.

# Our people

Our people bring exceptional skill, dedication and professionalism to their work, collaborating closely with students and partners to advance our vision of being a leading tertiary institution valued by learners, industry and the broader community.

We are acknowledged for our innovation in education, training and applied research, as well as our commitment to creativity and entrepreneurial thinking. Our open, collaborative and quality focused culture enables both learners and staff to thrive.

## Our Code of Conduct and Values

Alongside the Victorian Public Sector Code of Conduct, Holmesglen is guided by our internal Code of Conduct and ASPIRE Values. Together, these frameworks articulate the standards and behaviours expected of our community and shape how we deliver our business, collaborate with colleagues and support our stakeholders. They reflect the beliefs and principles that underpin our purpose, priorities and culture.

Our Code of Conduct sets out clear expectations for all staff, students, and our industry, government and community partners. It informs our approach to teaching, learning, applied research and operational activity, helping us to consider how we work, the decisions we make and the responsibilities we hold.

Our ASPIRE Values outline the behavioural standards that define what it means to be part of Holmesglen:

- Ambition – Striving for excellence in ourselves and encouraging it in others.
- Scholarship – Committing to ongoing learning and applying knowledge to our work.
- Passion – Demonstrating enthusiasm and care in all that we do.
- Integrity – Acting ethically and doing what is right.
- Respect – Valuing others and treating them as we expect to be treated.
- Excellence – Delivering outstanding service and outcomes.

All employees are expected to uphold the Code of Conduct for Victorian Public Sector Employees, the Board's Conduct Rule and Holmesglen's Code of Conduct.

## Our People Strategy

In 2025, we advanced the development and delivery of key initiatives within our People Strategy, ensuring our staff are supported and engaged throughout every stage of their Holmesglen experience. The People Strategy continues to underpin our organisational priorities by fostering a positive and enabling employee experience for all.

We brought a new focus to engagement with the People Matter Survey in 2025 lifting our participation rate to 85% and strengthening the value, reliability and impact of the insights we were able to draw from the results.

Our staff told us that they feel physically and culturally safe at work, respected for who they are and what they bring, and able to be themselves in the workplace, highlighting the strong bonds and diverse and inclusive culture we enjoy across Holmesglen.

Staff feel a sense of pride in the organisation and their abilities and expressed their intention to remain with Holmesglen. Staff satisfaction and engagement improved, people feel able to work collaboratively with their colleagues. Expectations are clear and people feel able to use their skills and knowledge in their roles.

In 2026 we will continue our focus on following through on survey outcomes, psychosocial wellbeing and stress prevention, and further improvements in recognition, employee development, negative behaviours, and workload.

## Key People Initiatives

During the year, a range of significant people initiatives were launched, expanded or progressed across our Holmesglen Journey stages:

### Attraction

- Strengthened recruitment, compliance and workforce practices, with a focus on efficiency, quality and inclusion. New job advertisements, interview schedules, reporting templates, and updated system instructions for managers, improved the recruitment experience for candidates and ease of use across the organisation.
- Introduced Referoo to streamline reference checking, and implemented candidate feedback surveys to capture insights into the recruitment experience.
- Implemented a new qualification verification process and statutory declaration to support alignment with the Standards for RTOs.
- Developed a Yarning Interview Guide for Managers to strengthen culturally safe recruitment practices.
- Established a working group to design a TAFE Teacher Pathway program to support future workforce sustainability.

### Belonging

- Overhauled Diversity governance arrangements, establishing the Diversity & Inclusion Committee with four supporting working groups: Gender, Reconciliation, PRIDE and Disability.
- Formed a dedicated Diversity, Equity & Inclusion team within the People Experience department to provide leadership, cultural stewardship, capability building, education, advice and insights.
- Celebrated key events including International Women's Day, Respect & Equality at TAFE, National Reconciliation Week, NAIDOC week, Wear it Purple, International Pronouns Day and Trans Awareness Week.
- Supported Holmesglen employee and student participation in the 2025 Midsumma Pride March.
- Concluded our first Reconciliation Action Plan in August 2025 and commenced the development of our next RAP at the Innovate level.
- Delivered a staff learning session on Treaty.

### Contribute

- Staff across Holmesglen continued to contribute to a wide range of forums and roles including our Health & Safety Representatives, First Aiders, Mental Health First Aiders, and our diversity forums.
- Established the People Matter Working Group, comprising employee representatives from across the organisation, to support engagement, workplace culture, and continuous improvement in response to the annual VPSC People Matter Survey.

### Develop

- The 2025 ASPIRE Conference - our flagship staff professional development event - was attended by 886 employees who participated in keynotes, interactive workshops, poster exhibits and social activities.
- Delivered the ASPIRE Leadership and Development programs to 41 Holmesglen staff, with all participants completing their program requirements.
- Added three new compulsory modules to the learning management system covering RTO Standards, Cybersecurity awareness, and Responding to Disclosures of Sexual Harm.
- Finalised the Holmesglen workforce capability framework and commenced work to operationalise it, supporting role clarity, capability development and career pathways.
- Rolled out a new all staff induction program including a group induction workshop and resource guides for managers, mentors, employees and contractors.
- The Faculty of Higher Education and Applied Research rolled out Digital and AI Skills Workshops for teaching staff to enhance the use of AI for staff. These workshops will be modified and rolled out to non-teaching staff in 2026.
- 19 teams attended our Eildon Learning Centre for professional development, strategic planning and team development activities.
- Commenced development of a Managing @ Holmesglen program to embed core management capabilities alongside existing ASPIRE programs.

### Live well

- Strong participation in Fitness Passport, with 135 staff and family members accessing discounted health and fitness opportunities.
- Delivered wellbeing resources through Holmesglen Health e-news and the Healthy Body & Mind Hub, which saw exceptional engagement from July to September 2025 during the rollout of psychosocial safety awareness training.
- Maintained a strong focus on psychosocial safety through in-person training for all staff and the establishment of a working group to develop a prevention and response plan.

### Acknowledge and celebrate

- Awarded 129 ASPIRE Hero peer-to-peer certificates and 76 ASPIRE Hero pins recognising staff who exemplify our values.
- Presented 36 service pins recognising 15 and 20 years of service (24 for 15 years and 12 for 20 years).
- Celebrated five staff for 30 years of service and one staff member for 40 years of service at the Annual Gala Awards on 30 May 2025.
- Our Eildon campus and Zest and Cilantro restaurants continued to host events, lunches and dinners supporting team planning and celebrating achievements.

### Stay connected

- Sought comprehensive staff feedback through the 2025 People Matter Survey, followed by organisation-wide communication of results and locally facilitated workshops and debrief sessions.
- The Chief Executive hosted 66 past employees at a luncheon at the Holmesglen Conference Centre, Chadstone, on 14 November 2025.
- The CEO delivered seven CE Forums throughout 2024 to update staff on strategic priorities, areas of focus and key achievements.

## Our workforce in 2025

Holmesglen is committed to fostering an inclusive workplace where diverse experiences, backgrounds and perspectives are welcomed and valued. We actively encourage applications from people with culturally and linguistically diverse backgrounds, First Nations people, individuals who identify as LGBTQIA+, and people living with disability. Our recruitment and employment practices are grounded in merit, equity and the principles of equal opportunity.

We appoint and promote the most suitably qualified and capable candidates through a transparent, merit based selection process that ensures fair and equitable assessment against clearly defined selection criteria and role requirements.

This approach ensures that:

- Recruitment decisions are based on merit
- Selection outcomes are informed by a competitive and consistent process
- Selection criteria directly reflect the needs of each vacancy
- Decisions are free from bias

All employees complete regular online training through our learning management system to strengthen understanding of compliance, regulatory and legislative responsibilities. This includes modules on occupational health and safety, bullying and harassment, equal employment opportunity, best practice recruitment, fraud control, information security, privacy, contract management, financial management and budgeting, procurement, risk management and modern slavery.

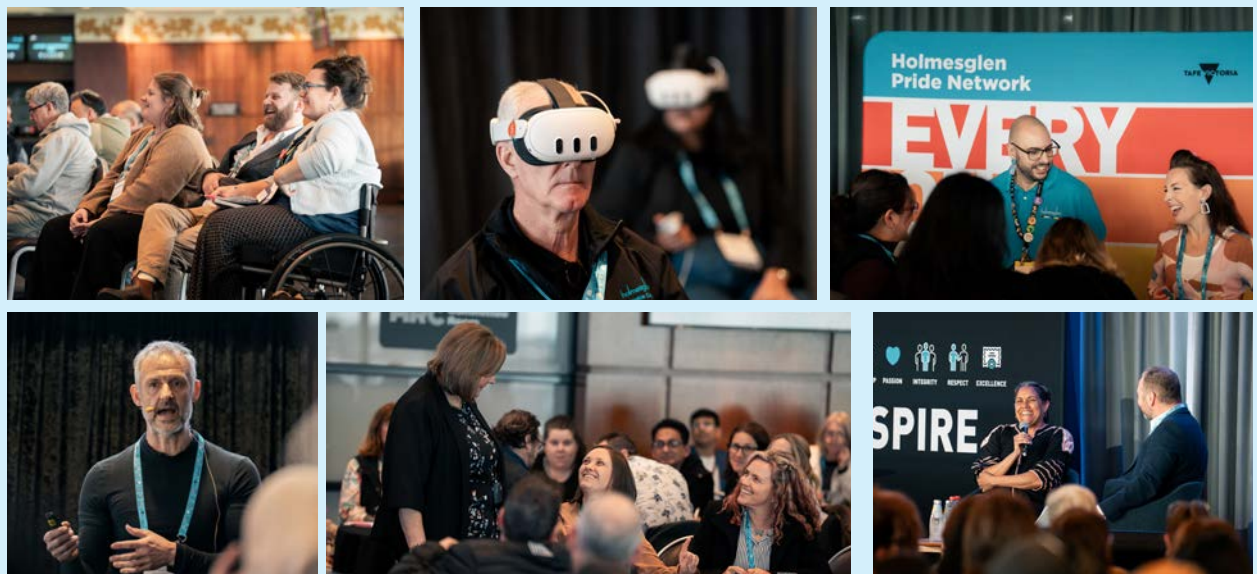
In 2025, we delivered professional development to more than 850 staff on identifying and managing psychosocial hazards in the workplace. We expanded our cybersecurity learning resources to further strengthen staff capability in recognising and responding to cyber risks in their daily work. In partnership with Monash University, we developed the Responding to Disclosures of Sexual Harm at Holmesglen training, and delivered additional Child Safety and Wellbeing training to selected staff to support our organisational obligations. All new starters are now enrolled in the Holmesglen Induction Program to ensure a consistent and supportive onboarding experience.

# Workforce data

The following tables outline the Institutes workforce data. They correctly classify employees in workforce data collections and meet the reporting requirements and FTE calculation methodology established by the Department of Jobs, Skills, Industry and Regions.

**Table 11**

Year ending 31 December 2025	Full Time		Part Time		Casual		Total
	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other	
PACCT Staff	317.3	25.5	74.1	5.3	N/A	7.6	429.8
Executive	11.0	-	-	-	N/A	-	11.0
Other	7.2	9.4	1.7	0.8	N/A	9.6	28.7
Teacher	348.6	9.7	131.4	21.9	19.3	N/A	530.9
<b>Total</b>	<b>684.1</b>	<b>44.6</b>	<b>207.2</b>	<b>28.0</b>	<b>19.3</b>	<b>17.2</b>	<b>1,000.4</b>
Year ending 31 December 2024	Full Time		Part Time		Casual		Total
	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other	
PACCT Staff	297.2	25.7	72.4	5.9	N/A	14.5	415.7
Executive	11.2	-	-	-	N/A	-	11.2
Other	7.0	6.7	1.6	0.6	N/A	11.4	27.3
Teacher	331.6	12.9	117.8	20.2	70.0	N/A	552.5
<b>Total</b>	<b>647.0</b>	<b>45.3</b>	<b>191.8</b>	<b>26.7</b>	<b>70</b>	<b>25.9</b>	<b>1,006.7</b>



2025 ASPIRE Conference

**Table 12**

December 2025	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
<b>Gender</b>							
Women Executives	7	7.0	7	-	7.0	-	-
Women (total staff)	716	583.6	362	258	528.1	96	55.5
Men Executives	4	4.0	4	-	4.0	-	-
Men (total staff)	487	417.8	322	83	373.8	81	44.0
Self-described Executives	-	-	-	-	-	-	-
Self-described (total staff)	1	1.0	1	-	1.0	-	-
<b>Age</b>							
15-24	20	17.0	9	4	11.3	7	5.7
25-34	139	122.6	69	28	89.3	41	33.3
35-44	251	207.9	144	75	188.7	32	19.2
45-54	309	268.8	199	79	252.7	31	16.0
55-64	336	279.9	202	96	263.1	38	16.7
Over 64	149	106.3	61	59	96.7	29	9.6
<b>Total employees</b>	<b>1,204</b>	<b>1,002.4</b>	<b>684</b>	<b>341</b>	<b>901.9</b>	<b>178</b>	<b>100.6</b>

December 2024	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
<b>Gender</b>							
Women Executives	8	8.0	8	-	8.0	-	-
Women (total staff)	688	561.1	343	237	494.8	108	66.2
Men Executives	4	4.0	4	-	4.0	-	-
Men (total staff)	480	413.5	318	73	361.4	89	52.1
Self-described Executives	-	-	-	-	-	-	-
Self-described (total staff)	1	1.0	1	-	1.0	-	-
<b>Age</b>							
15-24	28	23.3	11	2	12.2	15	11.1
25-34	120	103.0	63	20	75.6	37	27.4
35-44	245	203.6	133	66	173.4	46	30.2
45-54	318	276.3	204	74	254.1	40	22.2
55-64	335	281.6	197	98	258.0	40	23.7
Over 64	123	87.7	54	50	84.0	19	3.7
<b>Total employees</b>	<b>1,169</b>	<b>975.6</b>	<b>662</b>	<b>310</b>	<b>857.2</b>	<b>197</b>	<b>118.3</b>

# Health, safety and wellbeing

Holmesglen remains committed to providing and maintaining a safe and healthy environment for all staff, students, contractors and visitors.

Our Community Safety Advisory Committee and Occupational Health and Safety Committee continue to play a central role in supporting the Institute to meet its obligations under the *Occupational Health and Safety Act 2004*, and the *Occupational Health and Safety (Psychological Health) Regulations 2025* which came into effect on 1 December 2025.

In 2025, the Community Safety Advisory Committee met three times and the Occupational Health and Safety Committee met four times to develop, implement and monitor our safety programs and practices in consultation with staff and community representatives.

Oversight of the Board's responsibilities for workplace safety is provided through the People, Culture and Remuneration Committee.

**Throughout 2025, we delivered an extensive health, safety and wellbeing program, which included:**

- In person professional development for more than 850 staff on psychosocial hazards in the workplace
- Annual flu vaccinations for 220 staff
- A monthly online Health, Body and Mind Hub covering mental, financial, fitness and nutritional wellbeing
- Quarterly Holmesglen Health e news for all employees
- Access to webinars on superannuation and transition to retirement
- First aid, CPR, mental health first aid, chief warden and emergency warden training, as well as HSR training
- RUOK Day activities
- Personify Health —a walking and activity challenge with 169 participants over 27 teams, held from September to November 2024
- Hepatitis B vaccinations for our First Aiders

In December 2025 our comprehensive 18-month internal audit program concluded. Seventeen audits were completed under the program and evidenced that the vast majority of workplaces assessed met all obligations under OHS legislation.

All new employees continue to receive comprehensive induction on the Institute's safety and wellbeing practices, including information on the support services available to them.

The following tables provide the performance indicators used to monitor our occupational health and safety outcomes.

<b>Table 13: Staff incident statistics (1 January to 31 December 2022 - 2024)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Staff hazard or injury reports	44	61	65	55
Staff hazard or incident reports per 100 full-time equivalent staff	4.5	6.1	6.4	5.5

<b>Table 14: Lost time incidents (1 January to 31 December 2022 - 2024)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Number of lost time incidents	6	6	8	4
Lost time standard claims per 100 full-time equivalent staff	0.60	0.60	0.79	0.40

<b>Table 15: Claim costs (1 January to 30 June 2022 - 2025) Provided by Xchanging Integrated Services</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025*</b>
Average estimate	\$17,458	\$144,496	\$145,857	\$26,255
Average paid	\$14,186	\$21,727	\$12,072	\$4,581

\*Note lag time in 2025 data

Slips, trips and falls remain the main contributor to incident reporting for staff. However, the number of these incidents continues to trend downwards over time. All incidents are investigated to determine cause and make improvements to eliminate the trip/slip hazard. Manual handling incidents remain the second most commonly reported incident type and have remained relatively stable over the past 3 years

## Major commercial activities

In 2025, Holmesglen did not undertake any major commercial activity as defined in the TAFE Institute Commercial Guidelines.

# Additional compliance statements

We comply with all relevant legislation and subordinate instruments including, but not limited to, the following:

- Education and Training Reform Act 2006 (ETRA)
- Constitution of Holmesglen Institute Order 2016
- Directions of the Minister for Skills and TAFE (or predecessors)
- TAFE Institute Commercial Guidelines
- TAFE Institute Strategic Planning Guidelines
- Public Administration Act 2004
- Financial Management Act 1994
- Freedom of Information Act 1982
- Building Act 1993
- Public Interest Disclosures Act 2012
- Carers Recognition Act 2012
- Local Jobs First Act 2003
- Gender Equality Act 2020
- Disability Act 2006
- Infringements Act 2006
- Public Records Act 1973

## Freedom of Information Act 1982

The Freedom of Information Act 1982 allows the public a right of access to documents held by the Institute. Holmesglen's Freedom of Information Policy is available on our website.

Holmesglen encourages applicants to use the FOI request template available from the Office of the Victorian Information Commission website. Applications to access documents can be emailed to [foi@holmesglen.edu.au](mailto:foi@holmesglen.edu.au) or sent to Freedom of Information Officer, PO Box 42, Holmesglen VIC 3148. Fees to access information are charged in accordance with the Freedom of Information (Access Charges) Regulations 2004.

In 2025, Holmesglen received 21 valid applications for information under the Freedom of Information Act 1982. Documents related to 16 applications were released informally outside of the Act and

four decisions were made under the Act. One request lapsed and no further action was taken. All FOI decisions were made within the statutory time period and documents were released either in full or in part. The most common reason for seeking to partially exempt documents was the protection of personal privacy in information about persons other than the applicant. Most requests were received by current or past learners, or from legal representatives of past learners.

## Building Act 1993

We hold all building related plans and documentation for building extensions and building approvals lodged for new buildings by certified building surveyors.

On completion of construction, we have obtained certificates of occupancy and practical completion certificates from the relevant architects, building surveyors and authorities. All building certificates are kept in a database and all hardcopies are located in a fire rated archive. All building consultants and builders who are engaged by us hold current registration as building practitioners and have current insurance cover.

We consider that all buildings across all campuses currently conform to the building regulations that existed at the time of construction of the respective buildings. The Essential Safety Measures are recorded and reported by the McKenzie Group. We provide a copy of the current Essential Safety Measures for display within all buildings. All new buildings constructed since the promulgation of the Building Act 1993 (including subsequent amendments) comply with the relevant standards.

We have processes in place to ensure that any alterations or improvements to buildings meet the necessary standards, ensure that they are safe and fit for purpose and comply with the updated disability code. We engage the services of licenced tradespeople such as electricians and plumbers who provide the required certificates of compliance, which are stored in a fire rated archive.

Table 16: Building Act 1993 compliance (2021 – 2025)	2022	2023	2024	2025
<b>Building works</b>				
Building works certified for approval	9	1	3	-
Building works in progress subject to mandatory inspections	2	1	1	-
New certificate of occupancy/final inspection issued	9	1	-	3
<b>Essential safety measures</b>				
All buildings on each campus - owned	✓	✓	✓	✓
All buildings on each campus/site - leased	✓	✓	✓	✓
<b>Maintenance</b>				
Combination in-house and external specialist contractors	✓	✓	✓	✓
Lift contract – comprehensive/performance-based	✓	✓	✓	✓
Mechanical services contract – performance-based	✓	✓	✓	✓
Mechanical services/BAS contract – performance-based	✓	✓	✓	✓
Waste services contract – performance-based	✓	✓	✓	✓
Cleaning services contract – performance-based	✓	✓	✓	✓
Other maintenance agreements include those for heating, ventilation, air-conditioning and cooling, catering equipment, hygiene, pest control, industrial cleaning, refrigeration, vehicle fleet maintenance, backflow prevention, trade waste, electrical, plumbing, signage, car parks, and gardening and arboriculture services.	✓	✓	✓	✓

## Carers Recognition Act 2012

We have reviewed the application and operation of the *Carers Recognition Act 2012* and ensure that we meet the applicable obligations of the Act. Carer recognition principles are included in the relevant policies covering flexible working arrangements, part-time work opportunities and a supportive workplace environment.

## Local Jobs First Act 2003

The *Local Jobs First Act 2003* requires departments and public sector bodies to apply the Local Jobs First policy to all projects over:

- \$3 million in metropolitan Melbourne or state-wide
- \$1 million in regional Victoria.

During 2025, we signed three Local Jobs First – Local Industry Development Plan (LIDP) applicable procurement contracts totalling an estimated \$38 million over the life of the contracts. All contracts are metropolitan based and include commitments for standard Victorian created hours and specified local content. Data from completed projects will be included in the relevant future annual report.

### Projects commenced

Three new LIDP projects were commenced during the year 2025.

### Projects completed

We completed one LIDP applicable contract in 2025. The Local Jobs First completion report for Chadstone campus Building 2 Plumbing Refurbishment, which forms part of the monitoring of compliance with Local Jobs First commitments under overall performance management is currently pending from ICN Victoria.

## National competition policy and competitive neutrality policy Victoria

We continue to comply to the extent applicable, with the principles of the National Competition Policy (and any subsequent reforms), including compliance with the requirements of the Competitive Neutrality Policy Victoria.

We implemented measures to ensure commercial activities and pricing of competitive tender bids for government-funded education and training complied with the policy. We fulfilled our obligations and met our wider responsibilities to the community by applying competitive neutrality in the public interest.

## Victorian public service travel policy

We have policies and procedures in place relating to domestic and international travel to ensure compliance with the Victorian Public Service Travel Policy.

## Statement on compulsory non-academic fees, subscriptions and charges

We charge higher education students a services and amenities fee strictly in accordance with the *Higher Education Support Act 2003* (the Act) and the Administration Guidelines made under the Act. Revenue from this fee is spent strictly in accordance with the Act and for the provision of services and amenities as specified in subsection 19-38(4) of the Act.

<b>Table 17: Statement of income and expenditure for higher education student services and amenities (as at 31 December 2024 and 31 December 2025)</b>	<b>2024 (\$'000)</b>	<b>2025 (\$'000)</b>
Unspent / (overspent) revenue from previous period	0	0
SA-HELP revenue earned	56	41
Student services fees direct from higher education students	208	147
<b>Total revenue expendable in period</b>	<b>264</b>	<b>188</b>
Student services expenses during period	-264	-188
<b>Unspent/(overspent) student services revenue</b>	<b>0</b>	<b>0</b>

## Consultancies

### In 2025:

- Nine consultancies had total fees payable of \$10,000 or greater. Total expenditure incurred during 2025 in relation to these consultancies was \$792,615 (excluding GST). Details of these consultancies is published on Holmesglen's website (<https://www.holmesglen.edu.au/about-us/our-institute/publications-and-reports>).
- Two consultancies had total fees payable of less than \$10,000. Total expenditure incurred during 2025 in relation to these consultancies was \$13,577.

## Information and Communication Technology expenditure

Total ICT expenditure for the 2025 reporting period was \$19.4 million, with the details shown in Table 18.

**Table 18: ICT expenditure (2025)**

<b>Business as Usual ICT expenditure</b>
\$19.4 million
<b>Non-Business as Usual ICT expenditure</b>
-
<b>Operational expenditure</b>
-
<b>Capital expenditure</b>
-

**Note:** Total Business as Usual expenditure includes operational expenditure and capital expenditure

## Public Interest Disclosures Act 2012

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

We do not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. The Institute has policies and procedures in place that promote and facilitate the disclosure of improper conduct to the Independent Broad-based Anti-Corruption Commission (IBAC).

### Our Public Interest Disclosures Policy:

- Outlines how we will protect a person who makes a disclosure under the Act from detrimental action by officers, learners, employees and contractors of Holmesglen
- Ensures that all other requirements of the Act are met

The policy is made available to all employees on the Policy and Procedure Library. Officers, learners, employees and contractors of Holmesglen, as well as members of the public, may make a disclosure of improper conduct or detrimental action under the Act to IBAC. IBAC can be contacted at:

**Level 1, North Tower  
459 Collins Street  
Melbourne, VIC 3000**

Our Public Interest Disclosures Co-ordinator cannot receive disclosures - they must be made directly to IBAC. They are responsible for:

- Coordinating responses to the Commission, the Victorian Inspectorate or the Ombudsman
- Recording any reported detrimental action against a discloser once a notice is received

The Public Interest Disclosure Co-ordinator has not been advised by IBAC of any protected disclosures during 2025.

## Gender Equality Act 2020

The *Gender Equality Act 2020* aims to achieve gender equality by ensuring that all individuals have equal rights, opportunities, responsibilities, and outcomes regardless of gender. The Act requires the Institute to measure, report on, plan for and progress towards gender equality in our policies, programs and services. It mandates workplace gender audits, the development of gender equality action plans, and the conduct of gender impact assessments to address structural and systemic causes of gender inequality.

In 2025 the Institute submitted our Workplace Gender Audit on 1 December. We commenced preparations for the submission of our progress report on 1 May 2026 and delivered comprehensive Gender Impact Assessment training to all responsible employees.

## Disability Act 2006

The *Disability Act 2006* reaffirms and strengthens the rights of people with disability and recognises that this requires support across the public sector and within the community. We have a disability support team that provides direct educational services to support our students with disability. Support includes providing:

- Direct support through our Disability Liaison Officers and Disability Transition Support Officer
- Adaptive technologies and specialised equipment
- Interpreters and education access support services
- Reasonable adjustments to learning requirements
- Professional development for staff

In 2025 the Institute established a Disability working group as part of our DEI framework to advance a culture at Holmesglen that is accessible, respectful, and inclusive of people with disability, ensuring that all members of the Holmesglen community, including staff, students and visitors, have equitable opportunities to participate

## Disclosure of emergency procurement

There was no emergency procurement of goods and services during the year.

## Government advertising expenditure

Table 19: Government advertising expenditure for campaigns with a media spend of \$100,000 or greater (2025)			Expenditure (\$ ex GST)				
Name of campaign	Summary	Start/end date	Advertising (media)	Creative and campaign development	Research and evaluation	Print and collateral	Other
<b>2025 Intake Campaign</b>	Student Recruitment campaign.	1 January – 1 March 2025	\$391,844.86	\$48,000	-	-	-
<b>Mid-year CALD Campaign</b>	Student recruitment campaign with targeted messaging in languages other than English for Culturally and Linguistically Diverse audiences.	4 May - 15 July 2025	\$194,971	\$11,279	-	-	-
<b>Open Day</b>	Advertising to encourage attendance at various open days throughout the year.	1 January – 1 December 2025	\$135,231	-	-	-	-

## Additional information available on request

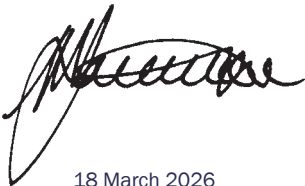
In compliance with the requirements of the *Standing Directions 2018 under the Financial Management Act 1994*, details in respect of the items listed below have been retained and are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

- A statement that declarations of pecuniary interests have been duly completed by all relevant officers.
- Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- Details of publications produced about the Institute and how these can be obtained.
- Details of changes in prices, fees, charges, rates and levies charged.
- Details of any major external reviews.
- Details of major research and development activities undertaken.
- Details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken to develop community awareness of the Institute and its services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- A general statement on industrial relations and details of time lost through industrial accidents and disputes.
- A list of major committees sponsored by the Institute, the purposes of each committee and the extent to which the purposes have been achieved.
- Details of all consultancies and contractors including:
  - consultants/contractors engaged
  - services provided
  - expenditure committed for each engagement.

**Requests to access this information should be made to the Freedom of Information Officer at: [foi@holmesglen.edu.au](mailto:foi@holmesglen.edu.au).**

### Holmesglen Institute Financial Management Compliance Attestation Statement

I, Mary Faraone, on behalf of the Board of Holmesglen Institute, certify that for the period 1 January 2025 to 31 December 2025, Holmesglen Institute has no Material Compliance Deficiency with respect to the applicable Standing Directions made under the *Financial Management Act 1994* and Instructions.



18 March 2026

The Finance, Audit and Risk Management Committee has reviewed this attestation and verified the Institute's compliance assessment.



# **Financial Report 2025**

**Holmesglen Annual  
Report 2025**

# Independent Auditor's Report

## To the Board of Holmesglen Institute

<b>Opinion</b>	<p>I have audited the consolidated financial report of Holmesglen Institute (the institute) and its controlled entities (together the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"> <li>• consolidated entity and institute balance sheet as at 31 December 2025</li> <li>• consolidated entity and institute comprehensive operating statement for the year then ended</li> <li>• consolidated entity and institute statement of changes in equity for the year then ended</li> <li>• consolidated entity and institute cash flow statement for the year then ended</li> <li>• notes to the financial statements, including material accounting policy information</li> <li>• declaration by Board Chair, Chief Executive and Chief Financial Officer.</li> </ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the consolidated entity and the institute as at 31 December 2025 and their 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.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the institute and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>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.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the institute 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 of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the institute and the consolidated 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.</p>
<b>Auditor's responsibilities for the audit of the financial report</b>	<p>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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p>

**Auditor's responsibilities for the audit of the financial report (continued)**

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional skepticism 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 institute and the consolidated 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 institute and the consolidated 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 institute and the consolidated 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.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the institute and the consolidated entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the institute and the consolidated entity. I remain solely responsible for my audit opinion.

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.



Kevin Chan  
*as delegate for the Auditor-General of Victoria*

MELBOURNE  
26 March 2026

# HOLMESGLEN INSTITUTE

## FINANCIAL REPORT FOR YEAR ENDED 31 DECEMBER 2025


### DECLARATION BY BOARD CHAIR CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

The attached financial statements for Holmesglen Institute and the consolidated entity have been prepared in accordance with Standing 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 to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2025 and financial position of the Institute and the consolidated entity as at 31 December 2025.

At the date of signing this financial report, we are not aware of any circumstances that would render any particulars included in the financial report to be misleading or inaccurate.

The Board Chair, Chief Executive, and Chief Financial Officer sign this declaration as delegates of, and in accordance with a resolution of, the Board of Holmesglen Institute.



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M. Gorton AM Board Chair

Date 18 March 2026

Place Chadstone




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M. Faraone Chief Executive

Date 18 March 2026

Place Chadstone



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G. Cuvegen Chief Financial Officer

Date 18 March 2026

Place Chadstone

OFFICIAL

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Holmesglen Institute has presented its audited general purpose financial statements for the financial year ended 31 December 2025 in the following structure to provide users with the information about the Institute's stewardship of resources entrusted to it.

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<b>Financial Statements</b>	<b>Comprehensive Operating Statement</b> <b>Balance Sheet</b> <b>Statement of Changes in Equity</b> <b>Cash Flow Statement</b>
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**Notes to the financial statements**

**1. ABOUT THIS REPORT**

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- 1.2 Compliance information

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**3. HOW WE EXPENDED OUR FUNDS**

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- 3.2 Superannuation
- 3.3 Supplies and services
  - 3.3.1 *Non-cancellable lease commitments – short-term and low value leases*
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- 7.1 Financial instruments
  - 7.1.1 *Financial risk management objectives and policies*
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

**8. GOVERNANCE DISCLOSURES**

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- 8.2 Remuneration of executives
- 8.3 Related parties
- 8.4 Auditors remuneration

**9. OTHER DISCLOSURES**

- 9.1 Other economic flows included in net result
  - 9.2 Equity reserves
  - 9.3 Controlled entities
  - 9.4 Events after reporting date
  - 9.5 New or amended Accounting standards and Interpretations adopted
-

# HOLMESGLEN INSTITUTE

## Comprehensive Operating Statement for the financial year ended 31 December 2025

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>CONTINUING OPERATIONS</b>					
<b>Revenue and income from transactions</b>					
Revenue and income from government contributions	2.1.1	131,311	109,133	131,311	109,133
Revenue from fees, charges and sales	2.2	59,590	61,171	60,347	62,020
Other income	2.3	13,824	12,723	12,640	11,550
<b>Total revenue and income from transactions</b>		<b>204,725</b>	<b>183,027</b>	<b>204,298</b>	<b>182,703</b>
<b>Expenses from transactions</b>					
Employee benefits	3.1	130,469	118,418	130,148	118,148
Depreciation and amortisation		10,425	10,271	10,419	10,266
Supplies and services	3.3	38,617	36,462	38,170	35,998
Finance cost		290	124	290	124
Other operating expenses	3.4	11,283	13,090	11,142	12,969
<b>Total expenses from transactions</b>		<b>191,084</b>	<b>178,365</b>	<b>190,169</b>	<b>177,505</b>
<b>Net result from transactions</b>		<b>13,641</b>	<b>4,662</b>	<b>14,129</b>	<b>5,198</b>
<b>Other economic flows included in net result</b>					
Net gain/(loss) on non-financial assets	9.1(a)	(6,460)	(4,569)	(6,751)	(5,519)
Net gain/(loss) on financial instruments	9.1(b)	(611)	2,073	(597)	1,934
Other gains/(losses) from other economic flows	9.1(c)	407	478	407	478
<b>Total other economic flows included in net result</b>		<b>(6,664)</b>	<b>(2,018)</b>	<b>(6,941)</b>	<b>(3,107)</b>
<b>Net result from continuing operations</b>		<b>6,977</b>	<b>2,644</b>	<b>7,188</b>	<b>2,091</b>
<b>Net result</b>		<b>6,977</b>	<b>2,644</b>	<b>7,188</b>	<b>2,091</b>
<b>Other economic flows – other comprehensive income</b>					
<b>Items that will not be reclassified to net result</b>					
Changes in physical asset revaluation surplus	9.2(b)	27,379	-	27,379	-
<b>Total other economic flows – Other comprehensive income</b>		<b>27,379</b>	<b>-</b>	<b>27,379</b>	<b>-</b>
<b>Comprehensive result</b>		<b>34,356</b>	<b>2,644</b>	<b>34,567</b>	<b>2,091</b>

The accompanying notes form part of these financial statements.

# HOLMESGLEN INSTITUTE

## Balance Sheet as at 31 December 2025

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Assets</b>					
<b>Financial assets</b>					
Cash and deposits	6.1	86,101	49,268	85,515	48,691
Contract assets	5.2	7,233	7,726	7,216	7,706
Receivables	5.1	10,865	8,050	10,595	7,625
Investments	4.4	1,906	37,803	-	35,452
<b>Total financial assets</b>		<b>106,105</b>	102,847	<b>103,326</b>	99,474
<b>Non-financial assets</b>					
Other non-financial assets	5.3	10,413	5,581	10,379	5,552
Property, plant and equipment	4.1	440,060	412,098	440,020	412,052
Right of use assets	6.3	6,380	2,692	6,380	2,692
Investment properties	4.2	127,831	134,134	109,486	116,080
<b>Total non-financial assets</b>		<b>584,684</b>	554,505	<b>566,265</b>	536,376
<b>Total assets</b>		<b>690,789</b>	657,352	<b>669,591</b>	635,850
<b>Liabilities</b>					
Payables	5.4	7,341	10,389	7,256	10,233
Contract liabilities	5.5	15,564	18,297	15,533	18,220
Borrowings	6.2	-	611	-	611
Lease liabilities	6.3	6,538	3,062	6,538	3,062
Employee benefits provision	5.6	22,757	20,760	22,724	20,751
<b>Total liabilities</b>		<b>52,200</b>	53,119	<b>52,051</b>	52,877
<b>Net assets</b>		<b>638,589</b>	604,233	<b>617,540</b>	582,973
<b>Equity</b>					
Contributed capital	9.2 (a)	122,807	122,807	122,807	122,807
Physical asset revaluation reserve	9.2 (b)	328,787	301,408	328,787	301,408
Accumulated surplus/(deficit)	9.2 (c)	186,995	180,018	165,946	158,758
<b>Net worth</b>		<b>638,589</b>	604,233	<b>617,540</b>	582,973

The accompanying notes form part of these financial statements.

# HOLMESGLEN INSTITUTE

## Statement of Changes in Equity for the year ended 31 December 2025

Consolidated		Physical asset revaluation reserve	Accumulated surplus	Contributed Capital	Total
		\$'000	\$'000	\$'000	\$'000
	Note				
<b>At 1 January 2024</b>	9.2	301,408	177,374	122,807	601,589
Net result for the year		-	2,644	-	2,644
<b>Year ended 31 December 2024</b>	9.2	301,408	180,018	122,807	604,233
Changes in physical asset revaluation surplus	9.2(b)	27,379	-	-	27,379
Net result for the year		-	6,977	-	6,977
<b>Year ended 31 December 2025</b>	9.2	<b>328,787</b>	<b>186,995</b>	<b>122,807</b>	<b>638,589</b>

Institute		Physical asset revaluation surplus	Accumulated surplus	Contributed Capital	Total
		\$'000	\$'000	\$'000	\$'000
	Note				
<b>At 1 January 2024</b>	9.2	301,408	156,667	122,807	580,882
Net result for the year		-	2,091	-	2,091
<b>Year ended 31 December 2024</b>	9.2	301,408	158,758	122,807	582,973
Changes in physical asset revaluation surplus	9.2(b)	27,379	-	-	27,379
Net result for the year		-	7,188	-	7,188
<b>Year ended 31 December 2025</b>	9.2	<b>328,787</b>	<b>165,946</b>	<b>122,807</b>	<b>617,540</b>

The accompanying notes form part of these financial statements.

# HOLMESGLEN INSTITUTE

## Cash Flow Statement for the year ended 31 December 2025

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Government contributions		131,388	108,230	131,388	108,230
Receipts from fees, charges and sales		68,774	71,126	66,971	69,230
Goods and services tax recovered from the ATO		6,129	5,670	6,055	5,572
Interest received		2,261	2,515	2,247	2,486
Dividends and distributions		3,781	2,117	3,558	1,990
Other receipts		6,200	5,979	7,556	7,431
<b>Total receipts from operating activities</b>		<b>218,534</b>	<b>195,637</b>	<b>217,775</b>	<b>194,939</b>
<b>Payments</b>					
Payments to employees		(128,062)	(118,773)	(127,768)	(118,508)
Payments to suppliers		(63,352)	(53,281)	(62,705)	(52,611)
Interest and other finance costs paid		(290)	(124)	(290)	(124)
Goods and services tax paid to the ATO		(13,115)	(9,620)	(12,876)	(9,458)
<b>Total payments from operating activities</b>		<b>(204,820)</b>	<b>(181,798)</b>	<b>(203,639)</b>	<b>(180,701)</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>13,714</b>	<b>13,839</b>	<b>14,136</b>	<b>14,238</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Redemption of investments (VFMC)		39,026	-	38,376	-
Payments for property, plant and equipment		(9,557)	(9,778)	(9,557)	(9,777)
Proceeds from sale of non-financial assets		(470)	-	(470)	-
Proceeds from financial assets		(3,740)	(1,905)	(3,521)	(1,783)
<b>Net cash provided by/(used in) investing activities</b>		<b>25,259</b>	<b>(11,683)</b>	<b>24,828</b>	<b>(11,560)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of lease liabilities		(1,529)	(1,630)	(1,529)	(1,630)
Repayment of government loan		(611)	(1,697)	(611)	(1,697)
<b>Net cash provided by/(used in) financing activities</b>		<b>(2,140)</b>	<b>(3,327)</b>	<b>(2,140)</b>	<b>(3,327)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>36,833</b>	<b>(1,171)</b>	<b>36,824</b>	<b>(649)</b>
Cash and cash equivalents at the beginning of the financial year		49,268	50,439	48,691	49,340
<b>Cash and cash equivalents at the end of the financial year</b>	6.1	<b>86,101</b>	<b>49,268</b>	<b>85,515</b>	<b>48,691</b>

The accompanying notes form part of these financial statements.

# HOLMESGLEN INSTITUTE

## Notes to the financial statements

### 1. ABOUT THIS REPORT

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Holmesglen Institute is a statutory body corporate established pursuant to an Act made by the Victorian Government under the *Education and Training Reform Act 2006 Section 3.1.12 4(a)*. Holmesglen Institute is a Technical and Further Education (TAFE) provider based predominantly in Chadstone, Victoria.

Its registered office and principal address is:

Holmesglen Institute  
Cnr Batesford and Warrigal Road  
Holmesglen, Victoria, 3148

#### 1.1 Basis of preparation

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

Holmesglen Institute 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. The Institute's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As the Institute 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 January 2025.

These financial statements are presented in Australian dollars. The functional and presentation currency of Holmesglen Institute (the Institute) and the consolidated entities is Australian dollars. These financial statements have been prepared in accordance with the historical cost convention, unless a different measurement basis is specifically disclosed in the notes. Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

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 financial information being presented. 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.

Judgements made by management in the application of Australian Accounting Standards (AAS) that may have significant effects on the financial statements and estimates relate to:

- determining whether government contributions received should be recognised as revenue under AASB 15 or income under AASB 1058 depending on whether the performance obligations within the contract are assessed as sufficiently specific and measuring the Institute's satisfaction of a performance obligation (refer Note 2.1); and
- AASB 16 *Leases* and the requirement to determine the lease term to the extent that extension options are certain (refer to note 6.3).

Estimates and assumptions made by management in the application of Australian Accounting Standards (AAS) that may have significant effects on the financial statements relate to:

- the fair value of land, buildings and plant and equipment (refer to note 7.3);
- the loss rate used in calculating the allowance for expected credit losses (refer to note 5.2); 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 5.6).

The estimates and associated assumptions are reviewed on an ongoing basis. 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.

These financial statements cover the Institute and its controlled entities as an individual reporting entity and include all controlled activities of the Institute.

#### **Goods and Services Tax (GST)**

Income, expenses and assets are recognised net of the amount of associated GST.

Receivables and payables are stated inclusive 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.

## 1. ABOUT THIS REPORT

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### 1.1 Basis of preparation (continued)

#### **Basis of consolidation**

In accordance with AASB 10 *Consolidated Financial Statements*, the Institute consolidates its controlled entities on the basis that control exists when an entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of entities are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

In preparing consolidated financial statements for the Institute, all material transactions and balances between consolidated entities are eliminated.

#### **Funding risk**

Funding risk is the risk of over reliance on a particular funding source to the extent that a change in that funding source could impact the operating results of the current year and future years.

The Institute has substantial economic dependency on Government for operating and capital contributions in particular, the Department of Jobs, Skills, Industry and Regions (DJSIR).

The Institute manages funding risk by continuing to diversify and increase income from commercial activities, both domestically and offshore.

There has been no other significant change in the Institute's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

### 1.2 Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable *Australian Accounting Standards* (AAS) which include Interpretations, issued by the *Australian Accounting Standards Board* (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

For the purposes of preparing financial statements, the Institute is classed as a not-for-profit entity. 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. Accounting policies applied are disclosed in sections where the related accounting balance or financial statement matter is disclosed.

## 2. HOW WE EARNED OUR FUNDS

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>2.1 Government contributions</b>					
<b>2.1.1 Revenue and income from government contributions</b>					
<b>Government contributions</b>					
State government – contestable		75,441	71,945	75,441	71,945
State government – other contributions		45,182	31,329	45,182	31,329
Commonwealth government contributions		10,062	5,190	10,062	5,190
Other		626	669	626	669
<b>Total government contributions</b>		<b>131,311</b>	<b>109,133</b>	<b>131,311</b>	<b>109,133</b>

### Revenue and income from government grants

The Institute is required to determine whether the government grants received should be accounted for as revenue per AASB 15 or income per AASB 1058.

Significant judgment is applied to assess if a government grant or contract contains sufficiently specific performance obligations.

In December 2025, the Institute received \$10.6 million in relation to the Victorian Common Funding Agreement for the 2026 TAFE Services Fund which covers the delivery of Asset maintenance, Student Services, Workforce Funding, Governance and Priority Access Course Funding for the period from January 2026 to March 2027. In accordance with AASB 1058 *Income of Not-for-Profit Entities*, the funding was recognised as income upon receipt and has been recorded in 2025.

### Revenue from government grants

The Institute's revenue streams are predominately for transactions relating to the delivery of courses to students and education services to clients. In all cases, the total transaction price for these services is allocated amongst the various performance obligations based on the consideration specified in the contract. The transaction price for a contract excludes any amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time as the Institute satisfies the performance obligations by transferring the promised goods or services to its customers. Where government grants have been received for services to be delivered in the following year, these amounts are deferred as a contract liability (Note 5.2).

Revenue is measured at the amount of consideration to which the Institute expects to receive in exchange for transferring the promised goods or services to a customer.

### Income from government grants

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

- contributions by owners, in accordance with AASB 1004
- a lease liability in accordance with AASB 16
- a financial instrument in accordance with AASB 9
- a provision in accordance with AASB 137

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 2. HOW WE EARNED OUR FUNDS

### 2.1.1 Revenue and income from government contributions

Specific criteria in relation to determining whether government grants are accounted for as revenue per AASB 15 or income per AASB 1058 are set out below.

Revenue Type	Nature	Performance obligation and timing of recognition
State government – contestable	Refers to Victorian state government funding for which the Institute must compete with other registered training providers. Funding is allocated primarily through a combination of a 'User Choice' system for all providers and a competitive tendering process for private providers.	The funding agreement for these contributions outlines the performance obligations to provide education services to eligible students and relevant terms and conditions. These contributions are recognised as revenue from contracts with customers in line with the requirements of AASB 15.  Revenue is recognised over time, on the basis of the number of units of training delivered to eligible students over the life of the agreement.
State government – other contributions	Refers to funding such as specific-purpose grants for community service obligations, free TAFE practical placement and student support services and the additional costs of public TAFE provision.	In general, funding agreements for these grants do not contain sufficiently specific performance obligations and are therefore recognised as income under AASB 1058. The Institute recognises income immediately in the comprehensive operating statement when control is achieved over the funds which occurs on execution of the relevant contract. Where performance obligations are sufficiently specific, the revenue is recorded in accordance with AASB 15.  Revenue is recognised over time in the comprehensive operating statement as the performance obligations are delivered.
Commonwealth government contributions	Refers to funding from the Commonwealth government for commonwealth supported places for eligible higher education programs.	This funding is provided on a per eligible student basis with specific performance obligations tied to delivery of units over the course duration.  Revenue is recognised over the period of the agreement as units are delivered in accordance with AASB 15.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 2. HOW WE EARNED OUR FUNDS

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>2.2 Revenue from fees, charges and sales</b>					
Student fees and charges		13,349	11,335	13,350	11,335
Student fees and charges (FEE-HELP)		4,142	4,019	4,142	4,019
Fee for service – government		8,061	8,344	8,061	8,344
Fee for service – international operations – onshore		12,481	14,878	12,481	14,878
Fee for service – international operations – offshore		1,201	1,001	1,201	1,001
Fee for service – training programs		15,679	17,044	15,679	17,044
<b>Total revenue fees and charges</b>		<b>54,913</b>	<b>56,621</b>	<b>54,914</b>	<b>56,621</b>
<b>Other non-course fees and charges</b>					
Other (car parking fees, management fees etc)		2,817	2,460	3,573	3,309
Sale of goods		1,860	2,090	1,860	2,090
<b>Total non-course fees and charges</b>		<b>4,677</b>	<b>4,550</b>	<b>5,433</b>	<b>5,399</b>
<b>Total revenue from fees, charges and sales</b>		<b>59,590</b>	<b>61,171</b>	<b>60,347</b>	<b>62,020</b>

The timing of a sufficiently specific performance obligation and the amount of revenue to be allocated to each performance obligation involves significant judgement. The accounting policies below outline the material performance obligations and how and when these are satisfied.

Revenue for student fees and charges is recognised as the course is delivered to the student and is measured as the amount the Institute expects to be entitled to. Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where revenue has been received for programs or services to be delivered in the following year, these amounts are deferred as a contract liability.

Other non-course fees and charges are recognised as the service is delivered to the student or the public. For example, rent and student accommodation revenue is recognised as the Institute provides the accommodation or use of the space to the student or the public.

### Payment terms

The payment terms for student fees are as follows:

- up-front payment via cash, EFTPOS or credit card prior to course commencement;
- federal government assistance (VET Student Loan); and/or
- invoice to a third party (e.g. a student's employer or workers' compensation provider).

Students are generally entitled to a refund if they withdraw from a course within 28 days of enrolment. Students who withdraw after this time are generally not entitled to a refund.

The Institute uses actual student contact hours, performance obligations as set out in project plans to recognise revenue over time in line with AASB 15.

Revenue Type	Nature	Performance obligation and timing of recognition
Student fees and charges	The Institute provides educational services to eligible domestic students. Student fees and charges includes student tuition fees and course materials received or to be received from eligible students for the provision of these services.	Student tuition fees are recognised in accordance with the relevant enrolment terms and conditions and over the period that the education and training services are provided. Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where student fees and charges has been received in respect of services to be delivered in the following year, any non-refundable portion of the fees is recognised as revenue in the year of receipt and the balance as a contract liability.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 2. HOW WE EARNED OUR FUNDS

### 2.2 Revenue from fees, charges and sales (continued)

Revenue Type	Nature	Performance obligation and timing of recognition
Fee for service – government	This relates to course fees provided to State government agencies (excluding revenue/income recognised in note 2.1.1).	Fee for service revenue is recognised as the performance obligations are satisfied under the relevant training contract or enrolment terms. Where fee for service revenue has been received in respect of programs or services to be delivered in the following year, such amounts are recognised as contract liabilities.
Fee for service – international onshore and offshore programs	The Institute provides educational services to international students who are not eligible for a government funded subsidy or other funding.	Fee for service revenue is recognised as the performance obligations are satisfied under the relevant training contract or enrolment terms. Where fee for service revenue has been received in respect of programs or services to be delivered in the following year, such amounts are recognised as contract liabilities.
Fee for service – other training programs	The Institute provides educational services to domestic students who are not eligible for a government funded subsidy and other private organisation funding.	Fee for service revenue is recognised as the performance obligations are satisfied under the relevant training contract or enrolment terms. Where fee for service revenue has been received in respect of programs or services to be delivered in the following year, such amounts are recognised as contract liabilities.
Other non course fees and charges	Other non course fees and charges include the provision of catering, restaurant sales, car parking fees and management fees.	Revenue from other non course fees and charges is recognised by the Institute at the time of sale and when the control of goods passes to the customer which is at the time that the goods are physically transferred. Items sold do not have any warranty attached to them.

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>2.3 Other income</b>					
Dividends/Distributions		3,546	2,188	3,328	2,056
Interest income		2,246	2,502	2,232	2,475
Rental income - Investment properties		6,542	6,388	5,014	4,862
Rental income - other		1,420	1,534	2,020	2,133
Donations, bequests and contributions		70	111	46	24
<b>Total other income</b>		<b>13,824</b>	<b>12,723</b>	<b>12,640</b>	<b>11,550</b>

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 2. HOW WE EARNED OUR FUNDS

### 2.3 Other income (continued)

Other Income Type	Nature	Performance obligation and timing of recognition
Dividends/Distributions	The Institute receives distributions from the Victorian Funds Management Corporation (VFMC).  The VFMC account was closed during 2025. Refer note 4.4 for more information.	Distributions are recognised when the Institute's right to receive payment is established.
Interest	Interest income includes interest received on the Institute's operating bank account and deposits with the central banking system.	Interest income is recognised taking into account the effective interest rates applicable to the financial asset.
Rental income - Investment properties and other	The Institute receives rental income for land and buildings leased out to students and commercial tenants.	The performance obligations are outlined in the relevant rental agreement and include the obligation to provide the land and buildings for the stipulated rental payments over a period of time. Rental income is recognised on a time proportional basis and is brought to account when the Institute's right to receive the rental is established.
Donations, bequests and contributions	From time to time, benefactors may provide donations or gifts to further the objectives of the Institute.	Donations and bequests do not generally contain performance obligations that are sufficiently specific.  Donations, bequests and contributions are recognised when received and the amount can be reliably measured.

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>2.3.1 Lease Receivables</b>				
- Within one year	7,028	6,443	5,977	5,674
- Later than one year but not later than five years	21,964	21,251	21,603	20,573
- Later than five years	53,954	57,373	53,954	57,373
<b>Total net lease receivable</b>	<b>82,946</b>	<b>85,067</b>	<b>81,534</b>	<b>83,620</b>
GST payable on the above	8,295	8,507	8,153	8,362
<b>Gross operating lease receivable</b>	<b>91,241</b>	<b>93,574</b>	<b>89,687</b>	<b>91,982</b>

When the Institute is a lessor, a lease is classified as an operating lease when it does not transfer substantially all of the risks and rewards incidental to ownership of the underlying asset. Indicators such as whether the lease is for the major part of the economic life of the asset are considered as part of this assessment. Payments received under operating leases are recognised as income on a straight-line basis over the lease term and are included under the line item - rental income.

# HOLMESGLEN INSTITUTE

## Notes to the financial statements

### 3. HOW WE EXPENDED OUR FUNDS

Note	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>3.1 Employee benefits</b>				
Salaries, wages, overtime and allowances	106,942	98,837	106,684	98,611
Superannuation	11,945	10,727	11,916	10,701
Long service leave	3,351	1,490	3,338	1,493
Termination benefits	380	363	380	363
Other (payroll tax, workers compensation)	7,851	7,001	7,830	6,980
<b>Total employee benefits</b>	<b>130,469</b>	<b>118,418</b>	<b>130,148</b>	<b>118,148</b>

Employee expenses include all costs related to employment, including wages and salaries, superannuation, payroll tax, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums. Superannuation expenses are employer contributions that are paid or payable during the reporting period.

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Institute recognises termination benefits when it's committed to terminating the employment of a current employee. Benefits that are payable greater than 12 months after balance sheet date are discounted to present value.

### 3.2 Superannuation

Employees of the Institute are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

The Institute does not recognise any defined benefit liability in respect of the plans because it has no legal or constructive obligation to pay future benefits relating to its employees. The Institute's only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial statements. This is in accordance with FRD 112 *Defined Benefit Superannuation Obligations*.

Superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of the Institute.

The superannuation funds and contributions made by the Institute are as follows:

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Defined benefit plans	82	89	82	89
Defined contribution plans	10,955	9,750	10,926	9,724
Contribution outstanding at year end	1,017	979	1,013	975
<b>Total</b>	<b>12,054</b>	<b>10,818</b>	<b>12,021</b>	<b>10,788</b>

#### Defined contribution plans

Contributions to defined contribution plans are expensed when they become payable.

#### Defined benefit plans

The expenses recognised represents the contributions made by the Institute to the superannuation plan in respect of current services of current Institute staff which are based on the relevant rules of each plan.

# HOLMESGLEN INSTITUTE

## Notes to the financial statements

### 3. HOW WE EXPENDED OUR FUNDS

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>3.3 Supplies and services</b>					
Purchase of supplies and consumables		4,969	4,912	4,969	4,912
Communication expenses		632	526	632	526
Utilities		3,760	3,277	3,408	2,927
Minor equipment		2,184	840	2,184	840
Fees and charges		5,537	6,325	5,521	6,309
Contract and other services		17,090	15,302	17,080	15,291
Building repairs and maintenance		4,222	5,040	4,153	4,953
Cost of goods sold/distributed (ancillary trading)		223	240	223	240
<b>Total supplies and services</b>		<b>38,617</b>	<b>36,462</b>	<b>38,170</b>	<b>35,998</b>

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

#### 3.3.1 Non-cancellable lease commitments – short-term and low value leases

The Institute has no material short term and low value lease commitments in 2025 and 2024.

#### 3.3.2 Other expenditure commitments

Commitments for contracts relating to property service agreements (e.g. cleaning, waste management and security services) and licence agreements in existence at the reporting date but not recognised as liabilities.

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Other expenditure	39,085	18,312	39,085	18,312
<b>Total other expenditure commitments</b>	<b>39,085</b>	<b>18,312</b>	<b>39,085</b>	<b>18,312</b>
GST payable on the above	(3,553)	(1,665)	(3,553)	(1,665)
<b>Net other expenditure commitments</b>	<b>35,532</b>	<b>16,647</b>	<b>35,532</b>	<b>16,647</b>

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>3.4 Other operating expenses</b>					
Marketing and promotional expenses		1,717	1,935	1,716	1,934
Audit fees and services	8.4	278	204	249	179
Bad and impaired credit losses from transactions		80	383	80	383
Staff development		1,078	985	1,077	985
Travel and motor vehicle expenses		581	548	581	548
Hiring costs/lease payments		591	993	591	993
Work placements		2,732	4,651	2,732	4,651
Other expenses		4,226	3,391	4,116	3,296
<b>Total other operating expenses</b>		<b>11,283</b>	<b>13,090</b>	<b>11,142</b>	<b>12,969</b>

Other operating expenses generally represent day-to-day running costs of the Institute. They are reported in the financial year they are incurred.

Audit fees and services relate to costs associated with internal audit services, as well as remuneration to the Victorian Auditor-General's Office for the audit of the financial statements. Refer to Note 8.4 for further information.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 4. THE ASSETS WE INVESTED IN

### 4.1 Property, plant and equipment

#### 4.1.1 Reconciliation of movements in carrying amount of PP&E

Institute	Land \$'000	Buildings \$'000	Leasehold Improvement \$'000	Assets under construction \$'000	Plant & Equipment \$'000	Cultural Assets \$'000	Motor Vehicles \$'000	Computer Equipment \$'000	Total \$'000
<b>2024</b>									
Opening net book amount	173,610	227,105	-	4,136	3,742	579	40	1,948	<b>411,160</b>
Additions	-	1,890	-	5,173	1,421	-	160	1,133	<b>9,777</b>
Disposals	-	-	-	-	(10)	-	-	(4)	<b>(14)</b>
Depreciation expense	-	(6,594)	-	-	(1,023)	-	(22)	(1,232)	<b>(8,871)</b>
Transfer from assets under construction	-	2,632	-	(4,069)	1,274	-	163	-	<b>-</b>
Closing net book amount	173,610	225,033	-	5,240	5,404	579	341	1,845	<b>412,052</b>
<b>At 31 December 2024</b>									
- Cost	-	1,043	91	5,240	4,295	-	1,080	1,462	<b>13,211</b>
- Valuation	173,610	237,109	-	-	3,204	579	-	3,231	<b>417,733</b>
Accumulated depreciation	-	(13,119)	(91)	-	(2,095)	-	(739)	(2,848)	<b>(18,892)</b>
Net book amount	173,610	225,033	-	5,240	5,404	579	341	1,845	<b>412,052</b>
<b>Consolidated at 31 December 2024</b>									
Opening net book amount	-	-	-	-	-	-	51	-	<b>51</b>
Depreciation expense	-	-	-	-	-	-	(5)	-	<b>(5)</b>
<b>Net book value at the end of the financial year Consolidated</b>	<b>173,610</b>	<b>225,033</b>	<b>-</b>	<b>5,240</b>	<b>5,404</b>	<b>579</b>	<b>387</b>	<b>1,845</b>	<b>412,098</b>
<b>Year ended 31 December 2025</b>									
Opening net book amount	173,610	225,033	-	5,240	5,404	579	341	1,845	<b>412,052</b>
Reclass opening net book amount	-	-	-	-	(98)	-	-	98	<b>-</b>
Additions	-	4,587	-	1,488	1,741	-	70	1,671	<b>9,557</b>
Disposals	-	-	-	-	-	-	-	(3)	<b>(3)</b>
Revaluation	-	27,379	-	-	-	-	-	-	<b>27,379</b>
Depreciation expense	-	(6,803)	-	-	(970)	-	(33)	(980)	<b>(8,786)</b>
Reclassified to expense account	-	-	-	(179)	-	-	-	-	<b>(179)</b>
Transfer from assets under construction	-	3,149	-	(5,061)	1,757	-	-	155	<b>-</b>
<b>Closing net book amount</b>	<b>173,610</b>	<b>253,345</b>	<b>-</b>	<b>1,488</b>	<b>7,834</b>	<b>579</b>	<b>378</b>	<b>2,786</b>	<b>440,020</b>
<b>At 31 December 2025</b>									
- Cost	-	-	-	1,488	7,630	579	1,151	3,309	<b>14,157</b>
- Valuation	173,610	253,345	-	-	3,170	-	-	3,134	<b>433,259</b>
Accumulated depreciation	-	-	-	-	(2,966)	-	(773)	(3,657)	<b>(7,396)</b>
<b>Net book value at the end of the financial year Institute</b>	<b>173,610</b>	<b>253,345</b>	<b>-</b>	<b>1,488</b>	<b>7,834</b>	<b>579</b>	<b>378</b>	<b>2,786</b>	<b>440,020</b>
<b>Consolidated at 31 December 2025</b>									
Opening net book amount	-	-	-	-	-	-	45	-	<b>45</b>
Depreciation expense	-	-	-	-	-	-	(5)	-	<b>(5)</b>
<b>Net book value at the end of the financial year Consolidated</b>	<b>173,610</b>	<b>253,345</b>	<b>-</b>	<b>1,488</b>	<b>7,834</b>	<b>579</b>	<b>418</b>	<b>2,786</b>	<b>440,060</b>

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 4. THE ASSETS WE INVESTED IN

### 4.1 Property, plant and equipment (continued)

#### Initial recognition

Immediately upon acquisition, property, plant and equipment is measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

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

#### Subsequent measurement

Property, plant and equipment is subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use. Non financial assets are summarised by asset category.

Non-specialised land, non-specialised buildings and cultural assets are valued using the market approach. These assets are compared to recent comparable sales to determine their fair value.

For specialised land the market approach is used and is then adjusted for community service obligation (CSO). This adjustment is made to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

For the majority of the Institute's specialised buildings, current replacement cost is used to value the asset. Current replacement cost is adjusted for the associated depreciation.

The fair value of plant, equipment and vehicles is normally determined by reference to the asset's current replacement cost.

Non-current physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs).

A last formal revaluation of land and building assets (including land improvements) was conducted for the year ended 31 December 2022. For the year ended 31 December 2025, an assessment was conducted using indices provided by the Office of the Victorian Valuer-General. A managerial revaluation was conducted as a result of this assessment, increasing the value of the building assets by \$27 million.

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

#### 4.1.2 Capital commitments

Capital expenditure contracted for at balance date but not recognised as liabilities is as follows:

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Capital commitment	12,832	4,237	12,832	4,237
<b>Total capital expenditure commitments</b>	<b>12,832</b>	<b>4,237</b>	<b>12,832</b>	<b>4,237</b>
GST payable on the above	(1,167)	(385)	(1,167)	(385)
<b>Net capital expenditure commitments</b>	<b>11,665</b>	<b>3,852</b>	<b>11,665</b>	<b>3,852</b>

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 4. THE ASSETS WE INVESTED IN

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>4.2 Investment properties</b>					
<b>At Fair value</b>					
Opening balance at 1 January		134,134	138,810	116,080	121,706
Net loss from fair value adjustments		(6,303)	(4,676)	(6,594)	(5,626)
<b>Closing balance at 31 December</b>		<b>127,831</b>	<b>134,134</b>	<b>109,486</b>	<b>116,080</b>

Investment properties represent properties held to earn rentals or for capital appreciation. Investment properties exclude properties held to meet service delivery objectives of the Institute.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Institute.

Subsequent to initial recognition, investment properties are re-valued to fair value with changes in the fair value recognised as other economic flows in the comprehensive operating statement. Fair value is determined based on a market comparable approach that reflects recent transaction prices for similar properties. These properties are neither depreciated nor tested for impairment.

The fair value of the Consolidated entity's investment properties at 31 December 2025 has been calculated on the basis of an independent valuation carried out by independent valuers.

### 4.3 Depreciation and amortisation

All buildings, plant and equipment and other non-financial physical assets that have a finite useful life are depreciated. The exceptions to this rule include cultural assets, land and investment properties.

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 period of the lease.

Depreciation and amortisation methods and useful life used for each class of depreciable assets are:

Class of assets	2025	Method
Buildings	5 – 56 years	Straight Line
Plant and equipment	3 – 15 years	Straight Line
Motor vehicles	5 – 15 years	Straight Line
Computer equipment	3 – 7 years	Straight Line
Right of use assets	Lease term	Straight Line

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>4.4 Investments and other financial assets</b>					
<b>Current</b>					
Managed investment - VFMC		1,906	37,803	-	35,452
<b>Total current investments</b>		<b>1,906</b>	<b>37,803</b>	<b>-</b>	<b>35,452</b>

The Institute's investments with the VFMC are measured at fair value through profit or loss (FVTPL) in accordance with AASB 9 *Financial Instruments*. The fair value of these investments has been determined on the basis of their market value at reporting period end.

During the reporting period, managed investment funds were fully redeemed from VFMC and the proceeds transferred to Westpac bank account resulting in the closure of VFMC account balances in accordance with *The Standing Direction 2018*.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 5. BALANCES FROM OPERATIONS

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>5.1 Receivables</b>					
<b>Current</b>					
Receivables					
Trade receivables		2,587	1,763	2,587	1,751
Other receivables		720	411	421	411
Statutory					
GST input tax credit recoverable		2,513	-	2,542	-
<b>Non-Current</b>					
Receivables					
Other receivables		5,045	5,876	5,045	5,463
<b>Total receivables</b>		<b>10,865</b>	<b>8,050</b>	<b>10,595</b>	<b>7,625</b>

Receivables consist of:

- Trade receivables include debtors in relation to goods and services. Trade receivables represent an unconditional right to receive payment, and
- Other receivables include finance lease receivables, and
- Statutory receivables predominantly include amounts owing from the Victorian Government and GST input tax credits recoverable.

Finance lease receivables have been reclassified from contract assets to other receivables in the current year. Comparative figures have been regrouped to align with the current year's presentation.

Receivables are stated inclusive of the amount of GST receivable. Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost. These are measured using the effective interest method less an allowance for impairment.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Institute holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

In respect of trade receivables, the Institute is not exposed to any significant credit risk to any single counterpart or any group of counterparties having a similar characteristic. Based on historical and current information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 5. BALANCES FROM OPERATIONS

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>5.2 Contract assets</b>					
<b>Current</b>					
Contract assets		7,747	8,260	7,730	8,240
Expected credit losses		(514)	(534)	(514)	(534)
<b>Total contract assets</b>		<b>7,233</b>	<b>7,726</b>	<b>7,216</b>	<b>7,706</b>

Contract assets are recognised when the Institute has transferred goods or services to the customer but where the Institute is yet to establish an unconditional right to consideration. Contract assets consist of outstanding tuition fees. Contract assets are treated as financial assets for impairment purposes.

### Impairment

The Institute measures loss allowances at an amount equal to life time expected credit losses (ECLs). Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. ECLs are a probability-weighted estimate of credit-losses. Credit losses are measured as the present value of all cash shortfalls.

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>5.3 Other non-financial assets</b>					
<b>Current</b>					
Inventory		50	52	50	52
Prepayments		10,363	5,529	10,329	5,500
<b>Total current other non-financial assets</b>		<b>10,413</b>	<b>5,581</b>	<b>10,379</b>	<b>5,552</b>

**Inventory** includes goods and other items held for sale or for distribution. This balance is measured at cost.

**Prepayments** represent payments made in advance of the receipt of the goods and services.

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>5.4 Payables</b>					
<b>Contractual</b>					
Supplies and services		7,341	9,894	7,256	9,767
<b>Statutory</b>					
GST payable		-	495	-	466
<b>Total current payables</b>		<b>7,341</b>	<b>10,389</b>	<b>7,256</b>	<b>10,233</b>

**Payables** consist of:

- Contractual payables, such as accounts payable creditors and refund liabilities. Accounts payable represent liabilities for goods and services provided to the Institute prior to the end of the financial year that are unpaid, and arise when the Institute becomes obliged to make future payments in respect of the purchase of those goods and services; and
- Statutory payables such as goods and services tax and fringe benefit tax payable.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost.

Statutory payables are recognised and measured similarly to contractual payables but are not classified as financial instruments.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 5. BALANCES FROM OPERATIONS

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>5.5 Contract and other liabilities</b>					
Student fees		11,976	12,151	11,975	12,150
Fee for service		903	977	903	977
Government contributions - other contributions		1,975	4,278	1,975	4,278
Other		710	891	680	815
<b>Total current contract liabilities</b>		<b>15,564</b>	<b>18,297</b>	<b>15,533</b>	<b>18,220</b>

### Contract liabilities

Any fees received by the Institute during the current financial year in respect of performance obligations that have not been satisfied are classified as a liability and recognised as a contract liability.

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>5.6 Employee benefits in the balance sheet</b>					
<b>Current Provisions</b>					
<b>Employee benefits</b>					
Annual leave		5,384	4,642	5,368	4,635
Long service leave		11,824	10,772	11,824	10,772
On costs - annual leave		1,004	832	1,001	832
On costs - long service leave		2,299	2,015	2,299	2,015
<b>Total current provisions</b>		<b>20,511</b>	<b>18,261</b>	<b>20,492</b>	<b>18,254</b>
<b>Non-Current Provisions</b>					
Long service leave		1,881	2,106	1,869	2,104
On costs - long service leave		365	393	363	393
<b>Total non-current provisions</b>		<b>2,246</b>	<b>2,499</b>	<b>2,232</b>	<b>2,497</b>
<b>Total employee provisions</b>		<b>22,757</b>	<b>20,760</b>	<b>22,724</b>	<b>20,751</b>

The leave obligations cover the Institute's liabilities for long service leave and annual leave, which are classified as either other long-term benefits or short-term benefits as at 31 December 2025.

### Total current provisions

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees that are entitled to pro-rata payments in certain circumstances. The entire amount of the provision of is presented as current, since the Institute does not have an unconditional right to defer settlement for any of these obligations. Based on past experience, the Institute does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

### Total non-current provisions

The non-current provisions amounts reflect leave that is not expected to be taken or paid within the next 12 months. 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 non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in the bond interest rate for which it is then recognised as an other economic flow. The discount rate is advised by the Department of Treasury and Finance.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 6. HOW WE FINANCED OUR OPERATIONS

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>6.1 Cash and deposits</b>					
Cash at bank and on hand		13,356	9,606	12,770	9,029
Central Banking System (CBS) - cash		72,745	39,662	72,745	39,662
<b>Total cash and deposits</b>		<b>86,101</b>	<b>49,268</b>	<b>85,515</b>	<b>48,691</b>

Cash and deposits includes cash on hand, cash at bank including central banking system. These items are held for the purpose of meeting short term cash commitments rather than for investment purposes. They are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The increase was due to closure of VFMC account.

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>6.2 Borrowings</b>				
Advances from Government	-	644	-	644
Impact of revaluing to fair value	-	(33)	-	(33)
<b>Total borrowings</b>	<b>-</b>	<b>611</b>	<b>-</b>	<b>611</b>

Advances from Government are initially measured at fair value being the cost of the financial liability. Where applicable, the borrowings are adjusted for transaction costs unless the Institute designated the financial liability at fair value through profit or loss.

The Institute measures its borrowings at amortised cost. For borrowings measured at amortised cost, any difference between the initial recognised amount and the redemption value is recognised in the net result over the period of the borrowing using the effective interest method. Advances from the government were fully settled during the reporting period.

### 6.3 Leases

#### Policy

At inception of a contract, the Institute will assess whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset; and
- The customer has the right to direct the use of the asset.

#### As a lessee

The Institute 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; plus
- any initial direct costs incurred; and
- any costs to dismantle and remove the underlying asset or to restore the underlying asset, less any lease incentives.

The right of use asset is subsequently depreciated using the straight-line method over its useful life. The estimated useful lives are based on the term of the lease agreement, which is usually the shorter of the asset's useful life and the lease term. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 6. HOW WE FINANCED OUR OPERATIONS

### 6.3 Leases (continued)

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

- fixed payments;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Institute is reasonably certain to exercise.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured:

- when there is a change in future lease payments arising from a change in an index or rate;
- if there is a change in the estimate of the amount expected to be payable under a residual value guarantee; or
- if the Institute changes its assessment of whether it will exercise a purchase, extension or termination option.

#### Right of use assets

	Property	Vehicles	Total
Consolidated	\$'000	\$'000	\$'000
Balance at 1 January 2025	1,023	1,669	2,692
Additions/modifications	4,582	895	5,477
Disposals	-	(156)	(156)
Depreciation	(1,229)	(404)	(1,633)
<b>Balance at 31 December 2025</b>	<b>4,376</b>	<b>2,004</b>	<b>6,380</b>
<b>Institute</b>			
Balance at 1 January 2025	1,023	1,669	2,692
Additions/modifications	4,582	895	5,477
Disposals	-	(156)	(156)
Depreciation	(1,229)	(404)	(1,633)
<b>Balance at 31 December 2025</b>	<b>4,376</b>	<b>2,004</b>	<b>6,380</b>

#### Lease liabilities

	Consolidated		Institute	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Maturity analysis- contractual undiscounted cash flows				
Less than one year	2,820	2,028	2,220	2,028
One to five years	5,263	1,181	4,613	1,181
<b>Total undiscounted lease liabilities as at 31 December</b>	<b>8,083</b>	<b>3,209</b>	<b>6,833</b>	<b>3,209</b>
Lease liabilities included in the Balance Sheet at 31 December:				
Current	1,984	1,934	1,984	1,934
Non-current	4,554	1,128	4,554	1,128
<b>Total lease liabilities</b>	<b>6,538</b>	<b>3,062</b>	<b>6,538</b>	<b>3,062</b>

#### Short-term and low value leases

The Institute has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than \$10,000). Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

## 7. MANAGING RISKS AND UNCERTAINTIES

### 7.1 Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b><u>Contractual financial assets</u></b>				
Financial assets measured at amortised cost				
Cash and deposits	86,101	49,268	85,515	48,691
Trade receivables	2,587	1,763	2,587	1,751
Financial assets measured at fair value through profit and loss				
Investments	1,906	37,803	-	35,452
<b>Total contractual financial assets</b>	<b>90,594</b>	<b>88,834</b>	<b>88,102</b>	<b>85,894</b>
<b><u>Contractual financial liabilities</u></b>				
Financial liabilities measured at amortised cost				
Payables	7,341	9,894	7,256	9,767
Lease liabilities	6,538	3,062	6,538	3,062
Borrowing (Advance from Government)	-	611	-	611
<b>Total contractual financial liabilities</b>	<b>13,879</b>	<b>13,567</b>	<b>13,794</b>	<b>13,440</b>

Note: The total amounts disclosed exclude statutory amounts.

#### Categories of financial instruments

The Institute classifies its financial assets at amortised cost only if both of the following criteria is met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets measured at amortised cost are financial instruments with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method (less any necessary impairment).

The Institute recognises the following financial assets in this category:

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

Financial liabilities measured at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the comprehensive operating statement over the period of the interest bearing liability, using the effective interest rate method.

The Institute recognises the following liabilities in this category:

- Payables (excluding statutory payables),
- Lease liabilities, and
- Borrowings (Advances from Government).

## 7. MANAGING RISKS AND UNCERTAINTIES

### 7.2 Contingent assets and contingent liabilities

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

There are a small number of legal matters outstanding at year end arising from the Institute's ordinary course of business, none of which are expected to have a material impact on the Institute. There is a lack of certainty around the likely timing and value of cash outflow, as a result no amounts have been provided for in the financial statements.

There were no contingent assets or contingent liabilities as at 31 December 2025 (31 December 2024: nil) that may have a material effect on the financial operations of the Institute.

### 7.3 Fair value determination

#### Significant judgement: Fair value measurements of assets and liabilities.

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair value.

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

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through profit and loss;
- land, buildings, plant and equipment, vehicles; and
- investment properties.

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

The Institute determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

#### Fair value estimation

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

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

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

#### (a) Fair value determination of financial assets and liabilities

The Institute currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2025 reporting period.

These financial instruments include:

<b>Financial assets</b>	<b>Financial liabilities</b>
Cash and deposits	Payables
Receivables	Advance from government
Investments	Lease Liabilities

The fair value of these financial instruments are the same as their carrying amount.

## 7. MANAGING RISKS AND UNCERTAINTIES

### 7.3 Fair value determination (continued)

#### 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 are tested to determine if the 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 against the asset revaluation surplus.

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

The recoverable amount for most assets is measured at the higher of current replacement cost and fair value less cost of disposal. There has been no property, plant and equipment impairments during the 2025 year.

#### (b) Valuations of property, plant and equipment

Non-financial physical assets are measured at fair value in accordance with Financial Reporting Direction (FRD) 103 *Non-financial Physical Assets*. A full revaluation of Institute's assets normally occurs every five years, but may occur more frequently if fair value assessments indicate material changes. Independent valuers are used to conduct scheduled revaluations with interim revaluations determined in accordance with the requirements of the FRD. Revaluation increases and decreases arise from differences between an asset's carrying value and the fair value.

An independent valuation of all land and buildings was performed by the Valuer-General Victoria with an effective date of 31 December 2022. At 31 December 2025, management conducted an assessment of the fair value of the land and buildings using the Valuer-General Victoria indices. The fair value assessment concluded that there was a material movement greater than 10% but not greater than 40%, as per FRD 103, between the carrying value and fair value in the building asset class, which required a managerial revaluation. The financial impact of the managerial asset revaluation was an increase in the value of all building assets of \$27 million.

**Non-specialised land and non-specialised buildings** are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria with an effective date of 31 December 2025. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

## 7. MANAGING RISKS AND UNCERTAINTIES

### 7.3 Fair value determination (continued)

**Specialised land and specialised buildings** - The market approach is used for specialised land and is adjusted for Community Service Obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with the land to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered a significant unobservable inputs, specialised land is classified as Level 3 assets.

For the majority of the Institute's specialised buildings, current replacement cost is used adjusted for the associated depreciation. As depreciation adjustments are considered significant unobservable inputs, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the Institute's specialised land and specialised buildings was performed by the Valuer-General Victoria at 31 December 2022. A formal revaluation occurred during the 2022 year.

**Assets under construction** are held at cost. The Institute transfers the assets out of construction in progress and into the relevant asset category when they are ready for use.

**Motor vehicles** are valued at current replacement cost. The Institute 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 fleet managers who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

**Plant and equipment** is valued at current replacement cost. When plant and equipment is specialised in use, such that it is rarely sold, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 31 December 2025.

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

Description of significant unobservable inputs to Level 3 valuations

2025 and 2024	Valuation technique	Significant unobservable inputs	Range
Specialised land	Market approach	Community service obligation (CSO)	20%
Specialised buildings	Current replacement cost	Useful life of buildings and direct cost per square metre	5 - 56 years
Plant and equipment	Current replacement cost	Useful life of plant and equipment	3 - 15 years
Motor Vehicles	Current replacement cost	Useful life of vehicles	5 - 15 years
Computer equipment	Current replacement cost	Useful life of computer equipment	3 - 7 years

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 8. GOVERNANCE DISCLOSURES

### 8.1 Responsible persons

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

The persons who held the positions of Ministers and Accountable Officers in the Institute were as follows:

Position	Name	Relevant Period
Minister for Skills and TAFE	The Hon. Gayle Tierney MLC	1 January 2025 to 31 December 2025
Director and Chief Executive Officer (Accountable Officer)	M. Faraone	1 January 2025 to 31 December 2025
Board Member (Chair)	M. Gorton AM, Chair	1 January 2025 to 31 December 2025
Board Member	A. Barker	1 January 2025 to 31 August 2025
Board Member	D. Imber	1 January 2025 to 31 December 2025
Board Member	A. Chow	1 January 2025 to 31 December 2025
Board Member	M Chaudhry	1 January 2025 to 31 December 2025
Board Member	K. Bellion	1 January 2025 to 31 December 2025
Board Member	C. Karamzalis	1 January 2025 to 30 June 2025
Board Member	I. Hamm	1 January 2025 to 31 December 2025
Board Member	J. Allison	1 January 2025 to 31 December 2025
Board Member	K. Bouns	1 January 2025 to 31 December 2025
Board Member	A. Forbes Nicholson	1 January 2025 to 31 December 2025

#### 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 Officer in connection with the management of the Institute during the reporting period was in the range: \$500,000 - \$509,999 (\$470,000 - \$479,999 in 2024).

Remuneration received or receivable by the Responsible Persons, excluding the Accountable Officer, during the reporting period was in the range:

	2025 No	2024 No
<b>Income range</b>		
Less than \$10,000	1	1
\$10,000 – \$19,999	-	1
\$20,000 – \$29,999	1	1
\$30,000 – \$39,999	1	1
\$40,000 – \$49,999	7	8
\$50,000 – \$59,999	1	1
\$60,000 – \$69,999	1	-
\$70,000 – \$79,999	-	1
<b>Total number</b>	<b>12</b>	<b>14</b>
<b>Total remuneration received by the Responsible Persons (\$'000)</b>	<b>944</b>	<b>985</b>

## 8. GOVERNANCE DISCLOSURES

### 8.2 Remuneration of executives

The number of executive officers other than the Accountable Officer and their total remuneration during the reporting period is shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers during the year.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the Institute, or on behalf of the Institute, in exchange for services rendered.

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Total remuneration</b>	<b>3,263</b>	<b>2,641</b>	<b>3,263</b>	<b>2,641</b>

The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.3).

	Consolidated		Institute	
	2025 No	2024 No	2025 No	2024 No
<b>Total number of executive officers</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
<b>Total annualised employee equivalent (AEE)</b>	<b>12</b>	<b>10</b>	<b>12</b>	<b>10</b>

Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks per year.

## 8. GOVERNANCE DISCLOSURES

### 8.3 Related parties

Holmesglen Institute is a wholly owned and controlled entity of the State of Victoria.

Related parties of the Institute and the consolidated group include:

- all key management personnel and their close family members and personal business interests;
- all entities that are controlled and consolidated into the Institute's consolidated financial statements; and
- all public sector entities that are controlled and consolidated into the whole of the state consolidated financial statements.

The following entities have been consolidated into the Institute's financial statements in accordance with AASB 10:

- Holmesglen International Training Services Pty Ltd,
- Glenuc Pty Ltd, and
- Holmesglen Foundation.

#### Related party transactions

	Transaction values for year ended 31 December	
	2025 \$'000	2024 \$'000
<b>Related party transactions</b>		
Distribution from the Holmesglen Foundation to the Institute	845	825
Rent paid by Holmesglen Foundation to the Institute	600	600
Management fee paid by Holmesglen Foundation to the Institute	-	105
<b>Total</b>	<b>1,445</b>	<b>1,530</b>

Key management personnel of the Institute includes the portfolio minister and the members of the Holmesglen Institute Board, the Accountable Officer and the Institute's Senior Executive Team, which includes:-

- G.Cuvegen, Chief Financial Officer
- S. Hunter-Fisher, Executive Director, Engagement and Support
- S. McKinnon, Executive Director, People, Global Relations and Industry Engagement
- P. Culpan, Executive Director, Corporate and Commercial Services
- M. Courtier, Executive Director, Education and Applied Research

Key management personnel of the entities consolidated into the Institute's financial statements include:

Entity	Position title	Relevant Period	
<b>Holmesglen International Training Services Pty Ltd</b>			
M. Faraone	Director	01 Jan 25	31 Dec 25
<b>Glenuc Pty Ltd</b>			
M. Faraone	Director	01 Jan 25	31 Dec 25
P. Lewinsky AM	Director	01 Jan 25	31 Dec 25
A. Barker	Director	01 Jan 25	31 Aug 25
H. Piterman	Director	01 Jan 25	31 Dec 25
R. Casey	Director	01 Jan 25	31 Dec 25
A. Brookes	Director	01 Jan 25	31 Dec 25
D. Imber	Director	19 Nov 25	31 Dec 25

## 8. GOVERNANCE DISCLOSURES

### 8.3 Related parties (continued)

Compensation of Key management personnel	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Total remuneration</b>	<b>2,731</b>	2,630	<b>2,652</b>	2,552

#### Transactions and balances with key management personnel and other related parties

Members of the Institute's Board were also members of a Board where the Institute conducted arm's length transactions in the ordinary course of business. The following related party transactions occurred for the period ended 31 December:

Nature of relationship	Revenue		Expenditure	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Peninsula Health - clinical placement	-	-	179	126
Sponsorships / Donation Provided	145	-	-	-
Victorian TAFE Association - membership and license fees	-	-	145	171
<b>Total</b>	<b>145</b>	-	<b>324</b>	<b>297</b>

### 8.4 Auditors remuneration

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Remuneration of Victorian Auditor General's Office for:				
Audit of the parent's financial statements	154	145	154	145
Audit of the financial statements of subsidiaries	34	30	5	5
<b>Total remuneration of Victorian Auditor-General's Office</b>	<b>188</b>	175	<b>159</b>	150
Remuneration of other auditors :				
Internal audit services	90	29	90	29
<b>Total remuneration of other auditors</b>	<b>90</b>	29	<b>90</b>	29
<b>Total Remuneration of Auditors</b>	<b>278</b>	204	<b>249</b>	179

The Victorian Auditor-General's Office is not allowed to provide non-audit services.

## 9. OTHER DISCLOSURES

	Consolidated		Institute	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>9.1 Other economic flows included in net result</b>				
<b>(a) Net gain/(loss) on non-financial assets</b>				
Revaluation of investment properties	(6,303)	(4,676)	(6,594)	(5,626)
Net gain/(loss) on disposal of leased assets	(156)	(128)	(156)	(128)
Net gain/(loss) on disposal of physical assets	(1)	235	(1)	235
<b>Total net gain/(loss) on non-financial assets and liabilities</b>	<b>(6,460)</b>	<b>(4,569)</b>	<b>(6,751)</b>	<b>(5,519)</b>
<b>(b) Net gain/(loss) on financial instruments</b>				
Net gain/(loss) realised on revaluation of financial investments	(6)	2,256	-	2,117
Net gain/(loss) realised on disposal of financial investments	(572)	-	(564)	-
<b>Subtotal net gain/(loss) on financial investments</b>	<b>(578)</b>	<b>2,256</b>	<b>(564)</b>	<b>2,117</b>
Net gain/(loss) on financial liabilities at amortised cost	(33)	(183)	(33)	(183)
<b>Total net gain/(loss) on financial instruments</b>	<b>(611)</b>	<b>2,073</b>	<b>(597)</b>	<b>1,934</b>
<b>(c) Other gains/(losses) from other economic flows</b>				
Net gain/(loss) arising from revaluation of leave liabilities	407	478	407	478
<b>Total net gain/(loss) from other economic flows</b>	<b>407</b>	<b>478</b>	<b>407</b>	<b>478</b>

Net gain/(loss) from revaluation of long service leave liability and annual leave liability are changes arising due to changes in bond and discount rates.

'Other economic flows' are changes arising from market remeasurements. They include:

- gains and losses from revaluations of investments properties
- gains and losses from disposal of non-financial assets
- gains and losses from disposal of financial investments; and
- gains and losses on financial liabilities at amortised cost

This classification is consistent with the whole of government reporting format and is allowed under AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

# HOLMESGLEN INSTITUTE

Notes to the financial statements

## 9. OTHER DISCLOSURES

	Note	Consolidated		Institute	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>9.2 Equity reserves</b>					
<b>(a) Contributed Capital</b>					
Balance at 1 January		122,807	122,807	122,807	122,807
<b>Balance at 31 December</b>		<b>122,807</b>	<b>122,807</b>	<b>122,807</b>	<b>122,807</b>
<b>(b) Reserves</b>					
<b>Composition of Reserves</b>					
<b>Physical asset revaluation surplus</b>					
Land		169,685	169,685	169,685	169,685
Buildings		156,232	128,853	156,232	128,853
Plant and Equipment		2,870	2,870	2,870	2,870
<b>Balance at 31 December</b>		<b>328,787</b>	<b>301,408</b>	<b>328,787</b>	<b>301,408</b>
<b>Movements in Reserves</b>					
Balance at 1 January		301,408	301,408	301,408	301,408
Revaluation increment on non-current assets		27,379	-	27,379	-
<b>Balance at 31 December</b>		<b>328,787</b>	<b>301,408</b>	<b>328,787</b>	<b>301,408</b>
The asset revaluation reserve for land and buildings and plant and equipment comprises increments/(decrements) arising from asset revaluations.					
<b>Land</b>					
Balance at 1 January		169,685	169,685	169,685	169,685
<b>Balance at 31 December</b>		<b>169,685</b>	<b>169,685</b>	<b>169,685</b>	<b>169,685</b>
<b>Buildings</b>					
Balance at 1 January		128,853	128,853	128,853	128,853
Revaluation increment on non-current assets		27,379	-	27,379	-
<b>Balance at 31 December</b>		<b>156,232</b>	<b>128,853</b>	<b>156,232</b>	<b>128,853</b>
<b>Plant and Equipment</b>					
Balance at 1 January		2,870	2,870	2,870	2,870
<b>Balance at 31 December</b>		<b>2,870</b>	<b>2,870</b>	<b>2,870</b>	<b>2,870</b>
<b>(c) Accumulated surplus / (deficit)</b>					
Balance at 1 January		180,018	177,374	158,758	156,667
Net operating result for the year		6,977	2,644	7,188	2,091
<b>Balance at 31 December</b>		<b>186,995</b>	<b>180,018</b>	<b>165,946</b>	<b>158,758</b>
<b>Total equity</b>		<b>638,589</b>	<b>604,233</b>	<b>617,540</b>	<b>582,973</b>

## 9. OTHER DISCLOSURES

### 9.3 Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities:

Name of entity	Class of shares	Country of incorporation	Equity holding	Equity holding
			2025	2024
Holmesglen International Training Services Pty Ltd	Ordinary	Australia	100%	100%
Glenuc Pty Ltd	Ordinary	Australia	100%	100%
Holmesglen Foundation	N/A			

### 9.4 Events after reporting date

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

### 9.5 New or amended Accounting standards and Interpretations adopted

There are no new Australian Accounting Standards and interpretations that have an impact on Holmesglen Institute and its controlled entities that are mandatory for the 31 December 2025 reporting period.

# Independent Auditor’s Report

## To the Board of Holmesglen Institute

<b>Opinion</b>	<p>I have audited the accompanying statement of performance of Holmesglen Institute (the institute) which comprises the:</p> <ul style="list-style-type: none"> <li>• statement of performance for the year ended 31 December 2025</li> <li>• declaration by Board Chair, Chief Executive and Chief Finance and Accounting Officer.</li> </ul> <p>In my opinion, the statement of performance for Holmesglen Institute in respect of the year ended 31 December 2025 presents fairly, in all material respects, in accordance with the performance reporting requirements outlined by the Minister in the statement of priorities.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the Statement of Performance</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 <i>Code of Ethics for Professional Accountants (including Independence Standards)</i> (the Code) that are relevant to my audit of the statement of performance in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board’s responsibilities for the statement of performance</b>	<p>The Board are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements outlined by the Minister in the statement of priorities and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<b>Auditor’s responsibilities for the audit of the statement of performance</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the statement of performance based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the statement of performance 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.</p> <p>Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p> <p>Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this statement of performance.</p>

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**Auditor's responsibilities for the audit of the statement of performance (continued)**

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of statement of performance, 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 institute's internal control.
- evaluate the overall presentation, structure and content of the statement of performance, including the disclosures, and whether the statement of performance represents the underlying events and results 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.

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MELBOURNE  
26 March 2026



Kevin Chan  
*as delegate for the Auditor-General of Victoria*

**HOLMESGLEN INSTITUTE**

**Declaration by Board Chair, Chief Executive and Chief Finance and Accounting Officer**

In our opinion, the accompanying Statement of Performance of Holmesglen Institute, in respect of the 2025 financial year is presented fairly.

The Statement outlines the performance indicators as determined by the Minister. It also includes the pre-determined targets, the actual results for the year and an explanation of any significant variance between the actual results and performance targets.

As at the date of signing, we are not aware of any circumstance which would render any particulars in the Statement to be misleading or inaccurate.



Michael Gorton AM  
Board Chair

Date 18 March 2026  
Place Chadstone



Mary Faraone  
Chief Executive

Date 18 March 2026  
Place Chadstone



Gulay Cuvegen  
Chief Finance and Accounting Officer

Date 18 March 2026  
Place Chadstone

# Statement of performance

Statement of performance for year ending 31 December 2025

Indicator title	Description and methodology	Measure	2025 Target*	2025 Actual	Explanation of variances	Prior year result
<b>Training revenue diversity</b>	Breakdown of training revenue by:	%			No significant variances between the actual results and our targets.	
	• Government Funded (GF)		56.4%	60.9%		57.8%
	• Fee for Service (FFS)		30.4%	26.6%		30.7%
	• Student Fees and Charges		13.2%	12.4%		11.4%
<b>Employment costs as a proportion of training revenue</b>	Employment and third party training delivery costs as a proportion of training revenue	%	100%	91.7%	Target exceeded due to decreased employee expenses.	86.9%
<b>Training revenue per teaching FTE*</b>	Training revenue (excl. third-party) per Teaching FTE*	\$	\$243,232	\$264,705	Target exceeded due to a lower than budgeted teaching FTE.	\$242,965
<b>Operating margin percentage</b>	Operating margin %  <i>EBIT (excl. capital contributions)/Total revenue (excl. capital contributions)</i>	%	-8.6%	6.8%	Target exceeded due to decreased employee expenses.	2.5%

\*The 2025 targets are based on the performance measures outlined in the Institute's Statement of Corporate Intent.

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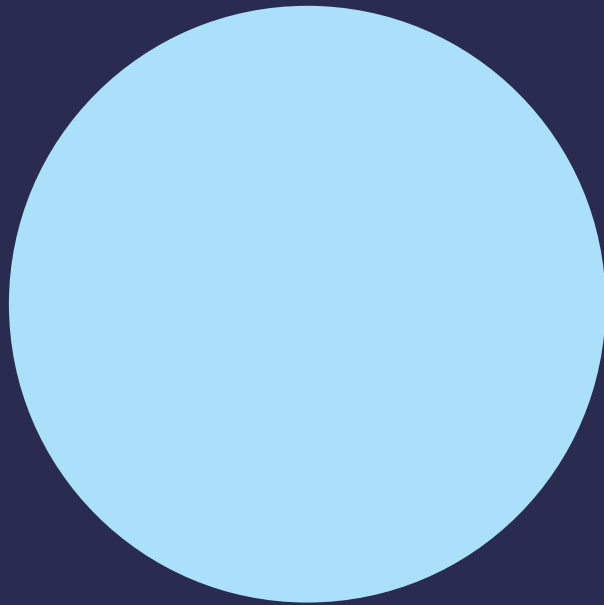
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Melbourne, VIC 3000

**Chadstone campus**

Corner Batesford and Warrigal Roads,  
Chadstone, VIC, 3148

**Drummond Street campus**

41 Drummond Street,  
Chadstone, VIC, 3148

**Glen Waverley campus**

595 Waverley Road,  
Glen Waverley, VIC 3150

**Holmesglen at Eildon**

92 Moore Road,  
Eildon, VIC, 3148

**Moorabbin campus**

488 South Road  
Moorabbin, VIC, 3189

**North Melbourne - Futuretech**

200 Arden Street,  
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