

AMES Australia ANNUAL REPORT

2021–2022



Education
and Training

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PART A: REPORT OF OPERATIONS

Declaration in Report of Operations

In accordance with the *Financial Management Act 1994*, I am pleased to present the AMES Australia Annual Report for the year ending 30 June 2022.



William Stuart Crosby
AMES Australia Board Chair
1 September 2022

Attestation for financial management compliance with Standing Direction 5.1.4

AMES Australia Financial Management Compliance Attestation Statement

I, William Stuart Crosby, on behalf of the Board of AMES Australia (Responsible Body), certify that AMES Australia has no material compliance deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



William Stuart Crosby
AMES Australia Board Chair
29 August 2022



Joint statement from the Board Chair and CEO of AMES Australia

The recent past has presented extraordinary challenges for AMES Australia and its staff. The two most recent years, one of which marked 70 years of AMES Australia's work supporting migrants and refugees to settle, were dominated by the pandemic.

During this period, we saw refugee and migrant arrivals come to a halt and, for much of the time, face-to-face learning switched to online platforms.

In August 2021 the Taliban seized control of Afghanistan's capital Kabul, sparking an exodus of thousands of Afghans, including many who had worked with western governments and organisations over the previous 20 years. In September, AMES Australia welcomed around 2,000 refugees from Afghanistan over a period of just 15 days; this coming after almost 2 years of virtually no refugee arrivals because of Australia's closed borders. The influx represented more than 60% of AMES Australia's historical average annual refugee arrivals.

We were presented with the challenge of welcoming, housing, feeding, clothing and providing for the medical, mental health and other essential needs of the new arrivals. By leveraging relationships with corporate and community partners, volunteers and stakeholders, AMES Australia was able to supply the Afghan refugees with the material and intangible requirements to support them through a confronting and difficult period.

More than \$1 million worth of donated goods were collected and distributed to the refugees. Over 4,000 medical appointments were made and COVID-19 testing and vaccination arrangements were put in place. A donations hub was established at the Multicultural Hub in Melbourne's CBD where refugee families could collect the items they needed such as clothes, shoes, toiletries, toys and school materials.

We were able to find a large quantity of short-term accommodation in the Melbourne CBD in what would normally be international student units, empty because of the pandemic. Amazing support was forthcoming from corporate and local business donors, community groups and the local Afghan community.

AMES Australia also launched an extensive and sophisticated messaging campaign to make sure the new arrivals had access to information about COVID-19 health protocols as well as the services available to them.

We overcame extraordinary challenges, exacerbated by the pandemic, to support these families, many of whom arrived with little more than the clothes they were wearing.

Nine months after the first Afghan arrivals, almost 800 families have been helped to find their own homes, 600 have been supported to find work and 400 more are on educational or training pathways. Almost 800 children have been enrolled in schools.

It is an understatement to say that we are extremely proud of the way AMES Australia's dedicated staff, volunteers and partners rose to the challenge of the sudden arrival of a large number of people in September 2021. It was an incredible effort by everyone.

In February 2022, following the outbreak of war in Ukraine, AMES Australia began welcoming refugees from Europe for the first time since the Balkans conflicts of the 1990s.

While the past few years have presented difficulties, AMES Australia as an organisation has learned from these experiences; we have adapted the way we work and become more agile. We continue to deliver education and training programs both digitally and in classrooms, taking advantage of a whole new suite of digital learning resources we have developed to give learners flexibility and convenience.

As well as effectively delivering program content, our approach improves digital literacy among our students and clients, which is increasingly important to their capacity to navigate an ever more online society.

We have been able to place large numbers of jobseekers in work, even during pandemic lockdowns, and we have become a leading provider of the Jobs Victoria Employment Service (JVES) program.

Our work with diverse youth and in the prevention of violence against women in diverse communities has continued, as have our community development and capacity building programs and Skilled Professional Migrant Program.

Recently, AMES Australia has also become a provider of National Disability Insurance Scheme (NDIS) services, in keeping with our vision of providing an integrated suite of services that support both successful settlement and diverse emerging communities.

As international borders open and migrants and refugees again begin arriving in Australia, we at AMES Australia are ready to continue to support what has been a successful settlement program. A well-resourced immigration program will be critical to Australia's recovery from the economic effects of the pandemic. With the new Australian Government's commitment to increase the annual refugee intake to 27,000 over coming years, AMES Australia's work in supporting successful settlement will be vital in harnessing the skills and experience migrants and refugees bring with them.

We have been building our capacity and staff numbers and improving our systems to be able to continue to play our significant role in Australia's post-pandemic immigration and humanitarian settlement programs.

We are inspired by the resilience, hard work and agility shown by employees across AMES Australia in continuing to deliver services to our clients in the face of such difficult circumstances.

We would also like to acknowledge and thank AMES Australia's volunteers for their selfless contributions, as we acknowledge the contribution and hard work of members of the Executive and Board of AMES Australia.

It is clear that AMES Australia will continue to face challenges in an increasingly uncertain world in which the economic shocks caused by the conflict in Ukraine are reverberating. But we believe we are well positioned to respond to any challenges that arise and to seize opportunities that come along.

From the stresses of the past few years, AMES Australia emerges a more resilient, agile and innovative organisation while retaining the capacity and expertise to continue to support migrants, refugees and diverse communities as they find their place in Australian society and bring their contributions to its diversity and richness.

William Stuart Crosby
Board Chair

Catherine Scarth
Chief Executive Officer

About AMES Australia

AMES Australia is a Victorian statutory authority supporting culturally and linguistically diverse (CALD) communities and providing public value through its seamless end-to-end settlement services. It also shares its expertise with other countries to develop policies and practices that will lead to effective resettlement programs around the world.

In 2021–22, AMES Australia provided a comprehensive range of settlement support, English language and literacy tuition, vocational training, employment services and NDIS services in Victoria, South Australia, Tasmania and New South Wales, to the following cohorts:

- refugees and asylum seekers
- skilled and recently arrived migrants
- job seekers
- youth
- people living with a disability.

AMES Australia focuses on the strengths and skills of individuals and encourages them to use and develop these assets to assist their successful settlement. This strengths-based philosophy underpins its services.

AMES Australia recognises the benefits of working in partnership with government, employers, community groups, settlement agencies, educational institutions and specialist organisations to provide effective services. AMES Australia undertakes research to generate new knowledge about its clients and their communities, providing credible evidence to underpin service development and practice. This research is also used to inform government and stakeholders on policies that affect the settlement of groups and individuals.

Vision

Full participation for all in a cohesive and diverse society.

Aspiration

Continue to increase social and economic inclusion for the multicultural community as a national specialist provider, connector and adviser.

Strategic priorities

- Provide integrated current core services
- Diversify service provision
- Lead in digital delivery to multicultural community

Supporting priorities

- Build organisation capability and skills
- Operate as a connected organisation
- Focus on influencing and partnering

Services delivered in 2021–22 through Commonwealth and Victorian Government contracts

Service name	
Humanitarian Settlement Program (AMES Australia and subcontractors)	7,618 refugees
Status Resolution Support Services (AMES Australia and subcontractors)	554 asylum seekers
Adult Migrant English Program (AMES Australia and subcontractors)	543 students
Skills First (AMES Australia)	1,532 students
Skills for Education and Employment Program (consortium)	1,390 students
Pre-accredited Language Program (AMES Australia)	1,852 students
jobactive (AMES Australia (NSW) and consortium)	26,641 job seekers

Corporate governance

Establishment

From humble beginnings teaching English to new arrivals in makeshift classrooms in 1951, AMES Australia has grown to be Australia's pre-eminent service provider supporting multiculturalism and helping hundreds of thousands of people build new lives in Australia.

AMES Australia was established under the *Education Act 1958* and reconstituted under the *Council of Adult Education Act 1981*. On 1 March 2001, the *Council of Adult Education Act 1981* was repealed, and the institution continued as Adult Multicultural Education Services under the *Adult, Community and Further Education Act 1981*. Since 1 July 2007, AMES Australia has operated under the *Education and Training Reform Act 2006*. In August 2015, the Governor in Council made an order to change the name of Adult Multicultural Education Services (AMES) to AMES Australia.

AMES Australia is a statutory authority governed by a board, accountable to the Victorian Minister for Training and Skills, and Minister for Higher Education.

Objectives and functions

Objectives in accordance with the *Education and Training Reform Act* (the Act) include:

- to perform its functions for the public benefit by:
 - operating its businesses, delivering educational services and utilising assets that it manages on the State's behalf as efficiently as possible
 - ensuring that it is sustainable in the medium to long-term
 - ensuring that its procedures, policies and practices are consistent with prudent commercial practice
 - endeavouring to maximise its contribution to the economy and well-being of the State
- to provide the community served by the institution with efficient and effective adult, community and further education, vocational education and training, employment and other associated programs and services responsive to the needs of that community
- to facilitate adult, community and further education, knowledge acquisition and skills for employment through excellent teaching, innovation and educational leadership that delivers quality outcomes
- to monitor the structure, reach and accessibility of services to maximise their availability to new and emerging communities and client groups.

Functions in accordance with the Act include:

- to undertake generally the development and provision of adult, community and further education, vocational education and training, employment and other associated programs and services considered necessary for the objectives of the adult education institution
- to provide facilities or services for study, research or education
- to undertake research, development, counselling or other services for commercial organisations
- to aid or engage in the development or promotion of research by the institution or the application or use of the results of that research
- to prepare, publish, distribute, or licence the use of literary or artistic work, audio or audiovisual material or computer software
- to seek or encourage gifts to the institution or for institution purposes
- to provide facilities for use by the community
- any other function conferred on the institution by or under the Act or an Order in Council.

In addition to the objectives and functions set out in the Act, the Constitution of AMES Australia states that the:

- objectives of AMES Australia include providing specialist settlement services which improve the social and economic opportunities for people from CALD backgrounds
- functions of AMES Australia include undertaking generally the development and provision of specialist settlement services considered necessary for the objectives of the institution.

AMES Australia Board

The Board governs and sets the overall strategic direction of AMES Australia. The Board consists of ministerial nominee and board nominee directors appointed by the Minister for Training and Skills and Minister for Higher Education. The Governor in Council appoints the Board Chair.

Board members

	Appointment term during the reporting period	Committee membership	Board meeting attendance
William Stuart Crosby, Board Chair	2019–22	# &	5/6
Stuart Alford	2021–23	+ &	6/6
Vedran Drakulic OAM	2021–24	# &	6/6
Dr Michelle Foster, Deputy Chair	2019–22	#	6/6
Catherina Toh	2019–22	+	6/6
Tracy Le	2021–24	+ &	6/6
Stelvio Vido (resigned on 23 November 2021)	2020–23	+	2/2
Florence Mauwa	2021–24	+	5/6
Molina Asthana	2021–24	#	6/6

+ Finance, Audit and Risk Management Committee
 # Appointments, Remuneration and Governance Committee
 & Investment Committee

Board committees

Finance, Audit and Risk Management Committee

The Finance, Audit and Risk Management Committee has governance responsibility for financial and business affairs, and reports to the Board on matters relating to financial risk, program performance and resource management. The committee also monitors and reports to the Board on the effectiveness of risk management strategies. It oversees internal and external audits and reviews the effectiveness and efficiency of internal control structures and compliance systems.

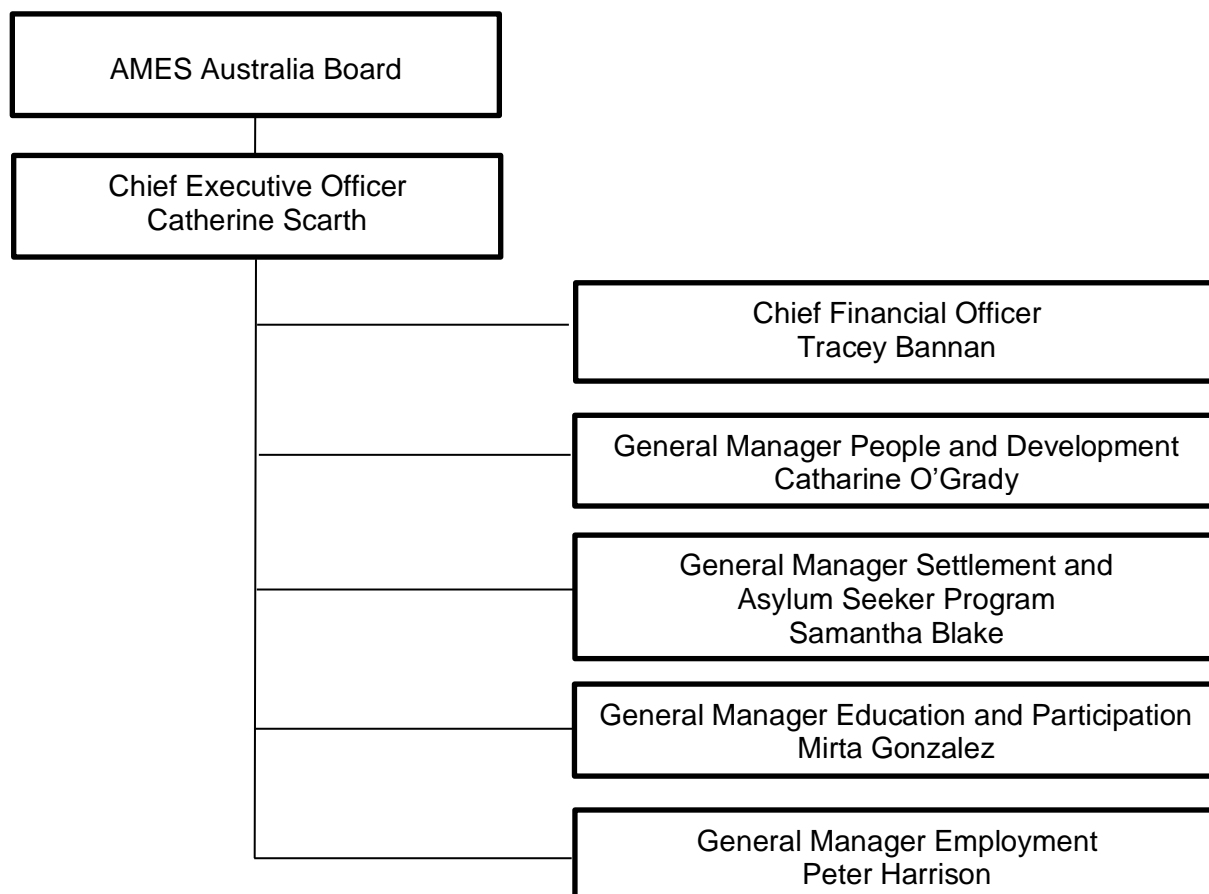
Appointments, Remuneration and Governance Committee

The Appointments, Remuneration and Governance Committee provides advice and recommendation to the Board on matters relating to board governance, appointment of board directors, executive remuneration and CEO's performance plan and assessment. The committee advises the Board on strategies to improve board governance and effectiveness of committees.

Investment Committee

The Investment Committee considers and makes recommendations to the Board on matters relating to investment in and expansion of current business in a financially sustainable manner.

Organisational structure as at 30 June 2022



Executive data

A member of the Senior Executive Service (SES) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004* or a person to whom the Victorian Government's *Public Entity Executive Remuneration Policy* applies.

SES as at 30 June 2022

Class	Male	Female	Self-described
PESES-2	0	1	0
PESES-1	1	4	0
SES who left during financial year 2021–22	1	0	0
SES reported as at 30 June 2021	2	5	0

This disclosure includes the Chief Executive Officer.

Workforce data

Headcount (H), full-time equivalent (FTE), full-time headcount (FTH) and part-time headcount (PTH) in the last full pay period in June 2022 and June 2021.

		June 2022								June 2021									
		All employees		Ongoing			Max term* & casual		Sessional		All employees		Ongoing			Max term* & casual		Sessional	
		H	FTE	FTH	PTH	FTE	H	FTE	H	FTE	H	FTE	FTH	PTH	FTE	H	FTE	H	FTE
Gender	Male	154	136	71	6	75	76	61	1	0	141	123	55	6	59	76	64	4	1
	Female	329	283	114	25	131	169	144	21	9	302	256	95	29	115	149	131	29	10
	Self-described	1	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0
Age	15–24	16	14	4	0	4	12	10	0	0	7	6	0	0	0	7	6	0	0
	25–34	82	75	25	4	28	53	47	0	0	84	76	15	4	18	64	58	1	1
	35–44	160	139	58	8	63	90	74	4	2	144	127	52	5	55	79	69	8	3
	45–54	101	86	37	8	42	52	42	4	2	91	76	35	12	44	37	31	7	2
	55–64	101	89	54	8	60	30	26	9	4	93	78	42	10	49	30	26	11	3
	65+	24	17	7	3	9	10	7	4	2	24	16	6	4	8	8	5	6	2
Admin+	1	3	0	0	0	0	3	0	0	0	1	0	0	0	0	1	0	0	0
	2	138	106	31	13	39	94	67	0	0	139	116	40	14	49	85	67	0	0
	3	171	160	79	10	85	82	74	0	0	135	124	47	11	55	77	70	0	0
	4	46	45	22	2	24	22	21	0	0	42	40	24	3	27	14	12	0	0
	5	44	42	27	4	30	13	12	0	0	38	36	15	3	17	20	19	0	0
	6	17	17	13	1	14	3	3	0	0	17	16	12	2	13	3	3	0	0
	7	4	3	2	0	2	2	1	0	0	2	2	2	0	2	0	0	0	0
Teaching^	1–2	16	16	0	0	0	16	16	0	0	11	11	0	0	0	11	11	0	0
	3–4	3	3	1	0	1	2	2	0	0	2	2	1	0	1	1	1	0	0
	5–6	1	1	0	0	0	1	1	0	0	2	2	1	0	1	1	1	0	0
	7–8	2	2	2	0	2	0	0	0	0	2	2	1	0	1	1	1	0	0
	9	11	11	8	1	9	2	2	0	0	10	10	6	2	80	2	2	0	0
	VET trainer & Sessional	22	9	0	0	0	0	0	22	9	2	2	0	0	0	2	2	33	11
Executive#	6	6	0	0	0	6	6	0	0	7	7	0	0	0	7	7	0	0	
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total		484	420	185	31	206	246	205	21	9	443	379	150	35	174	225	195	33	11

Note: Minor discrepancies in FTE are due to figures being rounded to the nearest whole number.

* Max term is an employment contract with nominated expiry date

+ Grades are in accordance with the AMES Australia Administrative Staff Agreement

^ Grades are in accordance with the AMES Australia Teachers Enterprise Agreement

Executive includes the CEO

Settlement and Asylum Seeker Program portfolio

AMES Australia provides a comprehensive and integrated range of on-arrival and continuing support that recognises the resilience of refugees and builds on their strengths to assist their successful settlement.

Humanitarian Settlement Program

AMES Australia, in partnership with selected subcontractors, provides initial settlement support to Refugee and Special Humanitarian visa holders. As the lead provider of the Humanitarian Settlement Program (HSP) in Victoria, Tasmania and South Australia, AMES Australia has delivered services under the HSP contract since 31 October 2017.

The HSP provides initial settlement support to humanitarian clients, both on arrival and during their initial settlement period, through coordinated case management tailored to the individual needs of all family members. During the initial settlement period, the HSP strengthens the ability of humanitarian clients to participate in the economic and social life of Australia and equips individuals with the skills and knowledge they need to obtain services independently.

Services provided to the individual or family include:

- on-arrival support, which includes reception, property induction and initial food provision
- assistance with registering with services, such as Centrelink, Medicare, banks and schools
- assistance with dealing with health services and employment services
- assistance with enrolling in education and training programs
- accommodation services, including provision of a basic household goods package
- an orientation program covering a range of topics, such as Australian law, health, transport and accommodation.

The HSP also provides specialised and intensive services for clients with exceptional or complex needs. These include mental health services, general practitioner services, occupational therapy, disability services, torture and trauma services, family violence interventions, family relationship counselling, child or youth services, accommodation, financial and legal services. Exit from the HSP is based on clients achieving clearly defined settlement outcomes.

AMES Australia delivers HSP services directly in Victoria from sites at Dallas, Footscray, Noble Park and Mildura, and in South Australia from sites in Adelaide and Salisbury.

AMES Australia works with a network of subcontracted partners to deliver HSP services across Victoria, Tasmania and South Australia.

- In Melbourne, AMES Australia works in partnership with Spectrum Migrant Resource Centre, MiCare, Redback Settlement Services, and Southern Migrant and Refugee Centre.
- In regional and rural Victoria, AMES Australia works in partnership with Bendigo Community Health Services, Ballarat Community Health Centre, Multicultural Community Services Geelong (Cultura) (formerly Geelong Ethnic Communities Council Inc. (Diversitat)), Uniting Care in Shepparton and Wodonga, and Mallee Family Care in Swan Hill.

- In Tasmania, AMES Australia works in partnership with the Migrant Resource Centre Tasmania.
- In South Australia, AMES Australia works in partnership with the Australia Migrant Resource Centre, Multicultural Youth South Australia and the Australian Refugee Association and, until May 2022, AnglicareSA.
- From March 2022, AMES Australia SA assumed responsibility for the provision of the on-arrival and long-term accommodation component of the HSP contract in Adelaide, and through White Lion King, the provision of basic household goods in Adelaide and Mount Gambier. Provision of HSP accommodation in South Australia presented some challenges.
- The AMES Australia Melbourne Housing Team provided extensive support in training staff and building contacts in the Adelaide rental market while the Adelaide Housing Team was being established.
- Given the lack of availability of motel accommodation with appropriate cooking facilities during March to April 2022, the Housing Team needed to secure more expensive CBD apartments to accommodate ongoing arrivals.
- Regular dialogue was maintained with the Department to communicate specific challenges with the rental affordability and availability in Adelaide. Client rent affordability rose from 30% of total income pre-COVID-19 to 55%.
- AMES Australia connected with a private real estate agency to scope local development options and commenced discussions with another agency (UnitingSA) about repurposing a former aged care facility for refugee accommodation.
- Student accommodation options were explored, however, none were available.

In the reporting period, AMES Australia and its subcontractors provided HSP services to 7,618 clients.

Humanitarian arrivals

With Australia's borders closed until December 2021 due to the COVID-19 pandemic, regular arrivals continued to be on hold. AMES Australia received emergency arrivals predominantly from Afghanistan, Syria, Iraq, Pakistan and Myanmar, and in August 2021 commenced receiving Afghan Locally Engaged Employees (LEE) arrivals auspiced by the Australian Defence Force. Over 3,000 Afghan LEE clients arrived in a short period necessitating urgent recruitment of additional staff to manage the additional case load.

The influx of Afghan evacuee arrivals also necessitated an immediate increase in on-arrival accommodation. To supplement AMES Australia's 2 existing on-arrival accommodation facilities in Reservoir and Werribee, 3 unused student accommodation facilities in the Melbourne CBD, one of which was purpose built and had not previously housed tenants, were secured.

AMES Australia provided clients with food packs and fresh and frozen ready-to-eat meals at these facilities and organised to have medical staff on-site to triage health issues.

The Department of Health provided on-site day 17 and 21 COVID-19 testing (following hotel quarantine release) and COVID-19 vaccinations at these facilities.

At the commencement of the Afghan evacuee arrivals, AMES Australia was responding to the State Government's work from home orders and site offices were closed. AMES Australia identified a need to have a presence in the Melbourne CBD to enable distribution of material aid, food vouchers, and other essentials to clients residing in the central student accommodation. As AMES Australia staff were deemed essential workers they were able to open the Melbourne Multicultural Hub and the Drill Hall – centralised locations close to the

CBD accommodation – for clients to access assistance. A security guard/COVID Marshal was employed to ensure the State Government’s COVID-19 requirements were met.

Clients were able to:

- complete forms for Centrelink and Medicare
- apply for ImmiCards
- have identification photos taken
- access Refugee Health Nurses
- receive food vouchers
- access material aid: with the help of volunteers, families were provided with donated items such as clothing, baby formula and nappies, food packs and suitcases.

The reopening of Australia’s borders in December 2021 saw large numbers of 202 visa holder arrivals. Of the clients arriving on 202 visas, 592 arrived in December and a further 213 arrived in January 2022. A significant number of these clients arrived either on short notice or with no notice as families or clients themselves booked their flights.

The war between Ukraine and Russia resulted in the arrival of Ukrainian nationals. This cohort initially arrived on self-funded flights and most arrived on a tourist visa. Subsequent to their arrival, 654 Ukrainians were referred to AMES Australia in the reporting period. The Australian Government initially offered the Ukrainian cohort a Humanitarian Stay (Temporary – subclass 449) visa followed by a Temporary (Humanitarian Concern – subclass 786) visa. The offer of these visas by the Australian Government expired on 31 July 2022. A limited range of HSP services was available for these clients, with a focus on short-term support.

The housing market continued to contract significantly during this period, reducing low-income housing options particularly in regional Victoria, South Australia and Tasmania.

Humanitarian client arrivals by visa category

	2021–22	2020–21	2019–20	2018–19
Refugee (200, 201, 204, 785, 790, 801 and 866*)	1,423	544	2,680	3,306
Special Humanitarian Program (202)	1,716	92	2,594	2,579
Total	3,139	636	5,274	5,885

Humanitarian client arrivals by settlement location

	2021–22	2020–21	2019–20	2018–19
Melbourne	2,460	239	3,198	3,456
Regional Victoria	135	71	661	800
South Australia	500	313	990	1,095
Tasmania	44	13	425	534
Total	3,139	636	5,274	5,885

* Specialised and Intensive Services (SIS) clients: Holders of Protection (866), Temporary Protection (785), Temporary Humanitarian Stay (449), Temporary Humanitarian Concern (786) and Safe Haven Enterprise (790) visas may be eligible for SIS for up to 5 years after their arrival in Australia, or for up to 5 years after the granting of their eligible onshore visa.

Status Resolution Support Services

In January 2015, AMES Australia began delivery of Status Resolution Support Services (SRSS) to asylum seekers awaiting the outcome of their protection visa applications. Clients are provided with coordinated, integrated, needs-based support through a case worker. This includes contacting clients for regular welfare checks, referring them to health and mental health services, helping new arrivals find suitable housing, and connecting them with employment and social engagement opportunities. Financial assistance for SRSS clients is facilitated through Services Australia (formerly the Department of Human Services).

In January 2020, the Department of Home Affairs extended AMES Australia services until 30 June 2022, and in January 2021 executed a Deed of Variation for 2 further extensions, initially until 31 March 2023 and a second extension until 30 June 2023.

The tightening of the eligibility criteria for asylum seekers accessing SRSS resulted in a large number of SRSS recipients being removed from the program. In response to these changes, the AMES Australia Settlement team worked closely with the AMES Australia Employment team and a range of external agencies to fast-track asylum seekers into employment. AMES Australia will continue to work closely with other service providers to ensure that asylum seekers are well connected to health services, housing and employment support after leaving SRSS.

During the reporting period, services were provided to 554 SRSS clients (includes clients serviced by subcontractors).

AMES Australia is one of two SRSS service providers in Victoria and manages SRSS contract delivery in Victoria with a number of partners and subcontractors.

- Throughout Victoria: Redback Settlement Services provides transit services.
- In metropolitan Melbourne: the program subcontractor Spectrum Migrant Resource Centre opted not to continue providing services in the Melbourne region due to low numbers of clients. AMES Australia SRSS Case Management team absorbed Spectrum clients into their case load.
- In regional Victoria: Multicultural Community Services (Cultura), Mallee Family Care and Uniting (Victoria and Tasmania) Limited provide case management services.
- In Mildura: services are directly delivered by AMES Australia.

Asylum seekers faced many difficulties as a result of the COVID-19 pandemic. Low digital literacy and inadequate access to technology were identified as major barriers for clients requiring services in the community. AMES Australia developed targeted methods to help clients overcome these barriers and remain connected to the community.

National Disability Insurance Scheme

For over 70 years AMES Australia has supported CALD communities to settle in Australia. As part of the settlement journey, AMES Australia recognises the vital importance of enabling CALD communities to access and participate in the National Disability Insurance Scheme (NDIS).

The Australian Government scheme to fund costs associated with disability was legislated in 2013 and went into full operation in 2020.

CALD communities are significantly underrepresented in the NDIS, with only 9.5% of NDIS participants identifying as CALD, less than 20% of the CALD participation rate projected by the National Disability Insurance Agency when the scheme commenced.

Acknowledging the need to increase access to and involvement in the scheme for CALD communities, in September 2021 AMES Australia became a registered NDIS provider with a focus on support coordination. Support coordination uses a strengths-based approach to enable individuals to live independently in the community. The AMES Australia Support Coordination team builds capacity of participants to understand and use their NDIS plan, connects participants with NDIS providers, community, mainstream and other government services, while building participants' confidence and skills to use and coordinate their own supports in the long term.

While support coordination has been the primary focus of AMES Australia's NDIS program since services commenced in September, AMES Australia will continue to expand services to meet the needs of the CALD community through a variety of other services under our NDIS registration.

AMES Australia currently provides NDIS services in Victoria and South Australia.

Home and Community Care

In March 2022 AMES Australia formed a partnership with Kare ONE, a well-established Home and Community Care provider with over 17 years' experience delivering homecare, personal care and respite care services in South East Victoria. The partnership aims to expand Kare ONE services to CALD communities in Victoria, South Australia and Western Australia.

The Home and Community Care (HACC) program delivers a range of support services to frail older people and younger people who have functional disabilities and live in the community. The HACC program complements AMES Australia's NDIS services and extends the range of support the organisation delivers to the CALD community.

Education and training portfolio

AMES Australia Education delivers place-based English language tuition, and foundational, employability and vocational pathways contributing to the full economic and social participation of our diverse clients.

To assist people gaining suitable employment as quickly as possible, AMES Australia delivers programs combining accredited English language and foundation skills development from the English as an Additional Language (EAL) Framework with vocational content. Practical work exposure and placements are a critical component of employment focused programs. Programs are designed to meet the needs of people from refugee backgrounds and migrants, ranging from those seeking entry-level skills development and intensive English language programs to overseas-qualified professionals requiring career pathway advice and guidance. Education programs are responsive to the requirements of employers and industries offering employment opportunities and entry-level jobs for new arrivals.

Adult Migrant English Program

AMES Australia recognises that successful settlement and long-term integration into Australian society depend significantly on the ability to communicate through English. AMES Australia's English language services aim to teach language skills essential for social participation, employment, education and training.

AMES Australia delivers the Adult Migrant English Program (AMEP) across regional Victoria. The contract in the Wimmera Mallee region is delivered by AMES Australia in Mildura. Other regional contracts are delivered by subcontractors in Gippsland, Goulburn Murray and the

South Coast of Victoria. AMES Australia provides regional subcontractors with program support, contract management and professional development.

Mixed-mode delivery – combining online and print-based learning materials with some on-site interaction – adopted at the beginning of the COVID-19 pandemic continued into 2021–22. Student engagement remained high with flexible arrangements demonstrating the effectiveness of mix-mode delivery. Full face-to-face delivery resumed in early 2022.

Outcomes

	Students	Classroom attended hours
AMEP – AMES Australia and subcontractors	543	94,519

Skills First

AMES Australia offers English language and vocational accredited training programs through the Victorian Government Vocational Education and Training Skills First program. In the reporting period, 1,532 students participated in foundation language training at Initial, Course and Certificate Levels I to III from the EAL Framework, and Vocational Education and Training industry-entry qualifications.

A total of 82 students (81 Skills First-funded and one fee-for-service) undertook the Certificate III in Early Childhood Education and Care, and 75 students (72 Skills First funded and 3 fee-for-service) completed the Certificate III in Individual Support – Ageing, Home and Community. These courses opened employment pathways for students completing foundation skills programs.

AMES Australia continued to develop flexible modes of education delivery in response to the ongoing challenges posed by COVID-19 restrictions as well as building the foundations for new opportunities based on emerging student and industry expectations. Mixed-mode and hybrid delivery motivated students to apply and strengthen their digital literacy skills, enabling continued contextualised language, literacy and numeracy skills development online and face-to-face.

Outcomes

	Students	Total hours	Unit completion rate	*Certificate completion rate
Skills First – AMES Australia	1,532	610,888	64%	28%

* Pre-certificate-level programs do not achieve certificates

Adult, Community and Further Education Board pre-accredited training

Pre-accredited training responds to the needs of adults who may have encountered barriers to education and require an initial, non-assessed entry or re-entry into learning. These courses serve as stepping stones into future education, training and employment.

During the reporting period, 1,852 students received 97,083 hours of pre-accredited training funded by the Victorian Government through the Adult, Community and Further Education (ACFE) program. Of these, 288 students were enrolled in courses designed for professional migrants, such as Pronunciation for Professionals.

Courses offered ranged in length from one or 2-week intensive to 10-week programs, providing contextualised language, literacy, numeracy and digital skills development and pathways to further study or employment or both.

Short courses in Digital Skills for Study and for Life were delivered through AMES online learning environment. Other ACFE courses were converted to an online format to continue delivery throughout COVID-19 disruptions to face-to-face classes.

Outcomes

	Students	Total student contact hours	*Module satisfactory attendance rate
ACFE – AMES Australia	1,852	97,083	72%

* ACFE and Asylum Seeker ACFE

Skills for Education and Employment program

The Skills for Education and Employment (SEE) program – funded by the Commonwealth Department of Education, Skills and Employment (DESE) – seeks to improve the language, literacy, numeracy and digital skills of job seekers registered with Services Australia and assist them obtain employment.

AMES Australia is contracted to deliver the SEE program in 4 of the 8 contract regions in Victoria: Inner Metropolitan Melbourne, South East Melbourne and Peninsula, Goulburn Murray and Wimmera Mallee. AMES Australia’s partners in delivering services include the Carlton Neighbourhood Learning Centre, Carringbush Adult Education and the Wingate Avenue Community Centre.

With a focus on continuous improvement, AMES Australia continued to provide remote delivery throughout 2021–2022 resulting in SEE contract regions largely meeting DESE key performance indicator targets. AMES Australia SEE consortium delivered training to 1,390 students. Of all students who commenced training, 87% achieved ‘learning outcome gains’ as measured by the Australian Core Skills Framework. Students also achieved vocational competencies, focusing on practical work skills, customer service and office administration.

Outcomes

	Students	Total student contact hours	Learning outcome gains (includes EAL and industry)
SEE consortium	1,390	384,276	87.3%

Engage! program

The Engage! program, funded by the Victorian Office of Youth, Department of Families, Fairness and Housing, aims to create community connection by fostering young people’s participation in their local community. AMES Australia delivers the program in the South East, Inner East, and Western Metropolitan regions of Melbourne. While COVID-19 restrictions continued to significantly impact opportunities for participation in activities, AMES Australia worked closely with partners to offer online options and had 368 young people engaging in the program. Activities and programs included:

- Driving to Employment: 450 minutes of free driving lessons, plus road safety session
- World of Work: introduction to a wide range of businesses and industries to help participants better understand Australian work cultures and environments, and their employment rights

- Be Heard: developing young people's leadership qualities, self-advocacy skills and decision-making abilities
- Get Active: an opportunity for young people to participate in a range of online wellbeing sessions focused on physical movement and managing stress
- First Aid Training – providing young people an opportunity to gain their accredited first aid certificate.

Employment preparation programs for refugees in South Australia

Supported by Scanlon Foundation funding, AMES Australia delivered 2 employment preparation programs – *Volunteering: a Pathway to Employment* and *Driving to Employment* – for refugee clients in South Australia. A total of 45 clients were registered to participate in the 2 programs.

Volunteering: A Pathway to Employment, aimed to help skilled and professional refugees to plan a career pathway in Australia that matched their overseas skills and qualifications, connect them with local employers and government programs, and secure employment and volunteering opportunities in line with their career goals. The program, delivered in partnership with local agencies, included career counselling, volunteering in a workplace, and vocational skills training, which helped participants gain vocational and communication skills for the workplace. Of the 23 clients registered for the program 56% gained employment, 26% enrolled in further studies, 9% opened a small business and 9% engaged in volunteering.

Driving to Employment, delivered in partnership with the Australian Refugee Association (ARA) in South Australia, provided 10 hours of subsidised driving lessons to 22 clients of 'working age'. All participants recognised that being able to drive was a key factor in securing employment. Engaging driving instructors from the participants' own cultural and linguistic backgrounds made communication easier for participants with lower levels of English, enhancing trust and a sense of safety and confidence. Co-payment arrangements cemented participants' commitment to the program while increasing the number of lessons the program could provide. The driving program was linked to ARA's Employment Pathways Program to support further job search activity.

Skilled Professional Migrants Program

The Skilled Professional Migrants Program (SPMP) is a 3-week intensive online program that helps professionally qualified migrants with job search skills, resumé preparation, job applications, interview skills and networking. The program also develops participants' understanding of the Australian job market and workplace culture. Participants receive feedback from corporate volunteers, are offered mentoring by industry professionals after completing the course and join an SPMP alumni group that facilitates networking and information exchange.

Results of the last SPMP survey indicated that 91% of participants were employed after completion of the course with 58% working in professional roles. In 2021–22, 81 clients participated with 79% funded through ACFE.

Intensive International English Language Testing System preparation course

Intensive International English Language Testing System (IELTS) preparation is designed for people intending to sit the Academic IELTS Test; study at a TAFE or university; gain recognition of overseas qualifications in Australia; for visa purposes; or to gain evidence of high-level English. During the reporting period, 126 clients participated in the program.

Occupational English Test preparation course

The Occupational English Test (OET) preparation course for health professionals is designed for health professionals intending to take the OET exam in order to gain recognition of their overseas qualifications and meet the requirements of the Australian Health Practitioner Regulation Agency. During the reporting period, 61 clients (doctors, nurses, dentists, pharmacists and physiotherapists) were enrolled in the course.

Community development and social participation

AMES Australia seeks to create opportunities for new arrivals to participate in community life, form strong social bonds with their cultural groups and build bridges into the broader community. Social inclusion creates an environment that is conducive to successful settlement.

Community development

To maintain a strong dialogue with client communities, AMES Australia undertakes consultations to gain insight on a range of issues affecting the settlement of its clients. The information received helps develop initiatives that respond directly to client needs and strengthen service provision. Additionally, consultations provide an opportunity to link new and emerging communities with mainstream service providers, building the capacity of these communities.

The Community Development team worked with client communities throughout the COVID-19 period and conducted 12 ethno-specific consultations for a total of 291 people, targeting Horn of Africa Arabic-speaking, Karen, South Sudanese, Vietnamese and Indian communities in Melbourne, and Congolese and Burundian communities in Mildura. Consultations focused on health messaging about COVID-19 vaccinations and other health awareness raising campaigns.

The Community Development team worked directly with client communities by contacting individuals by phone and online throughout the COVID-19 lockdown periods. The contact was critical in raising awareness of support available and how to keep safe. Feedback gathered from these contacts was directly reported to local councils, the Victorian Department of Health, and other relevant services.

During the reporting period, AMES Australia continued to build the capacity of CALD clients through a range of funded projects.

- *Business Matters*, a project funded by the Information Linkages and Capacity Building Program, implemented in partnership with Amaze, focused on peer support to help Arabic-speaking individuals with disabilities exploring pathways to employment or to setting up small business. Despite the ongoing impact of COVID-19, 12 Arabic-speaking people with a disability completed the second round of training, followed by further exploration of opportunities with their mentors.
- *Opening Minds Building Futures*, a partnership between AMES Australia and Centre for Multicultural Youth that combines expertise and skill sets of multicultural youth workers and career counsellors to support young people through a strength-based, co-designed and culturally sensitive approach. This career development project is designed to engage, inform and empower young people to identify career goals and to build the confidence of parents and school influencers to provide advice to young people. The project commenced in November of 2021 and has focused on Years 7-10 students from Pasifika and South Sudanese communities in Melton, Brimbank, Casey and Dandenong to facilitate the development of diverse career pathways.

International representation

Over the past 14 years AMES Australia has been represented on the Refugee Council of Australia Board of Management to ensure that the voices of humanitarian client groups are heard at national and international levels. During this time AMES Australia has presented to and actively participated in United Nations High Commissioner for Refugees (UNHCR) annual consultations.

During the reporting period, the focus of international work was on building refugee self-representational and advocacy skills to give a voice to refugee issues at UNHCR forums. To support this process AMES Australia developed an internal application process whereby 3 staff from a refugee background were selected, trained and mentored to participate in state, national and international forums.

Examples of international representation

Date	Forum	Activity
8 July 2021	Refugees Alternative Conference	Presentation on Importance of Self-Representation
8 December 2021	UNHCR – High Level Officials Dialogue	Presentation – The Needs of the Elderly
5 June 2022	Refugee Steering Committee	Drafting refugee statement for Annual Tripartite Consultations on Resettlement (ATCR) 2022
7 June 2022	ATCR 2022 NGO Australasia meeting	Participation in the annual NGO conference
13 June 2022	Refugee Steering Committee ATCR	Advocacy planning for ATCR 2022
20–23 June 2022	ATCR 2022	Participation at annual conference on global protection, complementary pathways, innovative partnership and financing

Skilled Migration Service

Established in September 2019, AMES Australia's Skilled Migration Service (SMS) is a certified social enterprise that provides immigration advice and visa application assistance to individuals and Australian employers on a fee-for-service basis. Services included:

- advice on visa eligibility and mapping visa pathways to temporary and permanent residency
- preparation and lodgement of temporary and permanent visa applications
- end-to-end visa application management until a final response was received.

In the 2021–22 financial year the SMS continued to be impacted by COVID-19 international travel restrictions. During this period the SMS lodged 50 visa applications, mostly for the Employer-sponsored, Family, Skilled and Global Talent visas, and conducted 42 paid consultations.

The SMS collaborated with international student organisations to improve the employability of international students, including through the provision of information sessions and the staging of events.

Community Support Program

AMES Australia is one of 12 Approved Processing Organisations selected by the Department of Home Affairs to deliver the Community Support Program (CSP) for a period of 5 years. AMES Australia commenced this service in March 2018. The CSP provides opportunities for community members or organisations in Australia to identify, pay for and support applications for refugee and humanitarian visa places for people in need of resettlement.

CSP provides an additional resettlement pathway for 1,000 people who are in humanitarian crises overseas. Places allocated to the CSP are included in the Refugee and Special Humanitarian Program national quota. Applicants must meet the eligibility criteria for a Refugee/Humanitarian visa and the Department of Home Affairs priorities. They must also demonstrate they have a pathway to employment on arrival.

Approved Processing Organisations are responsible for:

- lodging Humanitarian visa applications on behalf of Australian supporters
- overseeing the delivery of settlement support to successful applicants for 12 months after arrival in Australia
- monitoring and reporting on settlement outcomes to the Department of Home Affairs.

AMES Australia continued to select new clients for the CSP and lodge visa applications throughout the year. Visa processing continued to be limited due to COVID-19 disruptions at overseas embassies that process visas.

In the reporting period 10 families were granted visas, and 16 families, comprising 49 individuals, arrived in Australia after prolonged border closures. Applicants came from Afghanistan, Eritrea, Ethiopia, Iraq and Myanmar.

Multicultural Hub and Drill Hall

Established in 2008, the Multicultural Hub (the Hub) and Drill Hall are owned by the City of Melbourne and managed by AMES Australia. Over the years, the Hub has built a strong reputation as an inclusive centre, supporting social participation and diversity in all forms. The Hub welcomes CALD communities, people from refugee backgrounds, international students, senior migrants, faith-based organisations and groups representing people identifying as lesbian, gay, bisexual, transgender or intersex, people experiencing homelessness and people with disability.

The Hub aims to strengthen community connections and foster goodwill by providing a central place for the city's culturally diverse communities to meet, interact and collaborate in a respectful and supportive environment. COVID-19 and associated lockdowns and restriction continued to impact the Hub's operations during the first 7 months of the reporting year.

However, with the arrival of 2,500 Afghan LEE evacuees between September and December 2021, who were accommodated in the CBD, and with approval and support of the City of Melbourne, the Hub functioned as an integrated service centre providing welcome, material aid, essential health and registration services. The City of Melbourne's Cultural Diversity Officer assisted Hub staff to implement a COVIDSafe Plan and facilitated COVID Marshals, waste and recycling and Child and Maternal Health services on-site.

The integrated model continued to operate between January and June 2022 and played a critical role in welcoming and supporting newly arrived refugees from Ukraine.

Relevant statistics from July 2021 to June 2022 include:

- 38,454 visitors were from multicultural backgrounds
- 1,641 events were held at the Hub
- 62 people participated in the Hub's free activities (including English conversation, Job Club, Reading and Talking Circles classes)
- 198 events with 35,180 attendees were held at the Drill Hall.

Preventing violence against women

AMES Australia's Prevention of Violence against Women (PVAW) Unit implemented several projects and initiatives focusing on cultural and organisational change contributing to enhance prevention of violence responses for women from CALD communities.

Outcomes and achievements include:

- AMES Australia was commissioned by the Victorian Department of Premier and Cabinet to assist multicultural, faith-based and ethno-specific organisations to respond to family violence during the COVID-19 pandemic. Activities included:
 - contacting more than 500 individuals and organisations during a community connections outreach, offering them the opportunity to speak with a trusted source and providing referral information for family violence support services
 - engaging graduates from a previous Chinese Languages PVAW Leadership Course to co-design educative tools to assist Chinese language communities in understanding the concept and use of coercive control within their communities
 - facilitating the co-design and production of a short video by CALD women who live with disabilities to encourage identification and response to family violence.
- AMES Australia's PVAW program was funded through a sector capacity building grant by Family Safety Victoria as part of a consortia with Whittlesea Community Connections and JewishCare Victoria, to support the multicultural sector in implementing Multi-Agency Risk Assessment and Management reforms. The outcomes are positive and additional funding has been granted to continue this work.

Three further grants for delivery of PVAW programs were secured in this reporting period: funding for a regional pilot, a Melbourne CBD program and an Afghan cohort program.

Employment portfolio

Sustainable employment breaks the cycle of economic dependence and contributes to the health and wellbeing of individuals and their families. AMES Australia works with job seekers and employers to prepare individuals for employment and match them with workforce opportunities.

jobactive

During the reporting period AMES Australia delivered employment services across metropolitan Melbourne under the Australian Government's jobactive program, through a consortium arrangement with ECHO Australia, Community Solutions Group (trading as SkillsPlus) and Uniting Victoria/Tasmania Employment Services. AMES Australia delivered employment services from 15 locations in metropolitan Melbourne: Broadmeadows, Dandenong, Footscray, Glenroy, Preston, Springvale, St Albans, Sunbury, Sunshine, Craigieburn, Epping, Melton, Noble Park, Werribee and Oakleigh. Outreach services are available at Gisborne, Whittlesea and Kinglake.

Consortium partners provided services in Cranbourne, Greensborough, Lilydale, Narre Warren, Ringwood, Wantirna, Frankston, Rosebud, Pakenham, Mornington, Hastings and Heidelberg. AMES Australia also provided employment services in Western Sydney as a jobactive subcontractor to WISE Employment in Liverpool, Cabramatta, Auburn and Bankstown.

AMES Australia supports job seekers relocating to regional areas in Victoria and interstate to take up employment opportunities and meet the labour needs of regional Australia. During the reporting period relationships were forged with Agriculture Victoria to assist the agriculture and dairy industries address labour shortages.

The COVID-19 pandemic resulted in significant disruption to the labour market as industry shut down and reopened on numerous occasions. In NSW, major flood events further impacted the labour market. Through the reporting period jobactive services were provided to 26,641 job seekers, and a total of 5,939 job placements were made across Victoria and New South Wales.

In addition, 112 job seekers were placed in 9 Work for the Dole activities that were relevant to their employment pathways. Appropriate activity placements were made available to provide a meaningful, stable and safe environment for participants to fulfil their annual activity requirements.

Outcomes

	Job seekers	New referrals	Job placements	26-week outcomes
jobactive – AMES Australia (NSW) and consortium	26,641	6,421	5,939	3,561

Integrated services

AMES Australia also delivered programs that provide integrated services for job seekers:

- ACFE Board short programs included 3 Steps, Job Facts, Preparation for a Forklift Licence and Preparation for a White Card. A focus on developing closer relationships with employers has led to a better understanding of skill requirements and job opportunities in the different employment regions. In particular, the We Are All Customers course, delivered online and in person was very successful in preparing clients to enter the Australian workforce.
- In support of the agricultural industry, a collaborative approach was developed between AMES Australia Education, Settlement and Community Participation portfolios to inform clients of regional opportunities and showcase and visit – virtually and physically – locations in regional Victoria with significant labour shortages.
- The Refugee Training and Employment program and the aligned Individual Pathways program supported 1,605 refugees across the AMES Australia’s Employment and Settlement portfolios.

During the reporting period, AMES Australia continued to deliver Jobs Victoria’s new employment services program, Jobs Victoria Employment Services (JVES). The \$1.8 million in funding from the Department of Jobs, Precincts and Regions will allow AMES Australia to deliver a specialised Refugee and Asylum Seeker Pathway program. This will target refugees and asylum seekers living in, or relocating to, the contracted regions – Central Highlands, Mallee, Wimmera Southern Mallee, Gippsland and Inner Metropolitan Melbourne. During the first year of operation the team has registered 331 job seekers and achieved 79 placements.

Partnerships

AMES Australia continues to seek partnerships and collaborations that will increase opportunities for job seekers:

- SERCO Australia is one of the world's largest recruitment providers, supplying public services to government, such as call centre staffing. Recruitment involves pre-screening and pre-employment training before job seekers commence paid employment. More than 100 AMES Australia clients have been placed through this important partnership.
- AMES Australia continues to sponsor Western Sydney Women (WSW) to help disadvantaged women from the South and Greater Western Sydney Regions overcome barriers to employment, education and independence. WSW runs workshops to help clients overcome stress and anxiety, budget and obtain community support, as well as focusing on career education and development.
- AMES Australia in NSW has continued to work closely with Community Corporate, which has partnered with Woolworths and IKEA to deliver the Refugee Employment Program for newly arrived refugees. The program comprises classroom-based training and mentoring and a 2-week work placement in a Woolworths or IKEA store. Participants who successfully complete both the theoretical and practical components of the program are offered a part-time position of up to 20 hours per week.
- A strong relationship has developed with Tailored Workforce, which has partnered with My Chemist Warehouse to deliver employment opportunities for both refugee and Indigenous clients. The program comprises both classroom-based and virtual training and mentoring to obtain a formal qualification in retail services. Successful participants are offered full or part-time employment, depending on the individual's requirements, of up to 35 hours per week in a My Chemist Warehouse location within the South and Greater Western Regions of Sydney.
- AMES Australia has continued to work closely with IPA Diversity recruitment to deliver employment opportunities for our Indigenous case load. AMES Australia facilitates the mentoring and skill development of Indigenous clients and refers them to IPA Diversity recruitment. This has enabled Indigenous clients to commence employment with IAG Insurance in a range of roles including claims assessors, underwriting, field assessors and customer service positions.
- To support job seekers re-engaging with the labour market and employers many AMES Australia sites partnered with local employers to run local, in-house Jobs Fairs. In the reporting period, Jobs Fairs were held across the South East, West, North West and North East Regions of Melbourne. These fairs successfully connected job seekers to local employers and current employment opportunities and assisted overcome the impacts of numerous lockdowns.
- The Local Jobs Program Recovery Fund project 'Power Up' in the Western region was sponsored by AMES Australia as the lead provider. This activity involved the delivery of resilience and employability skills training to 50 participants to build their capacity to secure and maintain employment. The activity also provided support for participants to attain driving licences as well as micro-financing information and support. The program aimed to provide participants with long-term personalised transport solutions to support sustained employment outcomes, including assistance to acquire a vehicle. Overall, there were:
 - 469 driving lessons undertaken
 - 13 drivers' licences obtained
 - a further 13 participants booked for a driver's licence test
 - 7 learner permits obtained
 - 5 participants who secured employment.

- AMES Australia also partnered with the Inspire Platform to deliver a licensing project aimed to secure driver licences for clients across all regions. There were:
 - 167 driving lessons delivered
 - 4 drivers' licences obtained
 - a further 11 clients booked for a driver's licence test
 - 4 learner permits obtained.

Corporate support

AMES Australia's services and programs are supported by the organisation's corporate support units, as follows.

Research and Policy Unit

The Research and Policy Unit leads, collaborates, and supports research and evaluation projects with internal service portfolios across the organisation, and externally as a partner or contractor to governments, universities, service providers and community organisations.

Through research and capturing the client voice, the unit documents successful practice, impact, and outcomes which contribute to the evidence base required for dialogue with key stakeholders and government agencies. Research projects comply with the National Statement on Ethical Conduct in Human Research (National Health and Medical Research Council 2018).

Social impact reporting

AMES Australia's social impact reporting aligns social impact measures to the 17 Sustainable Development Goals (SDGs) developed by the United Nations. The SDGs designed as a 'blueprint to achieve a better and more sustainable future for all' by 2030 provide a platform to understand, measure and communicate AMES Australia's social impact.

AMES Australia's social impact reporting provides evidence of the positive impact of programs and services to the lives of clients. By including clients' voices not only does this tell clients' stories, but also informs the organisation of what is needed, and generates new knowledge about clients and their communities. Increasingly, projects and programs are being reported as aligning to specific SDGs as a high-level measure to demonstrate impact.

Partnering in CALD research

The Research and Policy Unit collaborates with external partners to connect with CALD communities. In this reporting period examples of collaboration include:

- The research project *Settlement Cities: A Place-based Look at Humanitarian Settlement in Australia* conducted by the Edmund Rice Centre. The project investigated the achievements, challenges and lessons learned in facilitating place-based refugee settlement from Australia's major settlement cities. The Research and Policy Unit contributed to the research methodologies and outputs and recruitment of participants for focus groups and interviews.
- A project with Yooralla, one of Victoria's largest and long-established disability service providers, to deliver cultural competency training for their managers and disability support workers. The project aims to create an informed and culturally competent workplace based on contextualised insights and evidence.

- A collaboration with Beyond Blue to deliver several research activities as part of a new services agreement between the two organisations. This has included a community co-design project to develop social media artefacts addressing self-stigma and social stigma in multicultural communities; and a phone survey with over 40 participants from 6 language backgrounds. The Research and Policy Unit supported the recruitment and screening of community members from Arabic-speaking backgrounds in Victoria and New South Wales to participate in 2 online co-design workshops and contributed to the survey design and analysis.

Try, Test and Learn Fund: A bridge to regional employment and opportunity

The Research and Policy Unit completed an evaluation of the AMES Australia managed *Try, Test and Learn Fund* project and submitted the final report to the Department of Social Services in November 2021. The report has been circulated to project stakeholders in the Grampians and Loddon Mallee regions who were involved in the project implementation and contributed to the evaluation to directly inform them of the learnings from the 2-year project.

Volunteering peak bodies

The Research and Policy Unit is represented on the Research Working Group for the new National Strategy for Volunteering led by Volunteering Australia in 2022. This has created the opportunity to share AMES Australia's evidence-based perspective of volunteering, which supports new migrants and refugees, and provide these insights into the development of the new strategy. Collaboration with Volunteering Victoria has also involved AMES Australia in advising 8 regional consortium partners across Victoria on their project plans to engage new migrants in volunteering under the *Volunteering Management Activity* grants, including consideration of the approaches taken and connections to local stakeholders.

Thrive Initiative Project evaluation

The *Thrive Initiative Project* continues in line with the project's Impact and Outcomes Evaluation Framework as refugee entrepreneurs seek to start their own business. The Research and Policy Unit collects data and presents findings to inform program improvements; and has supported delivery of the project's first progress report to the Department of Home Affairs in late 2021. While the project did not reach the loan target for the first reporting period, a number of observations that address the consequences and impact of COVID-19 on HSP arrivals, border closures, business commencements, labour demand and growth in subcontracting opportunities were reported.

Identifying and responding to the diverse health literacy needs of refugees and migrants in Australia

This 3-year research partnership between AMES Australia and Swinburne University of Technology led by a doctoral candidate aims to identify health literacy needs, strengths and preferences in the Karen community in western Melbourne. The project methodology includes the co-design of health literacy actions to meet identified health needs with members of the Karen community and relevant health and social care stakeholders. The lead researcher and AMES Australia bilingual research assistant developed 8 vignettes of community members' lived experience based on the first phase data collection. Next steps will include co-designing health interventions for each of the 8 vignettes.

Department of Education and Training Multicultural Learning Partnership

The Multicultural Learning Partnership is a significant collaboration involving AMES Australia, the Department of Education and Training (DET), ACFE, the Victorian Multicultural Commission, the Victorian Trades Hall Council and the Migrant Workers Centre. The project, managed by the Research and Policy Unit, aims to address barriers and increase participation of CALD learners in post-COVID-19 economic recovery. The initial scoping phase completed in late 2021 informed a 3-year work plan with goals to inform and change workplace practice and foster an environment that creates CALD learner pathways and opportunities for their employment.

International longitudinal study: settlement outcomes of Syrian-conflict refugee families in Australia

AMES Australia is an industry partner in this 3-year Australian Research Council (ARC) research project led by the University of Technology Sydney, Western Sydney University and the University of Sydney. With the fieldwork complete, findings are being analysed with advice from the Project Steering Committee. The Research and Policy Unit facilitated AMES Australia's contribution to the development of policy recommendations for inclusion in the report to the ARC and Department of Home Affairs. The final report is expected in late 2022.

Longitudinal study of humanitarian settlement led by University of Wollongong

AMES Australia is an industry partner with the University of Wollongong in the 3-year ARC Linkage Grant project *A longitudinal study of humanitarian settlement in regional Australia: Opportunities, challenges and key learnings*. This research project will add to the evidence base for improving settlement and resettlement policies and practices in both metropolitan and regional Australia and build on direct experience of, and involvement in, primary and secondary settlement of migrants and refugees to inform settlement services and programs. An early outcome from this project is a policy document and recommendations determined through a forum and roundtable consultation conducted in October 2021.

Maximising refugee employability by building resilience: evidence from Australia

Following work at a national level which rated the most resilient industries and occupations, in 2021 the Research and Policy Unit conducted research to investigate the career trajectory and employment status of former participants of an employability program for refugees – the Career Pathways Pilot (CPP), delivered between 2017 and 2019. The research collected evidence on how this cohort of highly skilled refugees fared through the economic shock of COVID-19. Key findings indicated that overall the CPP cohort navigated the pandemic with fewer challenges than many refugees in Victoria and increased their rate of employment throughout the pandemic. Many former participants appear to have thrived, despite the pandemic. The findings from this research offer important evidence of the positive impact of identifying skills profiles and providing career guidance early in a migrant/refugee's settlement journey to achieving strong employability outcomes. The research, *Maximising refugee employability by building resilience: evidence from Australia*, was published in the UK Institute of Employability Professionals Journal in September 2021.

Diversifying service provision

AMES Australia's major service delivery areas of Settlement, Education and Employment are contracted through public, competitive tendering. These and other service areas in the organisation also seek to attract grants funding to continue and expand services for migrant, refugee and asylum seeker clients.

The Research and Policy Unit works closely with all AMES Australia services to assist in preparing competitive bids. Over the reporting period, AMES Australia has been successful in 12 bids to provide programs and projects in education, employment, and social participation. Funding bodies include the Commonwealth and the Victorian Government, along with philanthropic organisations such as the Scanlon Foundation.

Influence and impact

The Research and Policy Unit supports AMES Australia's CALD influence and impact priority through policy responses, preparation of briefings and discussion papers, conference presentations and environmental scanning and reporting. In the reporting period AMES Australia submitted 10 policy position responses, some in response to discussion papers, others as direct submissions and presentations to meetings with government, opposition and departmental representatives. AMES Australia was invited to give evidence at public hearings of parliamentary inquiries, including adult literacy (July 2021) and support for older Victorians from migrant and refugee backgrounds (January 2022).

Discussion papers informing future programs

In June 2022 AMES Australia submitted a detailed response to the *Next steps to improve Australia's settlement and integration of refugees* discussion paper. In the context of the recent change of government, this response was an opportunity to propose to the new Government an integrated and specialised approach to achieving better outcomes in settling refugees.

Overview of discussion papers

Submission date	Topic	Institutional body
July 2021	Reform of the AMEP Discussion Paper – AMES Australia AMEP Consortium response	Department of Home Affairs
July 2021	Inquiry into the experiences of culturally and linguistically diverse people with disability	Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability
August 2021	Response to the Exposure Draft Migration Amendment (Protecting Migrant Workers) Bill	Department of Home Affairs
August 2021	Submission in response to the Inquiry into Economic Equity for Victorian Women	Department of Treasury and Finance Victoria
November 2021	Support for Older Victorians from Migrant and Refugee Backgrounds	Victorian Legislative Assembly Legal and Social Issues Committee
December 2021	Planning Australia's 2022–23 Migration Program	Department of Home Affairs
January 2022	Submission to the Migration Amendment (Protecting Migrant Workers) Bill 2021 [Provisions]	The Legal and Constitutional Affairs Legislation Committee
January 2022	Inquiry into Australia's engagement in Afghanistan	Senate Standing Committee on Foreign Affairs and Trade
February 2022	Discussion Paper – Delivery of the Skills for Education and Employment (SEE) Program 2023	Department of Education, Skills and Employment
June 2022	Next steps to improve Australia's settlement and integration of refugees	Department of Home Affairs and Commonwealth Coordinator-General for Migrant Services

Building capability and connection

Conferences and webinars

The Research and Policy Unit attended conferences and webinars presenting work and research impacting services related to AMES Australia's portfolios, and the wider social sector. Conferences also presented opportunities for AMES Australia's representatives to

network, share insights gained from working directly with CALD communities and to build organisational knowledge and capability. Key conferences attended included:

- National Centre for Vocational Education and Research (NCVER): 30th National VET Research Conference: No Frills, July 2021
- Scanlon Foundation Employment Roundtable, September 2021
- Regional Refugee Settlement Roundtable, October 2021
- Federation of Ethnic Communities' Council Australia: Advancing Multicultural Australia, June 2022
- Australian Institute of Family Studies Conference, June 2022
- Australian Vocational Education and Training Research Association, June 2022.

AMES Australia Insights Digest

The Research and Policy Unit regularly publishes and circulates to all staff a bimonthly *AMES Insights Digest*. This publication collates a summary of research, articles and reports of relevance to AMES Australia's programs and services which may inform the organisation's thinking and future practice. *AMES Insights Digest* broadens our understanding of, and connection to the settlement sector environment and ecosystem. This publication also addresses AMES Australia's priority commitment to leadership in the CALD service sector and builds organisational capability and skills. In 2021–22, the Research and Policy Unit prepared and published 18 Insights papers.

Finance Unit

The Finance Unit is responsible for developing and managing organisation-wide financial strategies and financial risk-mitigation practices. This includes providing financial and accounting services, offering advice on financial matters, managing budgets, providing monthly management reports for the Executive, the Finance, Audit and Risk Management Committee, and the AMES Australia Board, as well as preparing the annual financial statements.

Since the onset of the COVID-19 pandemic AMES Australia has introduced significantly streamlined finance processes to allow operational efficiencies during and post-pandemic, including adapting to ongoing rolling forecasts and reviewing and revising key performance indicators. During the 2021–22 financial year, the Finance Unit continued to deliver on all contractual, statutory and regulatory requirements. Furthermore, Finance ensured continued support to operating areas in order to achieve organisational financial sustainability. This was particularly the case with Settlement Services, to ensure delivery of contractual and additional services to evacuees from Afghanistan was possible during a period where border closures and COVID-19 restrictions imposed by state governments were in place and access to services was significantly reduced.

Accommodation Unit

The Accommodation Unit provides short- and long-term residential accommodation for newly arrived HSP and Status Resolution Support Services (SRSS) clients. The Accommodation Unit sources and manages residential properties, provides basic household goods and delivers tenancy training.

In the HSP, the Accommodation Unit has worked closely with the Department of Home Affairs to provide support to Afghan evacuees since September 2021, providing short-term accommodation to approximately 3,000 clients on arrival and assisting around 750 families into long-term residential properties. The team is also managing a portfolio of 33 residential properties on behalf of the Department of Home Affairs, which currently accommodates 86 clients.

While the majority of these services were delivered in Victoria, the Accommodation Unit also supported delivery in South Australia, following transition of services from Anglicare SA.

Facilities and Administration Unit

The Facilities and Administration Unit has responsibility for commercial facilities to accommodate AMES Australia's employees and programs; together with safety and security services; administration and lease management services.

The Facilities team manages facilities at all AMES Australia sites. AMES Australia conforms to the building and maintenance provisions of the National Construction Code 2019 and all relevant Australian standards. All major works requiring building approval have certified plans. Works in progress are inspected and permits issued by independent building surveyors engaged on a project basis. All contractors engaged to carry out works on AMES Australia's behalf are qualified and hold all necessary permits and insurances. Landlords are required to maintain leased premises in a safe and secure condition. AMES Australia ensures that all essential safety services are maintained to regulatory standards and has a continuing program to ensure that any alterations or improvements to tenancies meet the necessary standards for security access control, after monitoring, and are safe and fit for purpose. The Facilities team also manages commercial leases.

Administration functions include managing the motor vehicle fleet, office supplies, mobile phones, records, travel, head office reception and other purchasing as approved by the operational areas.

Strategic sourcing

The Strategic Sourcing function includes centralised sourcing of products and services, facilitation of AMES Australia's tenders and contract management. Contract management most notably includes contractors for provision of basic household goods in 3 states for the HSP and also managing AMES Australia's telecommunications and energy contracts.

Quality and Risk Management Unit

The Quality and Risk Management Unit supports the delivery of organisational objectives by ensuring that appropriate risk management and quality assurance processes are in place, including overseeing the following activities:

- internal audit function
- ISO 9001 quality management system
- risk management and business continuity
- fraud, corruption and other losses.

Marketing and Communications Unit

The Marketing and Communications Unit serves all of AMES Australia's business portfolios and performs the internal and external marketing and communications function. The team contributes to strategic priorities through leading digital delivery to the multicultural community and communicating the organisation's purpose and vision across a broad range of government, corporate and consumer stakeholders through both traditional and digital platforms.

In the reporting period the Marketing and Communications Unit:

- increased social media engagement by 13% and impressions by 6%, with reduced resources

- added an Arabic-speaking staff member to the Client Acquisition Team to meet community needs
- consulted on a fee-for-service basis for other government or government funded agencies on a number of multicultural community engagement projects
- created a material aid campaign for supporting newly arrived Afghan humanitarian entrants, helping contribute to securing donated goods to the value of over \$1 million to assist clients arriving during COVID-19 lockdown.

The sudden arrival of large numbers of HSP clients as a result of the fall of Kabul in August 2021 and the outbreak of war in Ukraine required a rapid response to:

- adapt critical digital communications to assist service delivery for the new arrivals during quarantine and COVID-19 restrictions
- engage with numerous donors seeking to support new arrivals
- manage the intense media interest in the arriving cohorts which included high-profile clients, for example teams of Afghan National sportswomen.

AMES Australia has seen strong support from corporate businesses and organisations Football Victoria, Cricket Australia, Melbourne City Football Club, Melbourne Afghan Soccer Association – as well as a number of community organisations.

Communicating with multicultural audiences

AMES Australia continues to build its value to multicultural audiences, increasing social media engagement by 13% across multiple platforms, primarily Facebook, LinkedIn, YouTube and WeChat, with platform use adapted according to the audience and purpose of the communication.

These platforms are used to inform clients and community of important government information, celebrate client success stories, highlight partnerships, promote AMES Australia's services, celebrate volunteers, and communicate the positive effects of migration on Australian society.

70 Years of Welcome

In 2021 AMES Australia launched the '70 Years of Welcome' campaign celebrating the anniversary of AMES Australia's establishment. This campaign culminated in the 70 Years of Welcome dinner held in February 2022, fittingly hosted at the Immigration Museum. Highlights included an address by the Victorian Minister for Skills and Training, the Hon Gayle Tierney, and interviews with clients representing established and emerging communities that have settled in Victoria in recent decades.

AMES Australia Says Thank You donor event

In December 2021 AMES Australia hosted a thank you event and presentation with corporate donors, community supporters and client representatives in recognition of their generous support to Afghan evacuees arriving during COVID-19 restrictions in 2021. The event, attended by 60 guests, was hosted by Scape at the company's Franklin Street premises and catered by Afghan Gallery Kitchen.

Refugee Week

A range of Refugee Week activities took place across AMES Australia sites. These included:

- welcome dinner held in conjunction with Mildura Regional City Council and Sunraysia Mallee Ethnic Communities Council

- exhibition of artworks by a former AMES Australia refugee client at Casselden Place, as part of an exhibition hosted by Department of Home Affairs Regional Director of Victoria and Tasmania, Zoe Williams
- collaboration with Scape to organise an event for newly arrived residential clients featuring local Afghan and Ukrainian cuisine. AMES Australia facilitated a panel of former refugee clients who shared their settlement experience
- collaboration with Host and the Brotherhood of St Laurence to foster creation of new connections and support networks between newly arrived and established refugee community members through a cultural event that involved local service providers and community organisations and featured food, dance, fashion and poetry.

AMES Australia Awards

2021 Victorian Volunteering Awards

AMES Australia in partnership with Parks Victoria and the Werribee Sikh community were awarded a *Volunteering Partnerships Award* at Victoria's 2021 Volunteering Awards for providing 4,000 kilograms of vegetables to community kitchens across the Wyndham municipality.

2021 Victorian Training Awards

AMES Australia Chief Executive Officer Catherine Scarth received the Lynne Kosky Memorial Award *Lifetime Achievement* for leading world-class programs that help newly arrived refugees, asylum seekers and migrants start a happy and healthy life in Australia.

AMES Australia was also presented with awards for supporting Melbourne Afghan Soccer Association and Refugee Communities Association of Australia Inc.

Heartlands

In 2021–22, Heartlands took the form of a 70 Years of Welcome art commission competition where multicultural artists were invited to pitch a concept for an artwork to commemorate the anniversary of the organisation. Queensland based artist and English language teacher, Pamela See, a first-generation Australian Chinese, was the successful applicant and was commissioned to create her vision that combined traditional Chinese papercutting techniques with digital art. An online auction of past Heartland artists was also incorporated into the lead-up to 70 Years of Welcome dinner.

Sponsorships

Twilight Soccer with Sunraysia Football Federation

To celebrate Cultural Diversity Week, AMES Australia with Sunraysia Football Federation organised a twilight soccer program which engaged AMES Australia clients and multicultural community members in social sport.

African Music and Culture Festival

AMES Australia supported the African Music and Culture Festival held in December 2021 at the Melbourne Immigration Museum. The event, adjusted to meet COVID-19 requirements, attracted over 2,100 participants from metropolitan Melbourne, regional Victoria and interstate and proudly celebrated Victoria's African Australian heritage and diversity, with the collaborative participation of 35 communities and organisations. The event showcased over 12 hours of programming featuring dance, music, fashion, drumming lessons, face painting and authentic African street food cooking tutorials.

Ballarat City Football Club

To assist establish AMES Australia as a Jobs Victoria Employment Service provider in the Ballarat area, AMES Australia provided a sponsorship for the 2022 season to the Ballarat City Football Club to engage local employer networks and local multicultural communities.

Information Technology Unit

The Information Technology (IT) Unit provides information systems support services to AMES Australia's employees, clients and partners, including application support, service desk and infrastructure support, cloud solutions, cyber security and compliance.

The IT Unit continued to focus on:

- providing mixed-mode teaching and learning platforms through Zoom, Microsoft Teams and Chromebook technology
- meeting compliance with Workforce Australia employment services – Right Fit for Risk and ISO27001 requirements
- relocating and preparing over 400 workstations and network points across employment services delivery sites in Victoria and New South Wales
- migrating network technology to a new SD-WAN (Software Defined network) covering all AMES Australia's sites to support service delivery with heavy reliance on quality bandwidth.

Within the IT Unit, the IT Application team continues to deliver digital solutions using the Microsoft Power Platform to support delivery of services under NDIS. A mobile app assists care workers meet their service appointments, with a timesheet and claims system to improve customer service and efficiency.

Digital Engagement Unit

The Digital Engagement Unit provides digital solutions for clients and employees. In the reporting period the unit:

- supported delivery of education programs, delivering 103,000 hours of online learning in English as an Additional Language and vocational education and training programs
- developed the AMES Australia online service directory to support internal and external referrals
- developed online learning for staff and subcontractors for the delivery of the Workforce Australia funded services
- maintained multicultural sector leadership through the diversified delivery of online learning and digital engagement, including to:
 - develop online learning programs for Cultural Safety for Aged Care and Cultural Safety for the Disability sector in collaboration with Yooralla (disability service provider) and DET
 - deliver online digital literacy learning
 - develop and launch an external online AMEP which delivered 17,000 hours of learning
 - develop a series of online skill sets as part of the digital capacity building of the Victorian public sector education providers. Our learning design was featured as best practice in communications from DET.

People and Development Unit

The People and Development Unit supports AMES Australia's vision and strategic directions by enhancing the employee experience and providing proactive and responsive services that enrich the operation and culture of the organisation. Services include employee relations, payroll, human resources shared services, recruitment, employee benefits, learning and development, industrial relations, workplace health and safety, and volunteer recruitment and training.

The 2021–22 financial year saw the continuation of several strategic projects and development initiatives, along with a mission to improve and enhance people communication, visibility, capability and engagement.

Activities and outcomes from the reporting period include:

- launch of an online Leadership Pilot Program (LEDA) and AMES Australia Leadership Network
- delivery of health and wellbeing workshops, including Mental Health Awareness for Teachers Professional Development Day, Positive Communication in the Workplace, Work-Life Integration, Managing Vicarious Trauma, Managing High Conflict Personalities
- improvement and delivery of training modules, the majority online, including Welcome to AMES Australia, Return to the Workplace, Management Fundamentals and Recruitment for Hiring Managers and Cultural Competency program
- consultation, negotiation and implementation of the new Administrative Staff Agreement
- the first virtual conference for all employees
- launch of a learning portal that provides quick access to a range of learning opportunities, including workshops, recorded webinars (internal and external), public training courses and learning resources shared across AMES Australia
- updated Diversity and Inclusion portal, to uphold AMES Australia's commitment and inform employees of the various diversity plans, including the Gender Equality Action Plan
- employee experience sessions, for example the Biggest Morning Tea
- newsletters to encourage employees and volunteers to stay connected.

A number of process and system improvements were made, including:

- development of an upgraded performance review platform
- improvement of the induction process and a streamlined approach for casual employees and locums
- implementation of a new volunteer management system. Volunteers can select when and where they want to be engaged, leading to a better volunteer experience and streamlined management of volunteers. The new system will help report on the engagement of volunteers and how much they have an impact on the services AMES Australia provides
- launch of the Manager Toolkit and Leadership pages on the intranet, to provide support and tailored information.

Due to a significant increase in HSP arrivals, including clients from Afghanistan and Ukraine, and the commencement of the Workforce Australia employment services, recruitment activities throughout the reporting period to support the client caseloads increased. Recruitment activities under the Education portfolio saw little change.

The People and Development Unit supported the Employment portfolio's workforce restructure, made necessary by the significant changes in the scope of service delivery in the transition from jobactive to Workforce Australia.

Diversity and inclusion

AMES Australia's Diversity and Inclusion Framework outlines the organisation's commitment to building a workplace that is grounded in respect, fosters inclusion, promotes diversity and embraces the unique skills and qualities of all our people.

Gender Equality Action Plan 2021–2025

The Public Sector Gender Equality Commissioner approved AMES Australia's *Gender Equality Action Plan 2021–2025*. AMES Australia is committed to reducing inequality and discrimination through promoting gender equality and increasing awareness of intersectionality in the community and within AMES Australia's culturally diverse workforce and client cohorts.

The Gender Equality Action Plan focuses on 3 key priorities:

- implement a seamless and meaningful way to collect gender data to positively influence diversity and gender equality across our workforce
- maintain a workplace culture that promotes gender equality and does not tolerate inappropriate behaviours of sexual harassment and discrimination
- integrate inclusive gender equality practices to policies, processes and programs.

AMES Australia is working towards aligning its programs and services with the United Nations SDGs and is committed to the PVAW programs.

Reconciliation Action Plan

Reconciliation Australia has endorsed AMES Australia's inaugural Reflect Reconciliation Action Plan (RAP). AMES Australia joined a network of more than 1,100 corporate, government, and not-for-profit organisations that have made a formal commitment to reconciliation through the RAP program.

The RAP provides a map to the start of a journey to support reconciliation between Aboriginal and Torres Strait Islander Peoples and the wider community. It demonstrates AMES Australia's commitment to learn new ways to strengthen relationships with Aboriginal and Torres Strait Islander Peoples and provide culturally safe and appropriate services.

Activities and outcomes during the reporting period include:

- development of AMES Australia's Acknowledgement of Country
- displaying Aboriginal and Torres Strait Islander flags at reception areas and publication of Acknowledgement of Country banner on AMES Australia's websites and emails
- celebrating NAIDOC week
- working closely with the Victorian Public Sector Commission under the Barring Djinang Aboriginal Employment program to recruit summer interns. With the commencement of the Workforce Australia employment services, AMES Australia recruited 8 employees of Aboriginal and Torres Strait Islander background, increasing the AMES Australia's total representation to 10.

Accessibility and Inclusion Plan

AMES Australia has re-vitalised the Accessibility and Inclusion Committee to drive its commitment to provide access and equity for staff, students and clients with disabilities to enable them to participate fully and independently to the greatest extent possible. This is consistent with AMES Australia's vision of 'full participation for all in a diverse and cohesive society'. The Committee meets quarterly to review and update the Disability Action Plan and to identify actions to promote accessibility and inclusion.

Industrial relations

No time was lost due to industrial action during the reporting period. AMES Australia renegotiated the Administrative Staff Agreement 2021 for the next 4 years.

One dispute was lodged with the Fair Work Commission related to an alleged adverse action and an unfair dismissal. The application was discontinued post the conciliation meeting.

Crisis management

AMES Australia aims to respond effectively to any incidents, emergencies or crises, in order to minimise risk to employees, and to protect the property and reputation of the organisation. The Crisis Management Policy and Plan guides AMES Australia in responding to the anticipated needs generated by crisis situations, and to assist with communication of those events and needs.

Volunteering

Volunteers are central to the support provided to newly arrived migrants and refugees, and to achieving AMES Australia's vision of 'full participation for all in a cohesive and diverse society'. Volunteering at AMES Australia takes place across many program areas and covers a range of activities, including settlement orientation, English language support, employment preparation, and professional and administrative support.

Volunteering provides important opportunities for clients and AMES Australia to interact with the broader community and offers many benefits to the volunteers themselves. The COVID-19 pandemic has significantly disrupted volunteer activities. AMES Australia and its volunteers responded to the challenges by adapting their ways of engagement.

Examples of services that volunteers provided remotely (online or phone) under the direction of a teacher, employment consultant or case manager include:

- English language tutoring or casual English conversation
- language support in online classes and assisting clients in accessing online learning modules
- mentoring skilled migrant clients with job search skills, preparing for interviews, writing cover letters and practicing conversation at the workplace
- assisting clients to register for library membership and downloading banking and government applications (e.g. MyGov)
- assisting families with school-aged children with homework, navigating remote learning and creating fun educational activities
- making social and check-in phone calls to people who might not have family or may be socially isolated
- helping clients learn how to shop, pay bills or recharge mobile phone plans online, and to search online for local pharmacies, GP clinics or other health professionals.

During this reporting period, 70 volunteers provided support at the Melbourne Drill Hall distribution centre which was established to support the Afghan evacuees.

AMES Australia volunteers are culturally and linguistically diverse; they are born in more than 63 countries and collectively speak 68 languages. Women make up 65% of AMES Australia's volunteers and men 35%. Volunteers' ages range from young university students (18–24 years old) to retirees in their 80s. The average age is 50 years.

Development and Innovation Unit

The Development and Innovation Unit supports AMES Australia seeking continuous innovative working practice and position as a first-class settlement organisation within the settlement landscape. The Unit also supports corporate client service, corporate engagement and partnership activities and champions collaboration. Major achievements during this reporting period are as follows.

Internal projects

- In collaboration with the IT Unit and AMES Australia's Digital Roadmap, the unit implemented a new telephony software system called GoTo, coupled with a PowerBI dashboard for real-time monitoring of call data to help increase productivity of the AMES Australia switchboard, client acquisition and broader customer service functions.
- The Development and Innovation Unit has undertaken a review of the contract management database and redeveloped procedures to assist with implementing outcomes of tender and grants applications and address tender audit recommendations.

Key partnerships and collaborations

- 7-Eleven Good Cause Community Partnership: donation of 189 laptops to benefit AMES Australia clients in need of access to technology; and ongoing contribution to AMES Australia employability programs, skilled volunteering, and practical placement programs.
- Parks Victoria Partnership: digital multicultural community engagement project services as part of the 2022 consultation for 3 new metropolitan parks.
- Beyond Blue: digital multicultural engagement services for a range of projects focused on mental health services and accessibility for multicultural communities.
- Department of Education and Training: funding a project in collaboration with the Aged Care and Disability industries to develop an online module piloted by the industries to support cultural safety in the workplace for multicultural workers in these industries.
- Centre for Multicultural Youth: partnering in the *Opening Minds, Building Futures* project funded by the National Careers Institute, to support young people from South Sudanese and Pasifika backgrounds with career counselling services. Piloting an automated online booking, the project created efficiencies and improved access to services.
- Clayton Utz: engaging corporate volunteers in Talking Circles and other volunteering opportunities.
- Melbourne City Football Club: collaboration in grant and program development.
- Red Cross: referral partner for the NAATI/Red Cross credentialing program which supports recently arrived Interpreters and Translators to gain NAATI accreditation.

Collaboration with Victorian Government major projects bodies

AMES Australia is a referral partner for employment and training programs run by the Level Crossing Removal Project (LXRP) and Major Roads Projects Victoria, including the GROW program, Safety Starters Traineeship program, Rail Signalling Engineer Cadetship program and Engineering Pathway Industry Cadetship program.

LXRP ran a special intake of GROW program participants, hosting 8 recently arrived humanitarian clients for visits to site, White Card training, Safely Enter the Rail Corridor training, and other engineering infrastructure experiences over 4 days.

Integrated information sessions for newly arrived

The Unit delivered special tailored information sessions on tertiary education and employment pathway options for recently arrived Afghan 449 visa holders with strong English, in response to their becoming eligible for the Asylum Seeker VET program, Skills First and ACFE funding and thus being able to study VET and community courses at AMES Australia, TAFEs, RTOs and Learn Locals.

Service redesign

The Service Redesign project works to identify services in AMES Australia that can be delivered in a more integrated way, in order to bring greater benefits to clients.

In the reporting period the Service Redesign team:

- continued to implement AMES Australia Hubs as collaborative, place-based ways of working and delivering integrated services
- reviewed internal communications and recommended opportunities to strengthen Hub communication messaging for internal and external stakeholders, including Marketing and Communications Unit, People and Development Unit and AMES Australia Executive
- worked with the Research and Policy Unit on implementing 2021 tender audit outcomes to create a more connected tender bid process and response.

Work health and safety

Work health and safety management system and committees

An improved Health and Wellbeing Strategy was launched during the reporting period. Employee wellbeing, mental health and infection control continued to be the focus.

The COVID-19 pandemic continued to reduce on-site activities resulting in decreased site hazard reporting. Demand for one-on-one staff consultations on hygiene and safety increased. Reinforced safety practices across AMES Australia were closely monitored. There were several reported COVID-19 cases among employees and clients.

Work health and safety incidents

Eleven work health and safety incidents were reported. Of these, 45% were employee related. The number of incidents decreased from previous years as a result of the continuous improvement of safety practices across AMES Australia.

One Work Cover claim was accepted during the reporting period. There were no workplace fatalities.

Overview of work health and safety statistics

	2021–22	2020–21	2019–20
Total number of incidents and injuries reported (employees and clients)	11	15	63
Number of incidents and injuries (employees only)	5	3	7
Lost time injury (LTI) 1–<10 days' work-related WorkCover claim	1	1	3
WorkCover claims (open* / active**)	3* (5)**	4* (6)**	4* (6)**
LTI days (WorkCover)	523	144	285
WorkCover premium	\$308,815	\$333,107	\$381,083

* Open claims are all claims received during the premium period (the past 3 years) that are still open.
 ** Active claims are all open and closed claims received in the last 3 months or with payment(s) made in the last 4 months.

Regional committees and early intervention strategy

Early intervention and support to employees and managers regarding work-related injuries continued throughout the year. There was an increase in non-work-related injuries requiring assistance to return to work (RTW) safely and promptly. Hub-based work health and safety committees continued to operate in Victoria, New South Wales and South Australia. Site evacuations were held at a number of sites during the reporting period.

AMES Australia's Health and Wellbeing program continued to facilitate activities and support services through the year. Influenza vaccinations were provided between March and May 2022 to 185 employees and volunteers across South Australia, New South Wales and Victoria. Participation rates in the vaccination program increased in 2021–22.

Health and safety training

Health and safety training activities

Participants	Activity	Attendance rate		
		2021–22	2020–21	2019–20
Health and safety representatives	5-day health and safety training	1	n/a	n/a
Fire wardens	Fire warden online training	100%	n/a**	100%
Site first aiders	CPR and First Aid 003	59%*	90%*	100%
People managers	Management fundamentals, including health and safety	100%	n/a**	100%
Key employees	Health and safety accountabilities and responsibilities	n/a**	n/a**	76%
Human Resources Unit	RTW training (WorkCover)	n/a**	n/a**	n/a

Key employees	Mental health first aid, and managing stress and resilience	100%	n/a**	100%
New starters	Corporate induction, including occupational health and safety	93%	92%	93%
	Occupational health and safety/workplace health and safety for managers	83%	81%	84%
	Equal opportunity for managers	87%	86%	87%
	Anti-bullying and anti-harassment for managers	86%	86%	86%
Employees who need conflict-resolution skills to deal with aggressive clients	Predict, assess and respond to aggressive/challenging behaviours training	n/a**	n/a**	100%
	Managing conflict through negotiation (basic and advanced)	n/a**	n/a**	100%

* Many first aid programs ceased during 2021–22, though most renewals were completed by June 2022.

** Programs did not run due to COVID-19 restrictions.

Emergency planning and preparedness

Upon return to sites, emergency site teams have been reviewed and trained in the emergency response specific to their site. Emergency site manuals are scheduled to be updated annually and these are being reviewed in line with the appointment of new Site Point of Contacts, as part of site safety and in response to managing risk and noting any changes to emergency procedures due to COVID-19 and site closure.

WorkSafe visits

There were no workplace visits by WorkSafe representatives during the reporting period.

Office-based environmental impacts

AMES Australia is striving to minimise its environmental footprint and to integrate sound environmental values, principles and practices in its day-to-day operations. AMES Australia aims to protect and improve the environment by:

- adopting environmentally sustainable practices and performance criteria in purchasing and procurement
- building environmental sustainability into policies, programs, regulations, investments and budgets
- reducing resource consumption and waste
- making AMES Australia major events environmentally sustainable
- improving energy efficiency.

AMES Australia continued its greening program, with recycling of mobile phones, batteries, shredded paper and toner cartridges, purchasing of carbon-neutral paper, and encouraging environmental practices at all sites.

Energy consumption

Indicator	2021–22	2020–21
Electricity usage (MJ)	2,546,081	6,275,928
Natural gas usage (MJ)	771,522	728,791
Total greenhouse gas emissions from energy consumption (tonnes CO₂-e)	1,762	1,828
- Electricity total tonnes CO ₂ -e	1,709	1,778
- Gas total tonnes CO ₂ -e	53	50
Percentage of electricity purchased as green power	0%	0%
Electricity used per FTE (MJ/FTE)	7,053	19,306
Natural gas used per FTE (MJ/FTE)	16,772	17,527

Note: MJ is megajoules. FTE is full-time equivalent staff member. Electricity data was recorded at approximately 86% of office-based sites and natural gas data at approximately 11%. Billing information for excluded sites was not available because it was incorporated into the rental outgoings. FTE for electricity usage (361) and gas usage (46) were calculated for the included sites only. Electricity and gas consumption per FTE is also affected by the changing number of staff on site as a result of the varying COVID-19 restrictions, which reduces comparability with the previous year. AMES Australia is continuing to develop systems to collect more comprehensive data.

Waste and recycling

Indicator	2021–22	2020–21
Total units of waste disposed of by destination stream (kg/year)	10,847	8,327
- Landfill	5,590	5,678
- Comingled recycling (cans, plastic containers, bottles, etc.)	795	1,222
- Paper and cardboard	677	1,427
- Secure documents (paper)	3,600	0
- Organics (food scraps)	185	0
Total units of waste disposed of per FTE by destination	135	321
- Landfill	107	219
- Comingled recycling (cans, plastic containers, bottles, etc.)	15	47
- Paper and cardboard	13	55
- Secure documents (paper)	0	0
- Organics (food scraps)	0	0
Recycling rate	20%	32%
Greenhouse gas emissions associated with waste (Tonnes CO ₂ -e)	4	7

Note: Data was derived from waste audits, taken over 2 days at AMES Australia's Footscray office. Each waste stream was weighed and recorded by the waste collection contractor. Waste and recycling data was sampled in part when varying COVID-19 restrictions were in place. AMES Australia is continuing to develop systems to collect more comprehensive data. The changing number of staff on site as a result of the varying COVID-19 restrictions reduces comparability with the previous year.

Paper consumption

Indicator	2021–22	2020–21
Total units of A4 equivalent copy paper used (reams)	1,244	1,845
Units of A4 equivalent copy paper used per FTE (reams/FTE)	2.96	4.86
Carbon-neutral 20% recycled content	0%	3%
Carbon-neutral 100% recycled content	100%	79%
Carbon-neutral 0% recycled content	0%	18%

Note: Data was based on purchases of reams for all office-based sites with 420 FTE. Demand for paper since the onset of COVID-19 work arrangements has further reduced in 2021–22. 100% carbon-neutral copy paper is sourced almost exclusively from Supply Nation certified Indigenous enterprises.

Water consumption

Indicator	2021–22	2020–21
Total water consumption (kilolitres)	1,707	2,691
Units of office water used per FTE (kilolitres/FTE)	28	18
Units of office water used per office area (kilolitres/m ²)	0.23	0.38

Note: Data was taken from approximately 15% of the office-based sites. Billing information for excluded sites was not available as it was incorporated into rental outgoings. FTE (60.5) and office area (7564 m²) were calculated for included sites only. AMES Australia is continuing to develop systems to collect more comprehensive data.

Transportation

Indicator	2021–22	2019–20
Total fuel consumption by fleet vehicles (litres)	21,901	21,402
Total distance travelled by fleet vehicles (km)	233,340	230,900
Total greenhouse gas emissions from fleet vehicles (Tonnes CO ₂ -e)	1,218	1,205
Greenhouse gas emissions from fleet vehicles per 1,000 km travelled (tonnes CO ₂ -e)	5.22	5.22

Note: Data was based on 33 vehicles, with no hybrid cars.

Other legislative compliance

Employment and conduct principles

AMES Australia applies merit and equity principles when appointing employees. Selection processes assess and evaluate applicants fairly and equitably based on the key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections.

Public sector values and employment principles

AMES Australia has adopted the Code of Conduct for Victorian Public Sector Employees, which sets standards for adherence to the public sector values of the *Public Administration Act 2004*. These standards have been included in all AMES Australia employment contracts and are binding on all employees. Internal policies and procedures aim to maintain high ethical standards, good corporate behaviour and strong accountability.

AMES Australia implements policies and practices that are consistent with the Victorian Public Sector Commission employment standards, and provide for fair treatment, career opportunities and the early resolution of workplace issues. Employees are advised on how

to avoid conflicts of interest, how to respond to offers of gifts, and how the organisation deals with misconduct.

Serious misconduct in the workplace or behaviour inconsistent with AMES Australia's values, Code of Conduct and other relevant policies and procedures are dealt with in accordance with AMES Australia's Disciplinary/Performance Policy. Any employee who suspects that a breach has occurred or will occur is encouraged to report the matter to the People and Development Unit. No employee will be disadvantaged or prejudiced if they report in good faith. All reports will be acted on and kept confidential.

Public Interest Disclosures Act 2012

AMES Australia aims for transparency and accountability. It does not tolerate improper conduct, or reprisals against persons who disclose such conduct. In accordance with the *Public Interest Disclosures Act 2012* and guidelines provided by the Integrity and Oversight Committee and the Independent Broad-based Anti-Corruption Commission (IBAC), AMES Australia:

- encourages and assists people to report improper conduct and detrimental action
- keeps confidential the discloser's identity and the content of a disclosure
- manages the welfare of the discloser or person involved in the investigation
- cooperates with the investigating agency, entity or public bodies and ensures that effective action is taken in response to reports of improper conduct
- implements an appropriate internal process if IBAC decides that the report is not a disclosure of improper conduct or detrimental action and refers the matter to AMES Australia.

Anyone can make a public interest disclosure. This includes individuals either internal or external to the organisation, independent contractors, students, recipients of services and the public. AMES Australia cannot receive and assess a public interest disclosure about AMES Australia, its personnel or other members of the public sector. In such cases, AMES Australia will advise the discloser to contact DET or IBAC. Online forms are available on the IBAC website, or IBAC can be contacted by phone (1300 735 135).

AMES Australia's Board Secretary:

- is the point of contact for general advice
- is the liaison (under the direction of the CEO) between AMES Australia and investigating government departments or bodies
- is responsible for referring disclosures to the Victorian Department of Education and Training or to IBAC
- takes necessary steps to maintain confidentiality
- manages the welfare of a discloser, or of someone who cooperates or intends to cooperate with an investigation.

The CEO (Principal Officer) must notify IBAC of all instances of suspected corrupt conduct occurring in the organisation, in accordance with AMES Australia's Fraud, Corruption and Other Losses Procedure.

AMES Australia did not receive any disclosures under the *Public Interest Disclosures Act 2012* during the reporting period. The AMES Australia Public Interest Disclosure Policy is available on the website: www.ames.net.au/about/corporate-documents.

Freedom of Information

AMES Australia complies with the *Freedom of Information (FOI) Act 1982* in a fair, objective and unbiased manner. AMES Australia also ensures that all its statutory requirements are met, and that applicants are kept informed of the process and progress of their requests. The CEO has delegated responsibility for managing FOI requests to the Board Secretary.

Enquiries and requests for information should be made in writing to:

Board Secretary/Freedom of Information Officer
AMES Australia Level 4, 1 Little Collins Street Melbourne VIC 3000 or email FOI@ames.net.au

When an FOI request is received, the FOI Officer will:

- verify the identity and authority of the applicant, where the request involves access to personal information
- acknowledge the FOI request by letter or email and determine whether the request meets requirements
- ensure that a diligent search is conducted for documents (including those in electronic form) covered by the request
- provide a statement of reasons under the FOI Act, if access is refused in respect to any part of a request
- provide written decisions to the applicant within 30 days of application (or later period provided under the FOI Act)
- advise the applicant of their right to seek a review by the FOI Commissioner.

AMES Australia provided relevant information and feedback in response to a number of consultations facilitated by government departments. AMES Australia did not directly release information or provide decision in response to an FOI request during the reporting period. Further information on the operation and scope of freedom of information can be obtained from the AMES Australia website: www.ames.net.au/about/corporate-documents.

Fees and charges

Fees and charges are levied according to the Ministerial Directions to Adult Education Institutions made pursuant to the *Education and Training Reform Act 2006*. No additional compulsory non-academic fees, subscriptions or charges are levied on AMES Australia clients in government funded programs. The current fees and charges schedule is available on the AMES Australia website: www.ames.net.au/students/fees.

Carers Recognition Act 2012

AMES Australia recognises the role of carers and the importance of care relationships in the community. AMES Australia endeavours to assist its employees achieve their personal, family and relationship goals by facilitating flexibility in employment and working arrangements to achieve the optimum balance between work and personal responsibilities.

These include:

- flexible working arrangements (such as part-time employment, job sharing, transition to retirement)
- flexible work location (such as home-based work, multiple locations)
- counselling via the Employee Assistance Program.

AMES Australia's clients with carer responsibilities or those with a disability are also supported through provision of flexible arrangements to enable participation.

National Competition Policy

AMES Australia costing models comply with National Competitive Neutrality principles.

Overseas trips

There were 2 overseas trips during the reporting period. AMES Australia complies with the Victorian public sector travel principles.

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994* and subject to the provisions of the FOI Act, information retained by AMES Australia includes:

- 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 by the entity about itself, and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the entity
- details of any major external reviews carried out on the entity
- details of major research and development activities undertaken by the entity
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations in the entity, and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by the entity, the purposes of each committee and the extent to which those purposes have been achieved
- details of all consultancies and contractors.

Social procurement

In line with its Social Procurement Strategy, AMES Australia continued its partnerships with Clean Force and Winc.

Clean Force offers pathways to employment via a supported employment program for people with major vocational barriers, and open employment for disadvantaged Victorians wanting to enter the general workforce. Services provided to AMES Australia include cleaning of facilities, secure document destruction and grounds maintenance. In addition, Clean Force provides supported employment opportunities for AMES Australia clients.

WISE Employment – Clean Force Property Services

	2021–22	2020–21
Cleaning services	\$443,885	\$331,428
Supported employment	\$27,350	\$94,222
Other (including grounds maintenance)	\$0	\$5,116
Secure document bins and destruction services	\$1,423	\$1,135
Total expenditure (ex GST)	\$472,658	\$431,901

Winc, AMES Australia’s stationery provider, is a founding member of Supply Nation and a supporter of Indigenous businesses. The benefits provided to Indigenous Victorians go beyond financial support, to increased access to training and employment opportunities.

Supply Nation registered businesses

	2021–22	2020–21
Fresh Start Australia Pty Ltd	\$0	\$1,407
Integrity Health & Safety Pty Ltd	\$0	\$70
J Herro Pty Ltd	\$373	\$692
Nallawilli Office Wares (NOW)	\$6,096	\$7,415
Position Promo Pty Ltd	\$1,299	\$1,212
Total expenditure (ex GST)	\$7,768	\$10,796

AMES Australia also expanded its Indigenous enterprise relationships with engagements with Supply Nation registered Indigenous enterprises as follows:

- Little Rocket Agency, \$4,800 (exclusive of GST), in assistance with the development of AMES Australia’s Gender Equality Plan.
- Wurundjeri Cultural Heritage Aboriginal Corporation, \$605 (exclusive of GST), in delivery of Welcome to Country service.

AMES Australia continues to develop its procurement strategy and framework in accordance with its obligation to align with the Victorian Government Purchasing Board policies. Key features of the procurement strategy are to embed social considerations into procurement procedures and processes.

Consultancies expenditure

In the reporting period, there were 3 consultancies where the total fees payable to the consultants were \$10,000 or greater. Total expenditure during 2021–22 for these consultancies was \$482,238 (exclusive of GST). Details of individual consultancies are outlined below.

Overview of individual consultancies

Consultants	Summary of project	Expenditure (ex GST)	Future expenditure (ex GST)
KPMG	Provide financial and tax due diligence assistance in connection with proposed acquisition of a majority interest of another entity	\$123,030	\$0
KPMG Law	Legal advisory services in relation to the proposed acquisition of a majority interest of another entity	\$97,000	\$0
Strategy Edge Consulting	Project analysis and evaluation of strategic options	\$262,208	\$50,000

During the reporting period, AMES Australia engaged one consultant where the total fees payable to the individual consultancies were less than \$10,000 (exclusive of GST). The total expenditure incurred during 2021–22 in relation to this consultancy was \$9,600 (exclusive of GST).

Information and communication technology (ICT) expenditure

All operational ICT expenditure: business as usual (BAU)	ICT expenditure related to projects		
	Non-business as usual (non-BAU) ICT expenditure (Total = operational expenditure plus capital expenditure)	Operational expenditure	Capital expenditure
\$3,963,956	\$0	\$0	\$0

Government advertising expenditure

Nil reports. None of AMES Australia's advertising campaigns triggered the disclosure threshold of \$100,000 on advertising expenditure.

Local Jobs First

Nil reports. During the reporting period there were no projects or procurements valued at \$3 million or more in metropolitan Melbourne or \$1 million or more in regional Victoria. AMES Australia did not initiate any construction projects valued at \$20 million or more.

Key performance outcomes

Overview of key performance outcomes

Indicator title	Description	2021–22 target	2021–22 actual	Explanation of material variances	2020–21 result
Education					
Training delivery	Student contact hours (consortium – all programs)	1.15 m	1.18 m	Increased remote capability for training and assessment	1.24 m
	Skills First Certificate completion rate (Certificate III in Individual Support and Early Childhood Skills First Unit completion rate)	50%	55%		68%
	SEE Unit completion rate (includes EAL and Industry)	30%	32.5%	Increase due to improvements in assessment capacity in myAMES and unit scheduling	65%
	ACFE and Asylum Seeker ACFE Module attendance rate	85%	74%	COVID-19 restrictions reduced attendance and delivery	77%
	Student satisfaction rate (Australian Quality Training Framework Quality Report)	79%	78%		77%
Participation	Number of students in accredited courses with work or industry-based experience	170	165		152
Settlement					
Humanitarian Settlement Program (HSP)	Number of HSP clients referred * Due to COVID-19, since March 2020 borders have been closed to non-emergency arrivals until mid-December 2021	N/A*	7,618	*507 were emergency arrivals 3,728 were Afghan LEE evacuees 1,186 were Ukrainian arrivals 106 were new external Specialised and Intensive Services clients	636

Indicator title	Description	2021–22 target	2021–22 actual	Explanation of material variances	2020–21 result
Status Resolution Support Services (SRSS)	Number of SRSS clients referred	N/A	194	Clients referred were not newly arrived clients. They were vulnerable clients from the community who met eligibility requirements for entry or re-entry into the program	115
	Number of SRSS client referrals that were approved	N/A	16	Minimal approvals due to stricter program guidelines	Not reported previously
	Number of clients released from held detention to AMES Australia SRSS program	N/A	25	Band 3 referrals from held detention	Not reported previously
	Number of SRSS clients	N/A	554	Client numbers have decreased due to stricter program eligibility resulting in clients being exited from the program	1,194
Employment					
jobactive sustainable employment outcomes	Number of placements (consortium) * No annual targets were set; rather a monthly rolling forecast was in place	N/A*	5,939	For FY2021-22 6,421 new job seekers were referred to AMES Australia. Lockdowns and business closures impacted on placements	8,006
	Number of 26-week retention outcomes (consortium) * No annual targets were set; rather a monthly rolling forecast	N/A*	3,531	Business stability and rebuilding resulted in improved retention of job seekers	1,753
Research and evaluation					
Evidence-based research and evaluation capability	Number of research and evaluation activities	16	21	The activities have evolved and are now structured as: CALD research partnering (3); Evaluation (2); Insights Digest (3); Primary research (1); Policy responses (10); Publication (1); Social Impact Report (1)	16

Indicator title	Description	2021–22 target	2021–22 actual	Explanation of material variances	2020–21 result
Financial					
Financial sustainability (AMES Australia)	Liquidity available to meet expenses as they arise (Working capital ratio)	1.13:1	1.92:1	–	1.87:1
	Surplus / (deficit) before depreciation and excluding capital	(\$3.78m)	\$6.27m	Initial rolling forecast was set at a time of significant uncertainty. Concerted efforts resulted in an improved result for the year	\$2.26m
Revenue projection	Annual turnover AMES Australia total revenue	\$56.41m	\$89.34m	–	\$67.43m
Expenditure to budget reporting	Monthly management reports	15th day of month	met	–	met
Annual report submission, including audited financial statements	Information in accordance with the Department of Treasury and Finance Model Report and tabling timeline, as advised by DET	met	met	–	met

Five-year financial summary

Overview of financial records 2018–2022

Financial summary	30 June 2022	30 June 2021	*30 June 2020	*30 June 2019	*30 June 2018
	\$000	\$000	\$000	\$000	\$000
Total income from transactions	89,344	67,425	92,048	103,633	103,768
Total expenses from transactions	(86,666)	(68,272)	(94,528)	(105,910)	(101,122)
Net result from transactions	2,678	(847)	(2,480)	(2,277)	2,646
Net result for the period	2,905	(1,239)	(2,573)	(2,664)	2,712
Net cash flow from / (used in) operating activities	941	4,216	2,468	2,126	(8,244)
Total assets	64,239	62,250	61,088	63,566	65,783
Total liabilities	17,871	18,787	19,516	19,395	18,948

*Consolidated Financial Statements

For the year ending 30 June 2022, AMES Australia reported a net surplus of \$2.9 million. AMES Australia reported an increase in revenue and related expenditure over the previous financial year, primarily as result of the significant increase in settlement and client housing services delivery on reopening of international borders. Similarly, there was an increased demand for employment services as businesses emerged from the lockdowns during the pandemic. AMES Australia continued to contribute to social participation initiatives such as the Multicultural Hub and Prevention of Violence against Women Program. The Comprehensive Result of \$2.9 million does not include any asset revaluations (\$3.1 million in 2021), and net assets is \$46.3 million for the financial year.

Refer to Part B Financial Statements of this Annual Report for further details.
The AMES Australia Annual Report 2021–22 is available on the website: www.ames.net.au

Disclosure index

Legislation	Requirement	Page reference
Standing Directions and Financial Reporting Directions		
Report of operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant ministers	Part A page 5
FRD 22	Purpose, functions, powers and duties	Part A page 5
FRD 8	Departmental objectives, indicators and outputs	Part A page 4
FRD 22	Key initiatives and projects	Part A page 9–23
FRD 22	Nature and range of services provided	Part A page 9–23
Management and structure		
FRD 22	Organisational structure	Part A page 7
Financial and other information		
FRD 8	Performance against output performance measures	Part A page 46–48
FRD 8	Budget portfolio outcomes	N/A
FRD 10	Disclosure index	Part A page 50–51
FRD 12	Disclosure of major contracts	N/A
FRD 15	Executive disclosures	Part A page 7
FRD 22	Employment and conduct principles	Part A page 40
FRD 22	Occupational health and safety policy	Part A page 36
FRD 22	Summary of the financial results for the year	Part A page 48
FRD 22	Significant changes in financial position during the year	Part A page 48
FRD 22	Major changes or factors affecting performance	Part A page 49
FRD 22	Subsequent events	Part B page 43
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	Part A page 42
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	Part A page 28
FRD 22	Statement on National Competition Policy	Part A page 43
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	Part A page 41
FRD 22	Application and operation of the <i>Carers Recognition Act 2012</i>	Part A page 42
FRD 22	Details of consultancies over \$10,000	Part A page 44–45
FRD 22	Details of consultancies under \$10,000	Part A page 44–45
FRD 22	Disclosure of government advertising expenditure	Part A page 45
FRD 22	Disclosure of ICT expenditure	Part A page 45
FRD 22	Statement of availability of other information	Part A page 43
FRD 24	Reporting of office-based environmental impacts	Part A page 38–40
FRD 25	Local Jobs First	Part A page 45
FRD 29	Workforce Data disclosures	Part A page 8
SD 5.2	Specific requirements under Standing Direction 5.2	Part A page 1

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Standing Directions and Financial Reporting Directions		
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SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	Part A page 1
SD 5.2.3	Declaration in report of operations	Part A page 1
Financial statements		
Declaration		
SD 5.2.2	Declaration in financial statements	Part B page 3
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	Part B page 8
SD 5.2.1(a)	Compliance with Standing Directions	Part A page 1
SD 5.2.1(b)	Compliance with Model Financial Report	Part B page 3
Other disclosures as required by FRDs in notes to the financial statement		
FRD 9B	Departmental disclosure of administered assets and liabilities by activity	N/A
FRD 11A	Disclosure of ex gratia expenses	N/A
FRD 13	Disclosure of Parliamentary appropriations	N/A
FRD 21	Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the Financial Report	Part B page 40–42
FRD 103	Non-financial physical assets	Part B page 16–19
FRD 110	Cash flow statements	Part B page 7
FRD 112	Defined benefit superannuation obligations	Part B page 14
FRD 114	Financial Instruments – general government entities and public non-financial corporations	Part B page 29–30
Legislation		
	<i>Freedom of Information Act 1982</i>	Part A page 42
	<i>Building Act 1993</i>	Part A page 28
	<i>Public Interest Disclosures Act 2012</i>	Part A page 41
	<i>Carers Recognition Act 2012</i>	Part A page 42
	<i>Disability Act 2006</i>	Part A page 34
	<i>Local Jobs Act 2003</i>	Part A page 45
	<i>Financial Management Act 1994</i>	Part B page 3

PART B: FINANCIAL STATEMENTS

AMES Australia Annual Financial Report for the year ended 30 June 2022

**AMES AUSTRALIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

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ANNUAL FINANCIAL REPORT
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The financial report was authorised for issue by the Board members on 29 August 2022. AMES Australia has the power to amend and reissue the financial report.

Independent Auditor's Report

To the Board of AMES Australia

Opinion	<p>I have audited the financial report of AMES Australia (the entity) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration by Board Chair, Chief Executive Officer and Chief Finance Officer. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the 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</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>
Board's responsibilities for the financial report	<p>The Board of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
11 September 2022



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

**AMES AUSTRALIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

**DECLARATION BY BOARD CHAIR, CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCE OFFICER**

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and financial position of the organisation as at 30 June 2022.

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

The Board Chair, Chief Executive Officer and Chief Finance Officer sign this declaration as delegates of, and in accordance with a resolution of, the Board of AMES Australia.

We authorise the attached financial statements for issue on 29 August 2022.



William Stuart Crosby
Board Chair
Melbourne
29 August 2022



Catherine Scarth
Chief Executive Officer
Melbourne
29 August 2022



Tracey Bannan
Chief Finance Officer
Melbourne
29 August 2022

**AMES AUSTRALIA
COMPREHENSIVE OPERATING STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	Notes	\$'000 2022	\$'000 2021
Revenue and income from transactions			
Government contributions - operating	2.2.1	4,392	3,836
Sales of goods and services	2.2.2	82,357	61,144
Other income	2.2.3	2,512	2,357
Interest income		83	88
Total revenue and income from transactions		89,344	67,425
Expenses from transactions			
Employee expenses	3.1.1	39,007	36,075
Depreciation and amortisation	4.1.1	3,367	3,497
Interest expense	6.2	17	22
Supplies and services	3.2	17,295	16,332
Other operating expenses	3.2	26,980	12,346
Total expenses from transactions		86,666	68,272
Net results from transactions (net operating balance)		2,678	(847)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	8.1	30	(728)
Other gains/(losses) from other economic flows	8.1	197	336
Total other economic flows included in net result		227	(392)
Net result		2,905	(1,239)
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	8.2	-	3,131
Comprehensive result		2,905	1,892

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

**AMES AUSTRALIA
BALANCE SHEET
AS AT 30 JUNE 2022**

	Notes	\$'000 2022	\$'000 2021
Assets			
Financial assets			
Cash and deposits	6.1	24,029	28,193
Receivables	5.1	7,484	3,306
Investment		3,262	-
Total financial assets		34,775	31,499
Non-financial assets			
Other non-financial assets		609	742
Property, plant and equipment	4.1	28,855	30,009
Total non-financial assets		29,464	30,751
Total assets		64,239	62,250
Liabilities			
Payables	5.2	5,064	2,775
Contract liabilities	5.3	2,602	5,110
Employee related provisions	3.1.2	7,753	7,425
Lease liabilities		2,028	1,671
Other provisions	5.4	424	1,806
Total liabilities		17,871	18,787
Net assets		46,368	43,463
Equity			
Accumulated surplus		9,459	6,554
Reserves	8.2	14,003	14,003
Contributed capital		22,906	22,906
Total Equity		46,368	43,463

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

**AMES AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

		Reserves	Accumulated surplus/ (deficit)	Contributed capital	Total
<i>AMES Australia</i>	Notes	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2020		10,872	7,793	22,906	41,571
Changes in physical asset revaluation surplus		3,131	-	-	3,131
Net result for the year		-	(1,239)	-	(1,239)
Balance at 30 June 2021		14,003	6,554	22,906	43,463
Changes in physical asset revaluation surplus	8.2	-	-	-	-
Net result for the year		-	2,905	-	2,905
Balance at 30 June 2022		14,003	9,459	22,906	46,368

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

**AMES AUSTRALIA
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	Notes	\$'000 2022	\$'000 2021
Cash flow from operating activities			
Receipts			
Government contributions – operating	2.2.1	4,392	3,836
User fees and charges received		85,415	73,127
Interest received		83	88
Total receipts		89,890	77,051
Payments			
Payments to suppliers and employees		(85,665)	(69,515)
Interest and other costs of finance paid		(17)	(21)
Net goods and services tax paid to the ATO		(3,267)	(3,299)
Total payments		(88,949)	(72,835)
Net cash flows from/(used in) operating activities	6.1.1	941	4,216
Cash flows from investing activities			
Acquisition of entities	4.2	(3,262)	-
Purchase of non-financial assets		-	(74)
Proceeds from sale of non-financial assets	8.2	41	85
Net cash flows from/(used in) investing activities		(3,221)	11
Cash flows from financing activities			
Repayment of principal portion of leasing liabilities	6.2 (c)	(1,884)	(1,789)
Net cash flows from/(used in) financing activities		(1,884)	(1,789)
Net increase/(decrease) in cash and cash equivalents		(4,164)	2,438
Cash and cash equivalents at beginning of financial year		28,193	25,755
Cash and cash equivalents at end of financial year	6.1	24,029	28,193

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

AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

1. ABOUT THIS REPORT

AMES Australia is an autonomous Adult Education Institution, accountable to the Victorian Minister for Training and Skills. It is governed by a Board established under the *Education and Training Reform Act 2006*.

Its principal address is:

AMES Australia
1 Little Collins St
Melbourne VIC 3000

1.1 Basis of preparation

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

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

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

The financial statements cover AMES Australia as an individual reporting entity.

Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

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 (AASs) 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*.

Where appropriate, those AASs paragraphs applicable to not-for-profit (NFP) 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.

1.3 Impact of COVID-19

Coronavirus (COVID-19), which was declared a global pandemic in March 2020, continues to evolve in 2022. Various restrictions such as lockdowns and closure of state borders during the financial year, and subsequent easing of these restrictions, continued to impact the manner in which businesses operated, including AMES Australia.

Consistent with the prior year, management continues to actively monitor the impact of COVID-19 on AMES Australia's performance with scenario planning for financial and service delivery impacts.

**AMES AUSTRALIA
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2. FUNDING DELIVERY OF OUR SERVICES

Introduction

AMES Australia's overall objective is to achieve short and long term outcomes for migrants, refugees and the broader community through the delivery of education, training, employment and settlement services. This section presents the sources and amounts of revenue raised by AMES Australia. Contributions are received from both State and Commonwealth Government, and from other fees and charges.

Significant judgement:

AMES Australia has made the judgement that amounts received in relation to the sale of goods and services should be recognised under AASB 15 on the basis that the control of goods or services has been transferred to the customer and the performance obligations are satisfied.

Structure

2.1	Summary of revenue and income that funds the delivery of services	.....9
2.2	Revenue and income from transactions	.....10

2.1 Summary of revenue and income that funds the delivery of services

	Notes	\$'000 2022	\$'000 2021
Government contributions	2.2.1	4,392	3,836
Sale of goods and services	2.2.2	82,357	61,144
Other income	2.2.3	2,512	2,357
Interest income		83	88
Total revenue and income from transactions		89,344	67,425

Revenue and income that fund delivery of AMES Australia's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

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2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Revenue and income from transactions

2.2.1 Government contributions

	\$'000	\$'000
	2022	2021
Government contributions – operating		
State government specific funded programs	4,392	3,836
Total government contributions - operating	4,392	3,836
State government - other contributions	-	-
Total government contributions - other	-	-
Total government contributions	4,392	3,836

The major operating grant of AMES Australia is the Victorian Training Guarantee (VTG) provided by the Victorian Government to the Vocational Education and Training (VET) sector for eligible training. This revenue is typically recognised at the point in time when AMES Australia has claimed and delivered the funded training for eligible students enrolled in its VET courses.

Other government contributions include state funding initiatives. The funding agreements for these initiatives transfer control on execution of the relevant agreement. AMES Australia recognises income immediately in the comprehensive operating statement when control is achieved over the funds and the contract is not enforceable or the performance obligations are not sufficiently specific. Where performance obligations are sufficiently specific, revenue is recognised in the comprehensive operating statement as the performance obligations are delivered.

2.2.2 Sale of goods and services

	\$'000	\$'000
	2022	2021
Student fees and charges	22	29
Fee for service - Government	79,215	57,861
Fee for service - Other	3,105	3,192
Other non-course fees and charges		
Sale of goods	15	62
Total fees and charges	82,357	61,144

The sale of goods and services included in the table above are transactions that AMES Australia has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Revenue from sale of goods and services are predominantly for transactions related to the services delivered through Commonwealth Government contracts. The increase in revenue for fee for service – government in the current reporting period is primarily attributed by the significant increase in settlement and client housing services delivered through the Humanitarian Settlement Program.

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2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2.3 Sale of goods and services (continued)

Performance obligations and revenue recognition policies

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

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

Customers are invoiced and revenue is recognised when the goods are delivered and accepted by customers. For services rendered, where customers simultaneously receive and consume the services as it is provided, revenue is recognised progressively as contract assets until the customer is subsequently invoiced in accordance with the terms of the service agreement. For other customers that are only able to consume the services when they have been completed, revenue is only recognised upon completion and delivery of the services.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.3).

2.2.3 Other income

	\$'000	\$'000
	2022	2021
Rental revenue	1,256	1,370
Other revenue	1,256	987
Total other income	2,512	2,357

(i) Rental revenue

Rental income from leasing of investment properties which are operating leases are recognised on a straight-line basis over the lease term.

(ii) Other revenue

Other revenue includes donations and client contributions. Donations are recognised when received and the amount can be measured reliably. AMES Australia recognises donations are income under AASB 1058 where there are no sufficiently specific performance obligations.

**AMES AUSTRALIA
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3. THE COST OF DELIVERING SERVICES

Introduction

This section provides an account of the expenses incurred by AMES Australia in delivering services and outputs.

Structure

3.1	Expenses incurred in the delivery of services	.....12
3.2	Supplies and services / Other operating expenses	.....15

3.1 Expenses incurred in the delivery of services

	Notes	\$'000 2022	\$'000 2021
Employee expenses	3.1.1	39,007	36,075
Supplies and services	3.2	17,295	16,332
Other operating expenses	3.2	26,980	12,346
Total expenses incurred in the delivery of services		83,282	64,753

3.1.1 Employee expenses in the comprehensive operating statement

	Notes	\$'000 2022	\$'000 2021
Salaries, wages, overtime and allowances, annual leave, long service leave and other salary related costs		32,637	30,308
Superannuation	3.1.3	3,135	2,807
Payroll tax		1,742	1,635
Worker's compensation		358	355
Termination benefits		1,135	970
Total employee expenses		39,007	36,075

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

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. AMES Australia does not recognise any defined benefit liabilities because AMES Australia has no legal or constructive obligation to pay future benefits relating to its employees. Its only obligation is to pay superannuation contributions as and when they fall due.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. AMES Australia recognises termination benefits when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**AMES AUSTRALIA
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3. THE COST OF DELIVERING SERVICES (continued)

3.1.2 Employee benefits in the balance sheet

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

	\$'000	\$'000
	2022	2021
Current provisions		
Employee benefit – Annual leave		
Unconditional and expected to wholly settle within 12 months	2,953	3,096
Unconditional and expected to wholly settle after 12 months	697	542
Employee benefit – Long service leave		
Unconditional and expected to wholly settle within 12 months	538	355
Unconditional and expected to wholly settle after 12 months	2,497	2,222
Provision for on-costs		
Unconditional and expected to wholly settle within 12 months	91	56
Unconditional and expected to wholly settle after 12 months	424	353
Total current provisions for employee benefits	7,200	6,624
Non-currents provisions:		
Employee benefits	473	691
On-costs	80	110
Total non-current provisions for employee benefits	553	801
Total provisions for employee benefits	7,753	7,425

Reconciliation of movements in on-cost provisions

	\$'000	\$'000
	2022	2021
Opening Balance	519	628
Additional provisions recognised	5,220	4,778
Reductions arising from payments	(5,171)	(4,933)
Unwind of discount and effect of changes in the discount rate	27	46
Closing Balance	595	519
Current	515	409
Non-current	80	110

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3. THE COST OF DELIVERING SERVICES (continued)

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

Liabilities for wages and salaries, including non-monetary benefits and annual leave are all recognised in the provision for employee benefits as 'current liabilities', because AMES Australia does not have an unconditional right to defer settlements of these liabilities.

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

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

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

(ii) Long service leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even when AMES Australia does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of the current LSL liability are measured at:

- nominal value (undiscounted value) - component that is expected to be wholly settled within 12 months; or
- present value (discounted value) - component that is not expected to be wholly settled within 12 months.

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

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest for which it is then recognised as an 'other economic flow' in the net result (refer to Note 8.2).

(iii) Employee benefits on-costs

Provision for on-costs such as payroll tax, workers compensation and superannuation are not employee benefits.

They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

3.1.3 Superannuation contributions

Employees of AMES Australia are entitled to receive superannuation benefits and AMES Australia contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

	\$'000 2022	\$'000 2021
Paid contribution for the year:		
Defined benefit plans -		
State Superannuation Fund	15	18
Defined contribution plans -		
VicSuper	2,952	2,707
Total paid contribution for the year	2,967	2,725
Contribution outstanding at year end (paid the following month)	168	82
Total superannuation expense recognised in the comprehensive operating statement	3,135	2,807

The basis for contributions is determined by the various schemes.

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3. THE COST OF DELIVERING SERVICES (continued)

3.2 Supplies and services / Other operating expenses

	Notes	\$'000 2022	\$'000 2021
Supplies and services			
Purchases of supplies and consumables		376	345
Communication expenses		1,108	736
Contract and other services		1,964	1,481
Building repairs and maintenance		237	739
Minor equipment		297	246
Fees and charges		13,313	12,785
Total supplies and services		17,295	16,332
Other operating expenses			
General expenses			
Marketing and promotional expenses		325	268
Occupancy expenses		689	630
Audit fees and services	8.6	48	47
Staff development		85	46
Travel and motor vehicle expenses		359	251
Other expenses		156	139
Subtotal general expenses		1,662	1,381
Lease expenses			
Short-term lease expenses		1,330	2,595
Venue hire and equipment rentals		451	1,229
Subtotal operating lease expenses		1,781	3,824
Other expenses			
Job network clients related expenses		4,500	4,473
Asylum seeker clients related expenses		19,037	2,668
Cost of goods sold/distributed (ancillary trading)		-	-
Subtotal other expenses		23,537	7,141
Total other operating expenses		26,980	12,346

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

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

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

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

Asylum seeker clients related expenses significantly increased as a result of higher settlement and client housing services delivered in the Humanitarian Settlement Program.

**AMES AUSTRALIA
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4. MAJOR ASSETS AND INVESTMENTS

Introduction

This section outlines those assets that the organisation controls, representing the resources that have been utilised for delivery of those outputs.

Fair value measurements:

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

Structure

4.1	Total property, plant and equipment	.....16
4.2	Acquisition of entities	.....20

4.1 Total property, plant and equipment

	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	\$'000		\$'000		\$'000	
	2022	2021	2022	2021	2022	2021
Land at fair value	9,786	9,786	-	-	9,786	9,786
Buildings at fair value	22,279	21,903	(4,297)	(3,116)	17,982	18,787
Building improvements	1,136	1,136	(402)	(326)	734	810
Leasehold improvements at fair value	4,013	4,013	(3,932)	(3,870)	81	143
Plant & equipment, computer equipment	3,367	3,367	(3,200)	(3,081)	167	286
Motor vehicles at fair value	665	715	(560)	(518)	105	197
Net carrying amount	41,246	40,920	(12,391)	(10,911)	28,855	30,009

The following table is a subset of buildings by right-of-use assets:

	Gross Carrying Amount	Accumulated Depreciation	Net Carrying Amount	Gross Carrying Amount	Accumulated Depreciation	Net Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	2022	2022	2022	2021	2021	2021
Buildings at fair value	5,289	(3,189)	2,100	4,913	(3,116)	1,797
Net carrying amount	5,289	(3,189)	2,100	4,913	(3,116)	1,797

AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

4. MAJOR ASSETS AND INVESTMENTS (continued)

4.1 Total property, plant and equipment (continued)

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

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

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

Indefinite life assets: Land which is considered as having an indefinite life, are not depreciated. Depreciation is not recognised in respect of this asset because their service potential has not, in any material sense, been consumed during the reporting period.

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

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

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

The recoverable amount for most assets is measured at the higher of current replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Revaluations of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Assistant Treasurer. A full revaluation normally occurs every five years, based upon the asset's government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Management have assessed fair value at 30 June 2022 for AMES' land and buildings by applying the Valuer General Victoria (VGV) indexation factors for the financial year 2021/22. The assessment demonstrated that the movement in fair value was less than 10 per cent of the carrying value for the building asset class. A managerial revaluation was not required to be performed on the building asset class. The indexation for land remains unchanged.

The next scheduled full revaluation will be conducted in 2023. The Department of Treasury has provided AMES with an exemption to defer the valuation to 2023 to align with organisation's reporting portfolio department (Department of Education) valuation cycle.

In addition, fair value assessments have been performed for all other classes of assets and the decision was made that movements were not material (less than 10 per cent) for a full revaluation.

**AMES AUSTRALIA
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4. MAJOR ASSETS AND INVESTMENTS (continued)

4.1 Total property, plant and equipment (continued)

4.1.1 Depreciation and amortisation

	\$'000	\$'000
	2022	2021
Buildings	3,029	2,213
Plant & equipment, computer equipment	119	156
Motor vehicles	81	125
Leasehold improvements	62	927
Building improvements	76	76
Total depreciation and amortisation	3,367	3,497

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

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

Depreciation rates used for each class of depreciable assets are:

Class of assets	Useful Life (Years)
Buildings	4 - 50
Building improvements	15
Leasehold improvements	13 - 15
Plant & equipment	4 - 15
Computer equipment	3 - 4
Motor vehicles	5
Right-of-use Assets	1 - 3

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate. There has been no change in the methodology and no major change in the rates for the reporting period.

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4. MAJOR ASSETS AND INVESTMENTS (continued)

4.1.2 Reconciliations of movements in carrying amount of property, plant & equipment

	Land		Buildings		Building improvements		Leasehold improvements		Plant & equipment, computer equipment		Motor vehicles		Total	
	\$'000		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	9,787	8,450	18,787	17,542	809	885	143	1,813	286	312	197	362	30,009	29,364
Additions	-	-	2,224	1,664	-	-	-	31	-	130	-	-	2,224	1,825
Disposals	-	-	-	-	-	-	-	-	-	-	(11)	(40)	(11)	(40)
Depreciation	-	-	(3,029)	(2,213)	(76)	(76)	(61)	(927)	(119)	(156)	(82)	(125)	(3,367)	(3,497)
Impairment	-	-	-	-	-	-	-	(774)	-	-	-	-	-	(774)
Net revaluation increments/(decrements)	-	1,337	-	1,794	-	-	-	-	-	-	-	-	-	3,131
Closing balance	9,787	9,787	17,982	18,787	733	809	82	143	167	286	104	197	28,855	30,009

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4. MAJOR ASSETS AND INVESTMENTS (continued)

4.2 Acquisition of entities

On 1 March 2022, AMES Australia acquired 51% of the shares of Kare One Pty Ltd for cash consideration of \$3.26 million.

Kare One Pty Ltd is incorporated in Australia and its principal place of business is in Pakenham, Victoria. Kare One Pty Ltd delivers homecare, personal care and respite care throughout the South and South Eastern regions of Melbourne.

AMES Australia assesses whether it has the power to direct relevant activities of the investee by considering the rights it holds to control decisions. Management has made an assessment which includes both a qualitative and quantitative assessment of materiality of its subsidiary and has determined that it has control.

The assets, liabilities and results of Kare One Pty Ltd have not been consolidated with the financial statements of AMES Australia for the reporting period. Management has made an assessment that its inclusion is not material for the purpose of giving a true and fair view.

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5. OTHER ASSETS AND LIABILITIES

Introduction

This section sets out other assets and liabilities that arise from the organisation's operations.

Structure

5.1	Receivables	.....21
5.2	Payables	.....22
5.3	Contract liabilities	.....23
5.4	Other provisions	.....23

5.1 Receivables

	\$'000	\$'000
	2022	2021
Current receivables		
Contractual		
Trade receivables	632	898
Revenue receivables	6,742	2,393
Other receivables	110	15
Total current receivables	7,484	3,306

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

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. AMES Australia applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Details about AMES Australia's impairment policies, credit risk exposure and the calculation of the loss allowance are set out in Note 7.1.

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5. OTHER ASSETS AND LIABILITIES (continued)

5.2 Payables

	\$'000	\$'000
	2022	2021
Contractual		
Supplies and services	3,662	2,132
Accrued salaries, wages and superannuation	576	-
Statutory		
Taxes payable	826	643
Total payables	5,064	2,775
<i>Represented by:</i>		
Current payables	3,662	2,046
Non-current payables	-	86

Payables consist of:

- **contractual payables:** Classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to AMES Australia prior to the end of the financial period that are unpaid, and arise when AMES Australia becomes obliged to make future payments in respect of the purchase of those goods and services; and
- **statutory payables:** Recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

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

Maturity analysis of financial liabilities

	Carrying amount	Nominal amount	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	5+ years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2022							
Supplies and services	3,662	3,662	3,619	43		-	-
Accrued salaries, wages and superannuation	576	576	576	-	-	-	-
Total	4,238	4,238	4,195	43	-	-	-
2021							
Supplies and services	2,132	2,132	2,022	24	86	-	-
Total	2,132	2,132	2,022	24	86	-	-

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5. OTHER ASSETS AND LIABILITIES (continued)

5.3 Contract liabilities

	\$'000 2022	\$'000 2021
Contract liabilities		
Opening balance	5,110	3,292
Add: Payments received for performance obligations yet to be completed during the period	25,023	24,076
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(27,531)	(22,258)
Total contract liabilities	2,602	5,110
<i>Represented by</i>		
Current contract liabilities	2,602	5,110
Non-current contract liabilities	-	-

AMES Australia recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as 'contract liabilities' in the balance sheet.

5.4 Other provisions

	\$'000 2022	\$'000 2021
Current provisions		
Make-good provision	424	1,806
Total other provisions	424	1,806

Provisions are recognised when AMES Australia has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Reconciliation of movements in other provisions^(a)

	\$'000 2022	\$'000 2021
Opening Balance	1,806	1,666
Additional provisions recognised	-	305
Reductions arising from payments	(1,275)	(85)
Reductions resulting from re-measurement or settlement without cost	(107)	(80)
Closing Balance	424	1,806

Note: (a) The total balance in 'Provisions' relate fully to make-good.

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6. FINANCING OUR OPERATIONS

Introduction

This section includes disclosures of balances that are financial instruments. Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

Structure

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6.1 Cash flow information and balances

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

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as current borrowings on the balance sheet, as indicated in the reconciliation below.

	\$'000	\$'000
	2022	2021
Total cash and deposits disclosed in the balance sheet	24,029	28,193
Balance as per cash flow statement	24,029	28,193

6.1.1 Reconciliation of the net result for the year to the cash flow from operating activities

	\$'000	\$'000
	2022	2021
Net result for the period	2,905	(1,239)
Non-cash movements:		
Depreciation and amortisation of non-current assets	3,367	3,497
Net (gain)/loss of sale of non-current assets	(30)	728
Other non-cash movements	(339)	40
Total non-cash flows in operating result	2,998	4,265
Movements in assets and liabilities		
Decrease/(increase) in receivables	(4,178)	1,834
Decrease/(increase) in inventories	-	24
Increase/(decrease) in other assets	(22)	221
Increase/(decrease) in payables	(65)	(435)
Increase/(decrease) in contract liabilities	357	(103)
Increase/(decrease) in employee benefits	328	(491)
Increase/(decrease) in provisions	(1,382)	140
Total movements in assets and liabilities	(4,962)	1,190
Net cash flows from/(used in) operating activities	941	4,216

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6. FINANCING OUR OPERATIONS (continued)

Financing facilities

	\$'000	\$'000
	2022	2021
Unsecured credit card facility, reviewed annually and payable at call		
Amount used	225	170
Balance available	175	230
Total credit card facility with bank	400	400

6.2 Leases

AMES Australia lease various properties. The lease contracts are typically made for fixed periods of 1-3 years with an option to renew the lease after that date.

Property leases with a contract term of 1 year or less are either short-term and or/leases of low-value items. AMES Australia has elected not to recognise right-of-use assets and lease liabilities for these leases.

At 30 June 2022, AMES Australia was committed to short term leases and the total commitment at that date was \$1,117,284 (2021: \$1,367,529).

Leases at significantly below-market terms and conditions

AMES Australia have leases that are at significantly below-market terms and conditions. The lease contracts have been entered primarily to enable AMES Australia to further its objectives. The lease contracts specifies lease payment of \$1 per annum. The leased premises are used by AMES Australia to provide a range of services such as a community hub, vocational teaching and rooming house.

6.2 (a) Right-of-use Assets

Right-of-use assets are presented in note 4.1 (a).

6.2 (b) Amounts recognised in the Comprehensive Operating Statement

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

	\$'000	\$'000
	2022	2021
Interest expense on lease liabilities	17	22
Expenses relating to short term leases	1,330	2,595
Total amount recognised in the comprehensive operating statement	1,347	2,617

6.2 (c) Amounts recognised in the Cash Flow Statement

The following amounts are recognised in the Cash Flow Statement for the year ending 30 June 2022 relating to leases.

	\$'000	\$'000
	2022	2021
Interest expense on lease liabilities	17	22
Expenses relating to short term leases	1,330	2,595
Total cash outflow for leases	1,347	2,617

AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

6. FINANCING OUR OPERATIONS (continued)

6.2 Leases (continued)

For any new contracts entered into, AMES Australia considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition AMES Australia assesses whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to AMES Australia and for which the supplier does not have substantive substitution rights;
- Whether AMES Australia has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and AMES Australia has the right to direct the use of the identified asset throughout the period of use; and
- Whether AMES Australia has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Separation of lease and non-lease components

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

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the incremental borrowing rate as per Treasury Corporation of Victoria.

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

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

Lease Liability – subsequent measurement

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

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

Short-term leases and leases of low-value assets

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

Below market/Peppercorn lease

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable AMES Australia to further its objectives, are initially and subsequently measured at cost.

These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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6. FINANCING OUR OPERATIONS (continued)

6.2 Leases (continued)

Presentation of right-of-use assets and lease liabilities

AMES Australia presents right-of-use assets as 'property, plant and equipment'. Lease liabilities are presented as 'lease liabilities' in the balance sheet.

	Minimum future lease payments		Present value of minimum future lease payments	
	\$'000	\$'000	\$'000	\$'000
	2022	2021	2022	2021
Other lease liabilities payable				
Not longer than 1 year	481	1,707	481	1,548
Longer than 1 year but not longer than 5 years	1,617	125	1,547	123
Minimum future lease payments	2,098	1,832	2,028	1,671
Less future finance charges	(70)	(161)	-	-
Present value of minimum lease payments	2,028	1,671	2,028	1,671
Included in the financial statements as:				
Current lease liabilities	-	-	1,205	1,315
Non-current lease liabilities	-	-	823	356
Total	-	-	2,028	1,671

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6. FINANCING OUR OPERATIONS (continued)

6.3 Commitments

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

6.3.1 Total commitments payable

	Less than 1 year	1 – 5 years	5+ years	Total
2022	\$'000	\$'000	\$'000	\$'000
Capital expenditure commitments payable				
Property, plant and equipment	-	-	-	-
Operating commitments payable	170	-	-	170
Total commitments (inclusive of GST)	170	-	-	170
Less GST recoverable	(15)	-	-	(15)
Total commitments (exclusive of GST)	155	-	-	155

	Less than 1 year	1 – 5 years	5+ years	Total
2021	\$'000	\$'000	\$'000	\$'000
Capital expenditure commitments payable				
Property, plant and equipment	-	-	-	-
Operating commitments payable	93	-	-	93
Total commitments (inclusive of GST)	93	-	-	93
Less GST recoverable	(8)	-	-	(8)
Total commitments (exclusive of GST)	85	-	-	85

AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction	Structure	
<p>AMES Australia is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for AMES Australia related mainly to fair value determination.</p>	<p>7.1 Financial instruments specific disclosures</p> <p>7.2 Contingent assets and liabilities</p> <p>7.3 Fair value determination</p>	<p>.....29</p> <p>.....35</p> <p>.....36</p>

7.1 Financial instruments specific disclosures

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.

Categories of financial assets

Financial assets at amortised cost

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

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

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment. AMES Australia recognises the following assets in this category:

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

Categories of financial liabilities

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

- contractual payables (excluding statutory payables); and
- lease liabilities.

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

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

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

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

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

7.1.1 Carrying amount of financial instruments by category

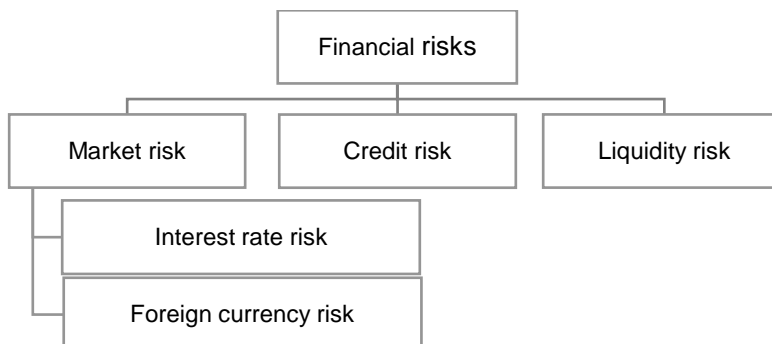
		\$'000	\$'000
Category		2022	2021
Financial assets			
Cash and deposits	Cash and deposits	24,029	28,193
Receivables ^(a)	Financial assets at amortised cost	7,484	3,306
Total financial assets		31,513	31,499
Financial liabilities			
Payables ^(a)	Financial liabilities at amortised cost	4,238	2,132
Lease liabilities	Financial liabilities at amortised cost	2,028	1,671
Total financial liabilities		6,266	3,803

Note: (a) Receivables and payables disclosed here exclude statutory receivables and statutory payables.

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1.2 Financial risk management objective and policies



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

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 7.1 to the financial statements.

The main risks AMES Australia is exposed to through its financial instruments are market risk (including interest rate risk, foreign currency risk), credit risk and liquidity risk.

The organisation's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of AMES Australia by adhering to principles on interest rate risk and credit risk. Compliance with policies and exposure limits is reviewed by management on a continuous basis. AMES Australia does not enter into or trade financial instruments, including derivative financial instruments for speculative purposes. As a part of this risk management strategy, AMES Australia holds over 69.1% (2020/21: 89.5%) of its financial assets in cash and equivalents. AMES Australia uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and ageing analysis for credit risk.

AMES Australia's corporate finance provides services to its business units, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market (including fair value interest rate risk) credit risk and liquidity risk.

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1.2 Financial risk management objective and policies (continued)

Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Credit risk is measured at fair value and is monitored on a regular basis to ensure that AMES Australia is not exposed to significant bad debts or impairment. Credit risk is monitored by actively assessing the liquidity of counterparties.

There are no material amounts of collateral held as security at 30 June 2022.

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

Credit quality of contractual financial assets that are neither past due nor impaired^(a)

	Financial institutions (AA- rating)	Government agencies (AA rating)	Total
2022	\$'000	\$'000	\$'000
Financial assets			
Financial assets with loss allowance measured at 12-month expected credit loss			
Cash and deposits	24,029	-	24,029
Receivables ^(a)	-	7,484	7,484
Total financial assets	24,029	7,484	31,513
2021			
Financial assets			
Financial assets with loss allowance measured at 12-month expected credit loss			
Cash and deposits	28,193	-	28,193
Receivables ^(a)	-	3,306	3,306
Total financial assets	28,193	3,306	31,499

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

Impairment of financial assets

AMES Australia records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss (ECL) approach. Subject to AASB 9 impairment assessment include AMES Australia's contractual receivables and statutory receivables.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Although not a financial asset, contract assets recognised applying AASB 15 (refer to Note 5.1) are also subject to impairment however it is immaterial.

AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1.2 Financial risk management objective and policies (continued)

Contractual receivables at amortised cost

AMES Australia applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on assumptions of risk of default and expected loss rates. The expected loss rates are based on AMES Australia's past history, existing market conditions as well as forward-looking estimates at the end of the financial year.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. Based on historical information about customer default rates and occurrences, management consider the credit quality of trade receivables that are not past due or impaired to be good.

The assessment at the end of the financial year resulted with no additional impairment losses to be recognised.

Statutory receivables at amortised cost

AMES Australia's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months of expected losses. No loss allowance has been recognised.

Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due.

The responsibility for liquidity risk management rests with the Board of Directors of AMES Australia. AMES Australia manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

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

Financial instruments: Market risk

AMES Australia in its daily operations is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change and that this will have an adverse effect on the operating result and /or net worth of AMES Australia.

The Board's oversight includes that all market risk exposure is consistent with AMES Australia's business strategy and within the risk tolerance of AMES Australia. The Board are presented with reports should there be any risks identified.

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

Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to change the expected net interest earnings in the current reporting period and in future years, or cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the interest rate risk to achieve stable and sustainable net interest earnings in the long term. This is managed predominantly through a mixture of short term and longer term investments. Management monitors movement in interest rates on a monthly basis.

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

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1.2 Financial risk management objective and policies (continued)

The organisation's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities are set out in the financial instrument composition and maturity analysis table below:

Interest rate exposure of financial instruments

	2022	Weighted average interest rate %	Carrying amount \$'000	Interest rate exposure		
				Variable interest rate \$'000	Fixed interest rate \$'000	Non- interest bearing \$'000
Financial assets						
Cash and deposits		0.58	24,029	24,025	-	4
Receivables^(a)						
Trade receivables			632	-	-	632
Revenue receivables			6,742	-	-	6,742
Other receivables			110	-	-	110
Total financial assets			31,513	24,025	-	7,488
Financial liabilities						
Payables ^(a)			4,238	-	-	4,238
Lease liabilities			2,028	-	2,028	-
Total financial liabilities			6,266	-	2,028	4,238

	2021	Weighted average interest rate %	Carrying amount \$'000	Interest rate exposure		
				Variable interest rate \$'000	Fixed interest rate \$'000	Non- interest bearing \$'000
Financial assets						
Cash and deposits		0.55	28,193	28,186	-	7
Receivables^(a)						
Trade receivables			899	-	-	899
Revenue receivables			2,393	-	-	2,393
Other receivables			15	-	-	15
Total financial assets			31,500	28,186	-	3,314
Financial liabilities						
Payables ^(a)			2,132	-	-	2,132
Lease liabilities			1,671	-	1,671	-
Total financial liabilities			3,803	-	1,671	2,132

Note: (a) The carrying amounts disclosed here exclude statutory receivables and payables.

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

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

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

As at the reporting date there were no contingent assets (nil in 2020/21).

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability.

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

Quantifiable contingent liabilities	\$'000	\$'000
	2022	2021
Bank guarantee	27	27
Total contingent liabilities	27	27

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

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 values. Changes to assumptions could have a material impact on the results and financial position of AMES Australia.

This section sets out information on how AMES Australia determined fair value for financial reporting purposes. Consistent with AASB 13 *Fair Value Measurement*, AMES Australia determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, and financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

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

Fair value hierarchy

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

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

For the purpose of fair value disclosures, AMES Australia has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, AMES Australia determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is AMES Australia's independent valuation agency. AMES Australia in conjunction with the VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

7.3.1 Fair value determination of financial assets and liabilities

The fair values of the AMES Australia's financial assets and liabilities are determined as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that AMES Australia can access at the measurement date.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

AMES Australia currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value.

Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value, and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

For other assets and other liabilities the fair value approximates their carrying value.

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3.2 Fair value determination of non-financial physical assets

Details of AMES Australia's property, plant and equipment information about the fair value hierarchy based on recurring fair value measurement are as follows:

	Carrying amount as at 30 June 2022 \$'000	Fair value hierarchy			Carrying amount as at 30 June 2021 \$'000	Fair value hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
Land	9,786	-	9,786	-	9,786	-	9,786	-
Buildings	17,982	-	17,870	112	18,787	-	18,652	135
Building improvements	734	-	-	734	810	-	-	810
Leasehold improvements	81	-	-	81	143	-	-	143
Plant and equipment	167	-	-	167	286	-	-	286
Motor vehicles	105	-	105	-	197	-	197	-
Total assets at fair value	28,855	-	27,761	1,094	30,009	-	28,635	1,374

Classified in accordance with the fair value hierarchy. There were no transfers between levels during the year.

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2022.

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

Vehicles are valued using the current replacement cost method. AMES Australia 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 the fleet management team at AMES Australia.

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7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3.2 Fair value determination of non-financial physical assets (continued)

Reconciliation of Level 3 fair value movements

	Buildings	Building improvements	Leasehold improvements	Plant and equipment
As at 30 June 2022	\$'000	\$'000	\$'000	\$'000
Opening balance	135	810	143	286
Additions	-	-	-	-
Impairment	-	-	-	-
Depreciation	(23)	(76)	(62)	(119)
Revaluation	-	-	-	-
Closing balance	112	734	81	167

	Buildings	Building improvements	Leasehold improvements	Plant and equipment
As at 30 June 2021	\$'000	\$'000	\$'000	\$'000
Opening balance	135	886	1,812	311
Additions	-	-	31	131
Impairment	-	-	(773)	-
Depreciation	(19)	(76)	(927)	(156)
Revaluation	19	-	-	-
Closing balance	135	810	143	286

Description of significant unobservable inputs to Level 3 valuations

2022 and 2021	Valuation technique	Significant unobservable inputs
Leasehold improvements	Current replacement cost	Useful life
Plant and equipment	Current replacement cost	Useful life
Buildings improvements	Current replacement cost	Useful life
Buildings	Current replacement cost	Estimated replacement cost (\$ per m ²) of buildings and industry guidelines including construction handbooks, depreciated for building age and adjusted for refurbishment

Significant unobservable inputs have remained unchanged since June 2021.

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8. OTHER DISCLOSURES

Introduction

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

Structure

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8.1 Other economic flows included in net result

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

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments, and disposals of all physical assets.

Disposal of non-financial assets

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

Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

Other economic flows included in net result

	\$'000	\$'000
	2022	2021
Net gain/(loss) on non-financial asset		
Impairment loss	-	(773)
Proceed from sale of physical assets	41	85
Less written down value	(11)	(40)
Total net gain/(loss) on non-financial assets	30	(728)
Other gains/(losses) from other economic flows		
Net gain/(loss) arising from revaluation of long service leave liability	197	336
Total from other economic flows	227	(392)

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8. OTHER DISCLOSURES (continued)

8.2 Reserves

	\$'000 2022	\$'000 2021
Physical assets revaluation surplus^(a)		
Balance at beginning of financial year	14,003	10,872
Revaluation increments/(decrements)	-	3,131
Balance at end of financial year	14,003	14,003
Net changes in reserves	-	3,131

Note:(a) The physical assets revaluation surplus arises on the revaluation of land and buildings.

8.3 Responsible persons

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

Names

The persons who held the positions of Ministers, Accountable Officer and members of the governing board for AMES Australia are as follows:

Minister for Training and Skills Minister for Higher Education	The Hon. Gayle Tierney MP	1 July 2021 to 30 June 2022
Chief Executive Officer	Catherine Scarth	1 July 2021 to 30 June 2022
Board Member – Chair of Board and Chair of Appointments, Remuneration & Governance Committee and Chair of Investment Committee	William Stuart Crosby	1 July 2021 to 30 June 2022
Board Member - Deputy Chair of Board	Michelle Foster	1 July 2021 to 30 June 2022
Board Member - Chair of Finance, Audit and Risk Management Committee	Stuart Alford	1 July 2021 to 30 June 2022
Board Member	Catherina Toh	1 July 2021 to 30 June 2022
Board Member	Tracy Le	1 July 2021 to 30 June 2022
Board Member	Vedran Drakulic	1 July 2021 to 30 June 2022
Board Member	Stelvio Vido	1 July 2021 to 23 November 2021
Board Member	Florence Mauwa	1 August 2021 to 30 June 2022
Board Member	Molina Asthana	1 August 2021 to 30 June 2022

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8. OTHER DISCLOSURES (continued)

8.3 Responsible persons (continued)

Remuneration

Remuneration of the Chief Executive Officer and Board members in connection with the management of AMES Australia for the reporting year within the specified income bands:

Income range	2022	2021
\$0 - \$10,000	1	-
\$20,001 - \$30,000	7	9
\$60,001 - \$70,000	1	1
\$380,001 - \$390,000	1	1
Total number	10	11
Total remuneration (\$'000)	618	644

8.4 Remuneration of executive officers

The following persons were Executive Officers of AMES Australia during the year:

Tracey Bannan	Chief Finance Officer
Peter Thomas	General Manager Corporate Governance and Compliance (Board Secretary) - ceased November 2021
Catharine O'Grady	General Manager People & Development
Mirta Gonzalez	General Manager Education & Participation
Peter Harrison	General Manager Employment
Samantha Blake	General Manager Settlement & Asylum Seeker Program

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

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

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

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

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

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

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8. OTHER DISCLOSURES (continued)

8.4 Remuneration of executive officers (continued)

	2022	2021
	\$'000	\$'000
Remuneration of executive officers		
Short-term employee benefits	1,091	1,205
Post-employee benefits	106	104
Other long-term benefits	35	30
Termination benefits	-	20
Total remuneration^(a)	1,232	1,359
Total number of executives	6	7
Total annualised employee equivalents^(b)	5	6

Notes:

(a) 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 8.5).

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

8.5 Related parties

AMES Australia is a wholly owned and controlled entity of the State of Victoria.

All related party transactions have been entered into on an arm's length basis in the ordinary course of operations.

Significant transactions with government-related entities

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

Entity	Nature of transactions	2022	2021
		\$'000	\$'000
Department of Education and Training (Victorian Government)	Payments received for the delivery of vocational training.	4,918	5,645
Adult Community and Further Education (ACFE) Board	Payments received for pre-accredited training hours and grant funding for various project initiatives.	1,258	786

Key management personnel

Key management personnel of AMES Australia includes the Portfolio Minister, the Hon. Gayle Tierney MP, Chief Executive Officer, members of the governing board and Executive Officers.

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

	2022	2021
	\$'000	\$'000
Compensation of KMPs^(a)		
Short-term employee benefits	1,656	1,795
Post-employment benefits	151	149
Other long-term benefits	43	40
Termination benefits	-	20
Total	1,850	2,004

Notes:

(a) Note that KMPs are also reported in the disclosure of responsible persons (Note 8.3).

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ANNUAL FINANCIAL REPORT
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8. OTHER DISCLOSURES (continued)

8.5 Related parties (continued)

Transactions with related parties

The following transactions occurred between AMES Australia and organisations connected to AMES Australia's key management personnel during the financial year:

Organisation related to key management personnel	Key management personnel	2022 \$'000	2021 \$'000
Department of Education and Training (Victorian Government) - Payments received for VTG delivery	Stuart Alford Deputy Chair of Audit and Risk Committee of Department of Education and Training (Victorian Government)	4,918	5,645

8.6 Remuneration of auditors

	\$'000 2022	\$'000 2021
Victorian Auditor-General's Office		
Audit of the financial statements	48	47
Total remuneration of auditors	48	47

8.7 Events after reporting date

The policy in connection with recognising subsequent events that are for events that occur between the end of the reporting period and the date when the financial statements are authorised for issue is as follows:

- adjustments are made to amounts recognised in the financial statements where those events provide information about conditions that existed at the reporting date; and/or
- disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest.

No matters or circumstances have arisen since the end of the reporting year which significantly affected or may significantly affect the operations of AMES Australia, the result of those operations, or the state of affairs of AMES Australia in future financial years.

8.8 Other accounting policies

Goods and Services Tax (GST)

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

Receivables and payables are 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.

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

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

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8. OTHER DISCLOSURES (continued)

8.9 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2021-22 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises AMES Australia of their applicability and early adoption where applicable.

As at 30 June 2022, the following standards and interpretations which are applicable to AMES Australia had been issued but were not mandatory for financial year ending 30 June 2022. AMES Australia has not, and does not intend to, adopt these standards early.

<i>Standard/ Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning on</i>	<i>Impact on financial statements</i>
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	1 January 2023.	The standard is not expected to have a significant impact for AMES Australia.
	AASB 2020-6 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i> was issued in August 2020 and defers the effective date to annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022, with earlier application permitted.		

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on AMES Australia's reporting.

- AASB 17 *Insurance Contracts*.
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*.
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates*.
- AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.
- AASB 2021-6 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*.
- AASB 2021-7 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*.

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