

# AMES Australia ANNUAL REPORT

2020–2021

1951–2021

70 years  
of welcome



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 2021.



Stuart Crosby  
AMES Australia Board Chair  
21 September 2021

### Attestation for financial management compliance with Standing Direction 5.1.4

AMES Australia Financial Management Compliance Attestation Statement

I, 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.



Stuart Crosby  
AMES Australia Board Chair  
30 August 2021



## Joint statement from the Board Chair and CEO of AMES Australia

In the past 12 months, AMES Australia has navigated challenges and business disruptions unprecedented in the seven decades of its existence. COVID-19 has had significant economic, financial and psychological repercussions for individuals and families, and we have observed its effects on some of the diverse communities with whom we work.

Although Australia has suffered considerably less than most other countries, many of our clients and employees have been affected by the pandemic, with family members and loved ones overseas in vulnerable circumstances. We are extremely proud of the way AMES Australia and its dedicated and professional employees, volunteers and partners have shown great compassion, commitment and agility in responding to the crisis.

As we have gone in and out of lockdowns and returned to different levels of normality, AMES Australia has strengthened its digital capability, in order to respond to client preferences for digital interaction, and to enable our employees to work remotely. We have introduced more online content, including a ground-breaking literacy program that equips clients to operate in an increasingly digital environment.

We have delivered important messages to clients, their families and communities, helping them understand health advice and rules, obtain vital services, and appreciate the importance of getting vaccinated.

Even during the COVID-19 lockdown, we placed more people in work than ever before. The jobactive consortium supported 33,529 job seekers in their search for meaningful and sustainable employment in Victoria and New South Wales. For example, one of three brothers from Ethiopia who successfully settled in regional Victoria, in thanking AMES Australia, said:

We had to leave our country because of the war and the politics. We could not get jobs. Life in Australia makes us very happy. AMES Australia helped me get this job and the local Rural Australians for Refugees group have made us feel very welcome.

We have continued to support our vulnerable clients and emergency humanitarian arrivals. During the reporting period, 7,292 Humanitarian Settlement Program (HSP) clients in Victoria, South Australia and Tasmania were supported, as were 1,194 clients through the Status Resolution Support Services. A family from Iraq who is settling well in a northern suburb of Melbourne expressed gratitude for the services and support provided by AMES Australia. Both parents are working and studying to achieve their long-term goals. They also volunteer at a local community centre, providing support with language and resumé writing and organising games and activities for the kids. The mother said:

We are grateful to be in Australia. It is a very good country and there are opportunities for my family. My children are doing well in school. I want to use my skills and experiences to support other people new to Australia.

Our education and vocational training programs helped 4,244 clients improve their English or complete vocational training. A student who found a pathway to further education and employment through the Adult Migrant English Program (AMEP) in Mildura thanked AMES Australia:

The AMEP course helped me improve my English and build my confidence. It also led me to study for a diploma in community services. Now I am working as a youth worker, a job I love because it means I can help young people find pathways to build successful lives.

Our connections to stakeholders are critical in building lasting credibility and trust.

AMES Australia has prepared 16 policy positions in response to discussion papers and in direct submissions and presentations to meetings with government, opposition and departmental representatives. This includes AMES Australia being invited to give evidence at public hearings to parliamentary inquiries, including those reviewing temporary migration, a social security legislation bill and adult literacy and its importance.

AMES Australia achieved significant coverage by national and metropolitan media, including ABC and SBS radio and television news. The AMES Australia *IMPACT* magazine website continued to break news and set agendas in the humanitarian sector, with several stories followed up by mainstream media.

AMES Australia, as an organisation, typifies the resilience of its clients: we gain resilience and inspiration from the people and communities we work with.

This year marks 70 years of AMES Australia supporting newly arrived migrants and refugees. Coincidentally, 2021 also marks 70 years of the 1951 Refugee Convention, an important international agreement that established the rights of people forced to flee due to their life or freedom being seriously threatened. In 1951, our organisation was created to help in the great nation-building experiment that has been Australia's immigration program. Since then, through our English language tuition, settlement support services, and employment and training programs, we have been playing an important role in the successful settlement of migrants and refugees, and in developing and nurturing Australia's unique brand of multiculturalism.

In supporting hundreds of thousands of people new to these shores to settle successfully, we have contributed to the transformation of Australia's economic, cultural and social life. We can all be proud of what we have contributed towards achieving a cohesive and diverse society where everyone enjoys full participation.

We acknowledge the resilience, hard work and agility shown by our employees in continuing to deliver services to our clients in the face of difficulty and uncertainty. Our employees and volunteers have shown remarkable professionalism and commitment. We also thank and acknowledge our colleagues on the Executive and members of the Board of AMES Australia.

It is clear that we will continue to face challenges in the future and we have been strategic about where we direct our resources. We are currently focusing on growth and scalability as we reimagine our business model—who we are and how we work.

As Australia emerges from the pandemic, migration will be, more than ever, essential for the nation's recovery and future prosperity. AMES Australia stands ready to play its part in supporting newcomers to this country so they can realise their full potential and make a substantial economic and social contribution.

We believe that AMES Australia has the resilience, innovative spirit and practical operational capacity to face the challenges of the future, and to continue to support diverse clients and communities as they strive to take their place in Australian society.

**Stuart Crosby**  
Board Chair

**Catherine Scarth**  
Chief Executive Officer

## About AMES Australia

This year AMES Australia celebrates its seventieth year. The organisation has been supporting multiculturalism and helping hundreds of thousands of people build new lives in 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 2020–21, AMES Australia provided a comprehensive range of settlement support, English language and literacy tuition, vocational training and employment services in Victoria, South Australia, Tasmania and Western Sydney, to refugees, asylum seekers, skilled and recently arrived migrants, job seekers and youth.

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, thus providing credible evidence to underpin service development and practice, and to inform advice to 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 advisor.

## Strategic priorities

- Strengthen sector leadership as an integrated provider of current core services.
- Diversify service provision beyond current referral domains for sustainability.
- Lead in digital delivery and capability development to the multicultural community.

### Services delivered in 2020–21 through Commonwealth and Victorian Government contracts

Humanitarian Settlement Program (AMES Australia and subcontractors)	7,292 clients
Status Resolution Support Services (AMES Australia and subcontractors)	1,194 clients
Adult Migrant English Program (AMES Australia and subcontractors)	478 clients
Skills First (AMES Australia)	1,501 clients
Skills for Education and Employment Program (consortium)	1,217 clients
Pre-accredited Language Program (AMES Australia)	1,048 clients
jobactive (AMES Australia (NSW) and consortium)	33,529 clients



# 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 provider of services to new immigrants, delivering a broad range of programs and services.

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 license the use of literary or artistic work, audio or audio-visual 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.

	Appointment term during the reporting period	Committee membership	Board meeting attendance
Stuart Crosby, Board Chair	2019–22	# &	7/7
Stuart Alford	2018–21	+ &	6/6
Vedran Drakulic OAM	2018–21	# &	5/6
Dr Michelle Foster	2019–22	#	6/7
Ikenna Nwokolo	2018–21	+	7/7
Johanna Pride	2018–21	&	7/7
Catherina Toh	2019–22	+	7/7
Dr Mimmie Claudine Ngum Chi Watts	2018–21	#	6/6
Tracy Le	2018–21	+ &	6/6
Stelvio Vido	2020–23	+	7/7

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

## Code of Conduct

The Board has adopted the Code of Conduct for Directors of Victorian Public Entities issued by the Victorian Public Sector Commission. This sets the standard of behaviour expected of directors and statutory office holders from the date of their appointment.

## Performance evaluation

Performance evaluations were conducted to track changes in performance over time, manage and monitor quality improvement, and identify gaps in the composition of the Board and its standing committees, including:

- directors' performance self-assessment and Chair's evaluation of individual directors
- Board and committees performance self-assessment
- evaluation of the Chair's performance.

The evaluations highlighted:

- a well-functioning and collegiate Board with a great mix of skills, experience and perspectives, led by a Chair who is able to bring directors together
- Board and standing committees' successful focus on long-term, significant and strategic matters that meet its terms of reference
- a robust and respectful relationship between the Board and Executive.

## 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, including information technology. 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 is responsible for AMES Australia's compliance with government policy and ministerial guidelines, and reports to the Board on matters relating to executive remuneration, the CEO's objectives and Board appointments.

### 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.

### Board Secretariat

The Board Secretariat supports the Board and its committees in complying with their governance and other obligations.

In addition, the Board Secretariat carries out functions relevant to privacy, public interest disclosure, freedom of information and information security. It also provides leadership support on high-level government and corporate compliance and reporting, business transition, sourcing legal advice, investigating complex issues and identifying solutions in collaboration with the Executive.

### Project Management Office

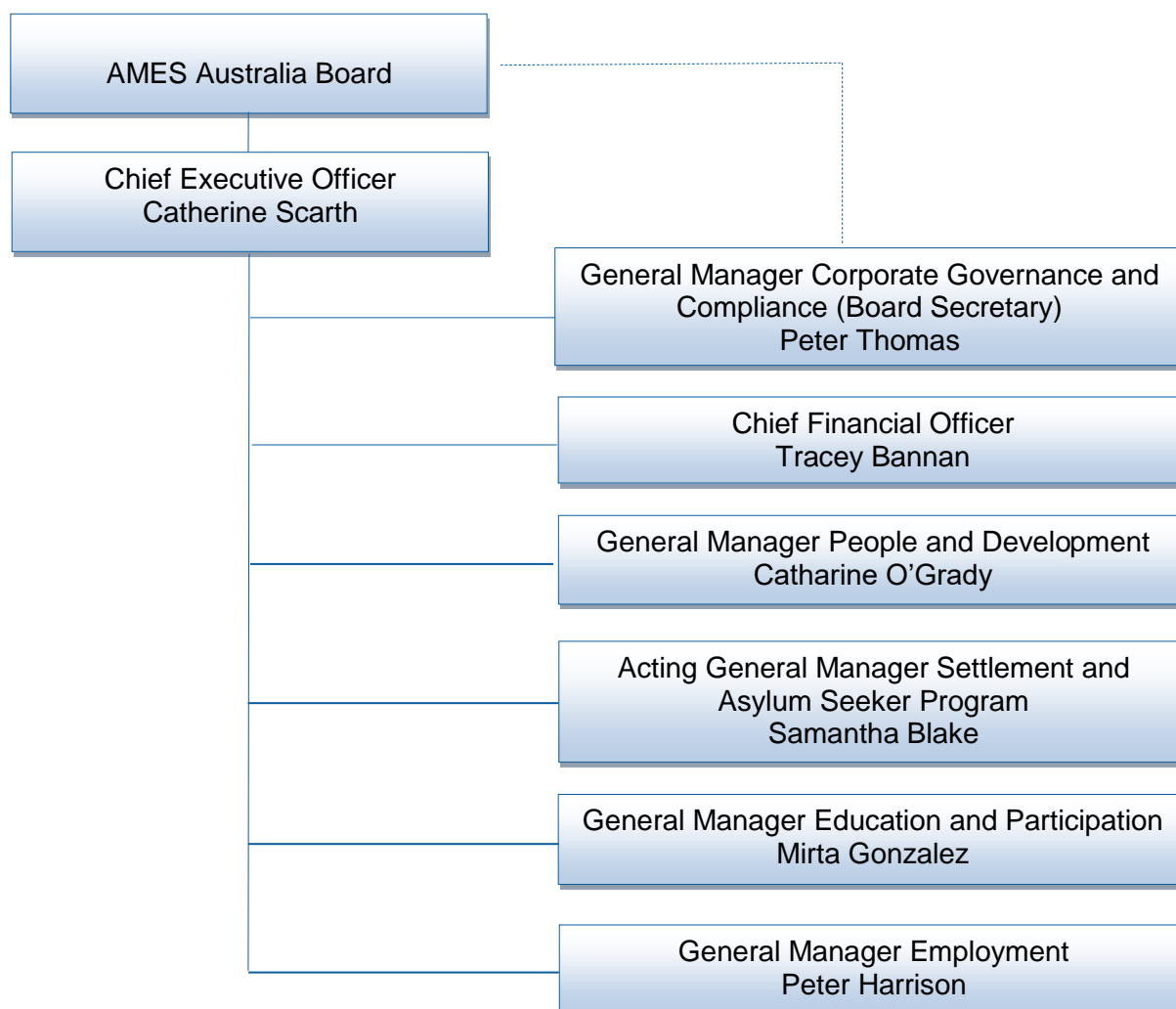
The Project Management Office was established in 2020 to respond to the impact of the COVID-19 pandemic. It assists with, operationalises and monitors the implementation of decisions and actions approved by the Executive.

AMES Australia continues to comply with government guidelines on office capacity, density quotient, QR code sign-in and COVID-safe behaviour in response to different levels of restrictions.

AMES Australia responded to COVID-19 during the reporting period by:

- implementing the COVID Safety Plan in accordance with government guidelines and the Return to Workplace Plan
- establishing various working groups to focus on matters of finance, workforce, services and accommodation
- providing more frequent updates to the Board, employees, volunteers and clients through newsletters, bulletins, intranet, website, social media and online meetings
- maintaining flexible working arrangements.

## Organisational structure as at 30 June 2021



## Executive Officers\*

Class	Description	Male	Female	Self-described
EO - 3	Number of executive officers as at 30 June 2021	2	4	0
EO - 3	Number of executive officers who left during financial year 2020–21	0	1	0
EO - 3	Number of executive officers reported as at 30 June 2020	2	4	0

\* Executive officer disclosure does not include a statutory office holder or an accountable officer (AMES Australia CEO). Refer to the financial report for the list of executive officers during the reporting period.

## 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 2021 and June 2020.

		June 2021								June 2020									
		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	141	123	55	6	59	76	64	4	1	175	167	62	6	66	105	100	2	2
	Female	302	256	95	29	115	149	131	29	10	318	289	100	34	123	178	164	6	2
	Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Age	15–24	7	6	0	0	0	7	6	0	0	14	11	0	0	0	14	11	0	0
	25–34	84	76	15	4	18	64	58	1	1	107	102	21	6	24	80	78	0	0
	35–44	144	127	52	5	55	79	69	8	3	159	153	54	10	62	93	90	2	1
	45–54	91	76	35	12	44	37	31	7	2	99	90	39	14	48	45	42	0	0
	55–64	93	78	42	10	49	30	26	11	3	92	83	43	7	48	39	33	4	2
	65+	24	16	6	4	8	8	5	6	2	22	17	5	3	7	12	10	2	1
Admin+	1	1	0	0	0	1	0	0	0	0	4	3	0	0	0	4	3	0	0
	2	139	116	40	14	49	85	67	0	0	164	146	45	20	57	99	89	0	0
	3	135	124	47	11	55	77	70	0	0	164	161	56	8	61	100	100	0	0
	4	42	40	24	3	27	14	12	0	0	56	50	25	5	29	26	21	0	0
	5	38	36	15	3	17	20	19	0	0	40	38	11	3	13	26	25	0	0
	6	17	16	12	2	13	3	3	0	0	20	18	12	3	14	5	4	0	0
	7	2	2	2	0	2	0	0	0	0	2	2	2	0	2	0	0	0	0
Teaching^	1–2	11	11	0	0	0	11	11	0	0	6	5	0	0	0	6	5	0	0
	3–4	2	2	1	0	1	1	1	0	0	2	2	1	0	1	1	1	0	0
	5–6	2	2	1	0	1	1	1	0	0	1	1	1	0	1	0	0	0	0
	7–8	2	2	1	0	1	1	1	0	0	3	3	1	0	1	2	2	0	0
	9	10	10	6	2	80	2	2	0	0	13	13	8	1	9	4	4	0	0
	VET trainer	2	2	0	0	0	2	2	0	0	2	2	0	0	0	2	2	0	0
	Sessional	0	0	0	0	0	0	0	33	11	8	4	0	0	0	0	0	8	4
	Executive#	7	7	0	0	0	7	7	0	0	8	8	0	0	0	8	8	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total</b>	<b>443</b>	<b>379</b>	<b>150</b>	<b>35</b>	<b>174</b>	<b>225</b>	<b>195</b>	<b>33</b>	<b>11</b>	<b>493</b>	<b>456</b>	<b>162</b>	<b>40</b>	<b>188</b>	<b>283</b>	<b>263</b>	<b>8</b>	<b>4</b>	

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

The resettlement of refugees is a dynamic process rather than a linear pathway. 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 resettle successfully. Based on this strengths-based philosophy, AMES Australia involves new arrivals in decisions and processes related to their settlement.

### Humanitarian Settlement Program

AMES Australia, in partnership with selected subcontractors, provides initial settlement support to Refugee and Special Humanitarian visa holders. AMES Australia, as the lead provider of the Humanitarian Settlement Program (HSP) in Victoria, Tasmania and South 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, and 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, Geelong Ethnic Communities Council Inc. (Diversitat), Uniting Care in Shepparton and Wodonga, and Mallee Family Care in Swan Hill.

- In South Australia, AMES Australia works in partnership with AnglicareSA, the Australia Migrant Resource Centre, Multicultural Youth South Australia, and the Australian Refugee Association.
- In Tasmania, AMES Australia works in partnership with the Migrant Resource Centre.

In the reporting period, AMES Australia and its subcontractors provided HSP services to 7,292 clients.

## Humanitarian arrivals

Since Australian borders closed in response to the COVID-19 pandemic, the program has seen only a limited number of emergency cases arriving onshore. The greatest numbers of arrivals were from Afghanistan, South America, Congo, Myanmar and Syria.

### Humanitarian client arrivals by visa category

	2020–21	2019–20	2018–19	2017–18
Refugee (200, 201, 204, 785, 790, 801 and 866*)	544	2,680	3,306	4,044
Special Humanitarian Program (202)	92	2,594	2,579	3,187
<b>Total</b>	<b>636</b>	<b>5,274</b>	<b>5,885</b>	<b>7,231</b>

### Humanitarian client arrivals by settlement location

	2020–21	2019–20	2018–19	2017–18
Melbourne	239	3,198	3,456	4,780
Regional Victoria	71	661	800	715
South Australia	313	990	1,095	1,090
Tasmania	13	425	534	646
<b>Total</b>	<b>636</b>	<b>5,274</b>	<b>5,885</b>	<b>7,231</b>

\*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 five years after their arrival in Australia, or for up to five years after the granting of their eligible onshore visa.

Newly arrived refugees faced significant difficulties as a result of the COVID-19 pandemic. The need for clients to spend two weeks in hotel quarantine changed the way initial services were delivered. AMES Australia delivered case management services, including orientation, virtually. Resources such as podcasts were developed to support virtual delivery. The housing market contracted significantly during this period, reducing low-income housing options.

## Status Resolution Support Services

In January 2015, AMES Australia began delivering 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, to help them obtain relevant services. 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 2018, the Commonwealth Department of Home Affairs (DOHA) contracted AMES Australia to deliver SRSS for two further years, to 30 June 2020. Policy changes continued to affect recipients since DOHA commenced issuing Final Departure Bridging Visas for Regional Processing Country recipients, exiting them into the community.

In February 2018, the revised SRSS program design was approved. It commenced on 1 May 2018. The program offered targeted, needs-based support to those unable to support themselves while resolving their immigration status. SRSS program redesign principles include:

- SRSS is not a welfare program for non-residents
- services should focus on resolving a person's immigration status: either the granting of a substantive visa or departure from Australia
- clients on Bridging Visa E with work rights are expected to work to support themselves and their families
- people found to have adequate income/assets (whether offshore or onshore) will not receive support services
- eligibility will be regularly reassessed (at least every 12 months).

In January 2020, DOHA extended AMES Australia services until 30 June 2022.

The tightening of the eligibility criteria for asylum seekers accessing SRSS support 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 1,194 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
- in Melbourne: Spectrum Migrant Resource Centre
- in regional Victoria: Geelong Ethnic Communities Council (Diversitat), Mallee Family Care, and Uniting Care (Victoria and Tasmania) Limited.

Services in Mildura are directly delivered by AMES Australia.

Asylum seekers face 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.



## Education and Training Portfolio

### Adult Migrant English Program

AMES Australia recognises that a person's successful settlement and long-term integration into Australian society depend significantly on their ability to speak and understand English. AMES Australia's English language services aim to teach language skills that are useful for social participation, employment, and education and training.

The Adult Migrant English Program (AMEP) contract in the Wimmera Mallee is delivered by AMES Australia in Mildura. Other regional contracts are delivered by subcontractors in Gippsland, Goulburn Murray and 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—was adopted at the start of the COVID-19 pandemic in early 2020 and continued into 2021. Student engagement has remained high and in many instances has improved, demonstrating the success of mixed-mode delivery. Its flexible features enabled students to study when and where convenient for them, and at their own pace.

#### Outcomes

	Clients	Classroom attended hours
AMEP - AMES Australia and subcontractors	478	162,806

### Preparatory and transition to employment services

AMES Australia runs several programs that combine accredited English language and foundation skills development from the English as an Additional Language (EAL) Framework with vocational content, to help people obtain suitable employment as quickly as possible. In many cases, practical work experience placements are a critical component of employment focused programs such as Work Skills. Programs are available for refugees and migrants ranging from those seeking entry-level skills development and intensive English language programs to overseas-qualified professionals requiring career pathway advice and support in having their skills and qualifications recognised in Australia.

AMES Australia designs its services in response to the requirements of employers and industries that can offer employment opportunities and entry-level jobs for new arrivals.

### Skills First

AMES Australia provides opportunities for individuals to undertake English language and vocational programs through the Victorian Government Vocational Education and Training funding contract (Skills First-funded places) for accredited training. In the reporting period, 1,501 students participated in foundation language training through programs at Initial, Course and Certificate Levels I–III in English as an Additional Language from the EAL Framework; Certificate I in General Education for Adults; and Vocational Education and Training industry-entry qualifications.

Certificate III in Early Childhood Education and Care (82 clients) and Individual Support—Ageing, Home and Community (65 clients) opened up pathways to employment for students completing and leaving foundation English as an Additional Language programs.

AMES Australia’s response to COVID-19 restrictions during this period included:

- further development and refinement of mixed-mode delivery, to provide learning continuity for students
- development of teaching and learning materials for remote delivery
- further improvements to teaching methodology for online delivery and assessment.

Mixed-mode delivery motivated students to apply and strengthen their digital literacy skills, enabling continued contextualised language, literacy and numeracy skills development online. Student access to technology was supported by keeping Individual Learning Centres open when permitted by COVID-19 restrictions. Print-based learner workbooks were also used. These responses to COVID-19 helped avoid student disadvantage. The progressive reopening of childcare and aged care facilities enabled students to complete workplace assessments delayed from the previous semester.

### Outcomes

	Clients	Total hours	Unit completion rate	*Certificate completion rate
Skills First - AMES Australia	1,501	626,986	56%	17%

\* 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.

Courses offered by AMES Australia range in length from one or two-week intensive courses to 10-week courses. These courses mainly develop contextualised language, literacy, numeracy and digital skills and provide pathway orientation and opportunity for learners to work towards further study and employment and more successful settlement.

During the reporting period, 1,048 clients received 46,314 student contact hours of pre-accredited training funded by the Victorian Government through the Adult, Community and Further Education Board (ACFE). Face-to-face delivery was not possible at those times when COVID-19 restrictions required community centres, schools and other venues to close.

In response, AMES Australia converted some ACFE-funded courses to online delivery, supported students to join online and continued to deliver remotely during restrictions. A further 100 students were enrolled in courses designed for professional migrants, such as Pronunciation for Professionals and Working the Australian Way, which were also converted to online delivery.

AMES Australia was also approved to deliver the Skilled, Aware, Resourced, Active (SARA) financial literacy program for women who had experienced family violence, with 10 women participating in the program.

## Outcomes

	Clients	Total student contact hours	*Module satisfactory attendance rate
ACFE - AMES Australia	1,048	46,314	77%

\* ACFE and Asylum Seeker ACFE

## Skills for Education and Employment program

AMES Australia, as a significant provider of the Skills for Education and Employment (SEE) program funded by the Commonwealth Department of Education, Skills and Employment (DESE), successfully delivered services in four of the eight contract regions in Victoria: Inner Metropolitan Melbourne, South East Melbourne and Peninsula, Goulburn Murray, and Wimmera Mallee. The program improves Centrelink-registered job seekers' language, literacy, numeracy and digital skills to help them obtain employment. The AMES Australia jobactive consortium and other employment agencies refer clients to language, literacy, numeracy and digital supports that prepare them for employment.

AMES Australia partnered with a number of other registered training organisations for delivery of services under the SEE contract. In the Inner Metropolitan region, AMES Australia has continued its partnership with the Carlton Neighbourhood Learning Centre, Carringbush Adult Education, and the Wingate Avenue Community Centre (both Inner Metropolitan and South Eastern and Peninsula). The previous subcontractor at Springvale (SkillsPlus) ceased to operate, and AMES Australia took over the delivery of services.

AMES Australia's SEE contract regions have largely met the key performance indicator targets set by the Department of Education, Skills and Employment, and are continuously improving performance and maintaining quality. The innovative web-based training component continued, underpinning AMES Australia's rapid and expert response to remote delivery requirements resulting from COVID-19 restrictions.

During the reporting period, the AMES Australia SEE consortium delivered training to 1,217 clients. Ninety-one per cent of clients who commenced training achieved 'learning outcome gains' as measured by the Australian Core Skills Framework. Clients also achieved vocational competencies, focusing on practical work skills, customer service and office administration.

## Outcomes

	Clients	Total student contact hours	Learning outcome gains (includes EAL and industry)
SEE consortium	1,217	399,590	91.6%

## Youth services education programs

### Reconnect

The Reconnect Program (an 18-month voluntary program) combines specialist support services with consultancy, training and advocacy to help young people overcome barriers to obtaining meaningful and sustainable employment and education. The Victorian Department of Education and Training funded the program through Skills First. AMES Australia was contracted to deliver the program until the end of December 2020. Between July and

December, the program was delivered to 151 participants across Melbourne and regional Victoria.

## **Engage!**

The Engage! program, funded by the Victorian Department of Health and Human Services, is delivered in the South East, Inner East, and Western Metropolitan regions of Melbourne. The program creates opportunities for young people to better connect with, and actively participate in, their local community. During the reporting period, 513 young people participated in the program.

COVID-19 restrictions significantly reduced opportunities for participation in these activities. AMES Australia worked closely with partners to offer online options.

Activities and programs that were facilitated included:

- Digital World: improves young people's digital literacy for future education and employment
- Driving to Employment: 450 minutes of free driving lessons, plus support
- BUS Trip Industry Tour: introduces a wide range of businesses and industries, to help participants better understand Australian work cultures and environments, and their employment rights
- Youth Leadership Program: develops young people's leadership qualities, through a range of activities and programs including a food leadership program. In the reporting period, 40 participants obtained two units of competency (Provide First Aid, and Hygienic Practices in Food Safety).

## **Support programs for migrants, refugees and asylum seekers**

### **Employment preparation programs for refugees in South Australia**

AMES Australia, in partnership with the Scanlon Foundation, delivered two employment preparation programs for refugees in South Australia, namely Planning Career Futures for Refugees, and Volunteering: A Pathway to Employment.

Planning Career Futures for Refugees is the last of the three-year multi-year funding from Scanlon Foundation (January 2020 to December 2021). It helps skilled and professional refugees plan a career pathway in Australia. It aims to help participants find jobs that match 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 has registered 28 clients and is delivered through a collaboration between AMES Australia's Adelaide-based settlement staff and the AMES Australia education team. Volunteering: A Pathway to Employment helps participants gain vocational and communication skills for the workplace. The program, developed in consultation with AMES Australia's workplace volunteer coordinator, includes career counselling, volunteering in a workplace, and vocational skills training. This program is delivered in partnership with local agencies. Twelve clients participated in 2020–21.

### **Skilled Professional Migrants Program**

The Skilled Professional Migrants Program is a three-week intensive online program that helps migrants who possess professional qualifications develop job search skills, including preparation of resumés and 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, and, after completing the course, may be offered mentoring by industry professionals during their job search.

A study conducted by AMES Australia found that employment outcomes for participants had significantly improved after completing the program. Shortly after attending the program, 36 per cent of participants had found work, and of these, 90 per cent were in a professional position. During the reporting period, 99 clients participated.

Past participants can join a Skilled Professional Migrants Program alumni group that facilitates networking and information exchange.

### **Working the Australian Way**

Working the Australian Way is a two-day workshop designed to assist professionally qualified migrants to connect with leading Australian companies. The objective is to prepare migrants for jobs suited to their expertise and experience. During the reporting period, 30 clients participated.

### **Intensive International English Language Testing System (IELTS) Preparation Course**

The Certificate III in English as an Additional Language (Further Study) with a delivery strategy towards Intensive IELTS Preparation is funded by either the Adult Community and Further Education (ACFE) Board or the Department of Education and Training. It is designed for people intending to sit the Academic IELTS Test, to study at a TAFE or university, to gain recognition of overseas qualifications in Australia, for visa purposes, or to have proof of high-level English. A number of engineers and professionals in the Career Pathways Pilot participated in the program and achieved the score needed to gain professional recognition or to study at a university.

During the reporting period, 42 clients participated in the program under the ACFE Board funding.

### **Occupational English Test (OET) Preparation Course**

The Certificate III in English as an Additional Language (Further Study) with a delivery strategy towards OET Preparation is funded by either the Adult Community and Further Education (ACFE) Board or the Department of Education and Training. The OET Preparation Course is for health professionals (doctors, nurses, dentists, pharmacists and physiotherapists) intending to take the OET in order to gain recognition of their overseas qualifications and meet the requirements of the Australian Health Practitioner Regulation Agency.

During the reporting period, 28 clients participated in the program under the ACFE Board funding.

## Community development and social participation

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

### Community development

To maintain a strong dialogue with client communities, AMES Australia undertakes a series of consultations to gain feedback 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.

In the reporting period 10 ethno-specific consultations were conducted, reaching 172 people. The consultations focused on health messaging about COVID-19, updates on lockdowns and associated restrictions, and information on vaccination.

The Community Development team worked directly with client communities by contacting individuals by phone and via online applications throughout the COVID-19 period. Feedback confirmed that this contact provided much-needed information on client needs and problems during these very isolating and stressful times.

During the reporting period, AMES Australia continued to build the capacity of culturally and linguistically diverse (CALD) clients with disabilities or those caring for someone with a disability through two focused projects.

- Business Matters, a project funded by the Information Linkages and Capacity Building Program and run in partnership with Amaze, uses peer support to help Arabic-speaking individuals with a disability explore pathways to employment or set up a small business. Despite COVID-19 and ensuing lockdowns, 15 Arabic-speaking people with a disability completed the first round of training, followed by further exploration of opportunities with their mentors.
- The National Community Connectors Program, funded by the National Disability Insurance Agency and administered through the Federation of Ethnic Communities' Councils of Australia, commenced in October 2020 in south east Melbourne. Five bicultural community support workers were trained to raise awareness of the National Disability Insurance Scheme among CALD communities and to support individuals through the scheme's registration process. During the reporting period, 150 people were reached, of whom 21 were helped to register for the National Disability Insurance Scheme.

A Bridge to Regional Employment and Opportunities regional resettlement program, funded by the Commonwealth Department of Social Services under the Try, Test and Learn Fund, was completed on 30 June 2021. The project tested AMES Australia's model of sustainable regional family resettlement in Mildura and the Grampians.

The project was affected by COVID-19 associated lockdowns and travel restrictions. Partners in the Grampians, the Central Grampians Services (an entity of North Grampians Shire, Pyrenees Shire and Ararat Council) withdrew from the project in April 2020. Despite these setbacks, the project established a strong relationship with the Rural Australians for Refugees Grampians/Gariwerd, who helped three families resettle in Ararat, making them feel welcome and linking them to community services and networks.



Travel restrictions and concerns about potential transmission of COVID-19 to Mildura put family relocation on hold for an eight-week period. The project was also affected by the lack of available rental housing in the regions, exacerbated by the pandemic, as work-from-home city-dwellers relocated to the regions. Notwithstanding these problems, the program implementation team, working closely with local groups, facilitated the resettlement of nine families—two to Ararat and seven to Mildura—totalling 47 family members.

## International

Over the past 13 years, Dr Melika Yassin Sheikh-Eldin has represented AMES Australia on the Refugee Council of Australia Board of Management as an organisational member, ensuring that the voices of humanitarian client groups are heard at the national and international levels. During this time, AMES Australia has presented 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 the self-representational skills of refugees to present at UNHCR forums.

Examples of this work included the following:

Date	Forum	Activity
17 March 2021	National Consumer Congress	Presented on building back safely post COVID pandemic for new and emerging communities
11 May 2021	World Bank	Presented as part of the gender audit team on diversity and gender equality
12 May 2021	Act for Peace	Presentation on the role of people with refugee experiences on national boards
7 June 2021	Asia Pacific Refugee Rights Network annual conference	Participation in the annual conference
22 June 2021	Annual Tripartite Consultations on Resettlement	Participation in the annual consultation
6–8 July 2021	Refugee Alternatives	Conference participation

## Skilled Migration Service

Established in September 2019, AMES Australia’s Skilled Migration Service provides immigration advice and visa application assistance to individuals and Australian employers, on a fee-for-service basis. Services provided include:

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



In the last financial year, although severely affected by COVID-19 international travel restrictions, the Skilled Migration Service lodged 40 visa applications, the majority of which were for Employer-Sponsored, Family, Skilled, or Global Talent visas. The service also conducted 35 paid consultations, lodged 15 travel exemptions for Humanitarian and Skilled visa holders, and helped deliver emergency support to international students and temporary visa holders. In the 2020–21 financial year, 29 visas were granted, including four Global Talent visas in the health and energy sectors.

The Skilled Migration Service also collaborates with various international student organisations to improve the employability of international students.

## Community Support Program

AMES Australia is one of 12 Approved Processing Organisations selected by the Commonwealth Department of Home Affairs for the Community Support Program (CSP) for a period of five years. AMES Australia began offering 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, and demonstrate 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 arriving 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. Primary visa applicants who completed the CSP benefited significantly, particularly in securing employment. Unfortunately, the COVID-19 pandemic has led to some of these clients experiencing a reduction or loss of employment.

Visa processing continued to be limited due to COVID-19 disruptions at overseas embassies that process visas. Arrivals ceased in accordance with Commonwealth Government travel restrictions.

One CSP client who was granted a travel exemption arrived during the reporting period. CSP received travel exemptions for two other families, who are due to arrive in the 2021–22 financial year. In the reporting period, seven visa applications, covering 15 individuals, were successful. Applicants came from Afghanistan, Eritrea, Ethiopia, Iraq, Myanmar and Syria.

## Preventing violence against women

AMES Australia's Prevention of Violence against Women (PVaW) Unit delivered a 2020 version of its highly regarded leadership course online, due to COVID-19 restrictions. This course targeted members of the Chinese-speaking communities; 18 qualified and dedicated participants successfully graduated. For their community-led PVaW action plan, the participants developed the first open Chinese community's online forum on family and domestic violence, held in April 2021. More than 100 participants registered for the forum.

About 60 per cent were Chinese-speaking practitioners working in relevant sectors. Importantly, the remaining 40 per cent came from the general Chinese-speaking public—an outstanding example of community engagement.

In May 2021, a specialised two-day intensive course was provided to community educators employed by the Australian Refugee Association in Adelaide, following a successful pilot conducted in 2020.

AMES Australia was commissioned by the Victorian Department of Premier and Cabinet to help multicultural, faith-based and ethno-specific organisations respond to family violence during the COVID-19 pandemic in 2020–21.

AMES Australia also obtained funding through the Supporting Multicultural and Faith Communities to Prevent Family Violence: 2021 Grant Program, run by the Victorian Department of Families, Fairness and Housing, to be implemented between July 2021 and June 2024.

In law, under a new Part 11 of the *Family Violence Protection Act 2008*, a new Multi-Agency Risk Assessment and Management Framework (MARAM) was established. This means that organisations that are authorised through regulations, as well as organisations providing funded services relevant to family violence risk assessment and management, must align their policies, procedures, practice guidance and tools to MARAM.

AMES Australia's Settlement and Asylum Seeker Program has been prescribed under this legislation, as have all multicultural and settlement services providing casework in Victoria. AMES Australia PVaW was funded by Family Safety Victoria as part of a consortium of three organisations, along with Whittlesea Community Connections and JewishCare, through a Sector Capacity Building Grant, to support the multicultural sector in implementing the MARAM reforms between July 2020 and June 2021.

## 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, migrants and refugees, international students, senior migrants, faith-based organisations and groups representing people identifying as lesbian, gay, bisexual, trans 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. The Hub volunteering program provides short-term placements that give many new migrants their first Australian workplace experience before they move on to paid employment.

There were eight administration volunteers during the reporting period. Four community volunteers facilitated eight free programs at the Hub.

The Hub closed from July 2020 to February 2021 due to COVID-19 restrictions and lockdown. Students participated in activities through social media and online English conversation classes. The Hub commenced to rebuild bookings and activity levels as restrictions on room capacity requirements eased and community confidence returned. However, the lockdown and restrictions in late May 2021 have again significantly affected the visitation numbers to the Hub.

## Statistics July 2020 to June 2021

- 9,926 visitors were from multicultural backgrounds
- 899 events were held at the Hub
- 50 people participated in the Hub's free activities (including English conversation, Job Club, Reading and Talking Circles classes)
- 159 events with 4,568 attendees were held at the Drill Hall

## Result of survey conducted in October 2021

- Since the closure of the Hub in March 2020, due to COVID restrictions, how did you continue to hold group meetings?  
74% pivoted to video conferencing.
- When will you return to the Hub?  
63% responded they would return when restrictions ease.  
18.5% responded they would return when restriction ease completely.
- What have you missed by not coming to the Hub?  
92% missed the social interaction.
- Since the COVID-19 pandemic began, what challenges have you experienced?  
66% of respondents sometimes or often felt socially isolated.
- What have you found most difficult when meeting/learning online?  
60% responded with lack of social interaction.  
37% had difficulty with technology.

## 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 help prepare individuals for employment and match them with workforce opportunities.

### jobactive

AMES Australia delivers employment services across metropolitan Melbourne under the Commonwealth 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 delivers 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 provide services in Cranbourne, Greensborough, Lilydale, Narre Warren, Ringwood, Wantirna, Frankston, Rosebud, Pakenham, Mornington, Hastings and Heidelberg. AMES Australia also provides 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. Labour continues to be supplied for companies in Nhill, Cobram and Mildura in northern and western Victoria, as well as in Warragul and Maffra in Gippsland.

During the reporting period, jobactive services were provided to 33,529 job seekers. The COVID-19 pandemic resulted in an additional 17,403 new job seekers being referred to AMES Australia since the end of June 2020. A total of 8,006 job placements were made across Victoria and New South Wales.

In addition, 98 job seekers were placed in 14 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

	Clients	Referrals during COVID-19	Job placements	26-week outcomes
jobactive - AMES Australia (NSW) and consortium	33,529	17,403	8,006	1,753

### Integrated services

AMES Australia delivered a number of programs that provide integrated services for job seekers.

- Education-based ACFE Board short programs were delivered, including 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 regions. Course development included piloting, evaluation and promotion before broad-scale launch.
- Programs and support services were delivered online in response to the pandemic. A cross-functional team developed a new online digital literacy program to meet the needs of clients. Existing ACFE Board programs were converted to online or mixed-mode delivery for continuity during pandemic-related lockdowns.
- AMES Australia developed a digital job board that links job seekers to numerous vacancies provided through a network of employers across Victoria and New South Wales. In addition, Status Resolution Support Services and Humanitarian Settlement Program clients in Victoria will be able to use this new system via a series of linked flat screens installed in AMES Australia’s Hub Centres.
- The Refugee Training and Employment program and the aligned Individual Pathways Program supported 923 refugees and placed 466 in work across the AMES Australia’s Employment and Settlement portfolios.
- In May 2021, AMES Australia was successful in its application to help deliver Jobs Victoria’s new employment services program, Jobs Victoria Employment Services. 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, and Inner Metropolitan Melbourne—and will recruit employment mentors from multicultural communities to be the point of contact for all job seeker-focused activity.

## 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 governments. Recruitment involves pre-screening and pre-employment training before job seekers commence paid employment. More than 75 AMES Australia clients have been placed through this important partnership.
- Melba Support Services helps AMES Australia clients from jobactive, vocational programs and settlement services take up opportunities in the disability support industry. Through this relationship, many clients have secured meaningful work in this growing sector. Two AMES Australia clients gained employment in disability services thanks to a culturally and linguistically diverse (CALD) work-readiness program run in Gippsland in partnership with Melba Support Services. The Victorian Government-funded CALD Workforce Readiness Program was designed to identify and engage CALD community members in Gippsland to train and work in the disability care sector.
- In partnership with 7-Eleven, AMES Australia's Refugee Training and Employment team held an online session for job seekers interested in working in retail. The participants met and received practical advice from corporate volunteers from 7-Eleven. The clients were given an opportunity to talk about their employment aspirations and ask questions of the 7-Eleven staff. At the end of the session, each client was asked a mock interview question and received feedback on their response. For many participants, this was their first opportunity to speak to an employer and gain a sense of how to answer an interview question. The 7-Eleven retail expert representative said that she and her colleagues enjoyed the session and found it rewarding.
- Agriculture Victoria and AMES Australia Employment team have been working together closely to supply some of the labour force needs of farmers in regional Victoria. In a virtual town hall meeting, 50 participants learned about employment opportunities in dairy farming in the Corangamite Shire of western Victoria. Twenty participants joined a bus tour of hothouse farming in Warragul, and significant planning occurred to showcase agricultural work in Maffra in Gippsland. Growing broccoli and tomatoes and milking cows are now on the employment agenda.
- AMES Australia continues to sponsor the Western Sydney Women Group (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. WSW runs three workshops per quarter, attended by groups of between 60 and 180 clients.
- AMES Australia 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 two-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—up to 20 hours per week. AMES Australia Employment team in New South Wales successfully placed a number of refugee job seekers through this program.

## Corporate support

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

### Research and Policy Unit

Research and evaluation projects are undertaken by AMES Australia's Research and Policy Unit, in collaboration with service portfolios and units across the organisation. Through research, AMES Australia documents and analyses successful practice and contributes to the evidence base required for dialogue with key stakeholders and government agencies.

AMES Australia supports research that meets its criteria and guidelines, which include ethics approval, as well as privacy for research participants, in accordance with the National Statement on Ethical Conduct in Human Research (National Health and Medical Research Council 2018).

### Research and evaluation

#### **Sustainable Development Goals for Social Impact project**

AMES Australia's Sustainable Development Goals for Social Impact project began in 2019. It provides a platform to understand, measure and communicate AMES Australia's social impact. The United Nations' 17 Sustainable Development Goals (SDGs) were designed as a 'blueprint to achieve a better and more sustainable future for all' by 2030. AMES Australia's 2020 Social Impact Report was the first to align its reporting to the SDGs. This was the result of an intensive process of co-design across the organisation, to understand which of the 17 goals AMES Australia most closely contribute to, and how the existing data can be mapped to the goals.

Work has continued over the year to refine impact reporting measures. New projects and programs at AMES Australia are beginning to adopt the SDGs as a high-level guide to evaluating impact.

#### **Service Redesign project evaluation**

Service Redesign is a major initiative to create an environment in which AMES Australia can better realise its vision and strategy: to help clients settle successfully in Australia. During the reporting period, the Research and Policy Unit supported a third evaluation, to document progress, achievements and areas for improvement. An important achievement has been the delivery of integrated services through Hubs. The Hub model is being monitored and evaluated across the organisation.

#### **Try, Test and Learn: A Bridge to Regional Employment and Opportunity**

The Research and Policy Unit is completing the evaluation of the Try, Test and Learn: A Bridge to Regional Employment Opportunities project. This involves documenting success and risk factors, and identifying transferable elements for sustainable regional resettlement models. Much of this evaluation work in 2020–21 has focused on stakeholder relationships and project governance. It builds on AMES Australia's earlier research on regional resettlement (for example, in Nhill and Bendigo), and contributes to an understanding of the impact of regional resettlement for refugees and migrants, and the role of regional communities and regional employers.

Adding to data collected in the previous reporting period, the Research and Policy Unit has returned to stakeholders in the Grampians region, communicating online due to COVID-19 restrictions. In the Loddon Mallee region, meetings have been arranged with a wide range of local stakeholders and a number of resettling families. The project concluded in June 2021, with the evaluation report due by November.



## **Monitoring and evaluation**

The Research and Policy Unit continues to provide technical expertise on monitoring and evaluation to colleagues, for projects in three general categories: helping teams design monitoring and evaluation frameworks, program logics and approaches; providing broad experience on research methodologies and ethics; and building data-collection tools.

Recent examples include:

- helping specialist refugee and Indigenous programs in AMES Australia's Employment services to measure their benefits against those of standard services, and to inform future employment practice models
- supporting integrated servicing (as part of the Service Redesign initiative) to enable faster, better results for all clients
- partnering with Thrive Refugee Enterprise to increase refugees' economic and social participation by creating 230 small business opportunities. AMES Australia is overseeing this initiative, including monitoring and reporting to the Department of Home Affairs, and is also helping to build capacity in settlement services to support client identification and referral to Thrive and other specialist self-employment services. In undertaking this work, the Research and Policy Unit developed a program logic and an Impact and Evaluation Framework consistent with the United Nations Sustainable Development Goals.

## **Research and other relationships with external agencies**

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

This is a three-year research partnership with Swinburne University of Technology, led by a PhD candidate. It aims to identify health literacy needs, strengths and preferences in the Karen community in Victoria, and to co-design health literacy actions with members of the Karen community and relevant health and social care stakeholders, and apply these to meet the identified health needs. The lead researcher and AMES Australia's bilingual research assistant have completed the first year's data collection and are in the process of data analysis.

### **Department of Education and Training Multicultural Learning Partnership**

The Victorian Department of Education and Training has funded and established a four-year Multicultural Learning Partnership with AMES Australia. Its purpose is to increase multicultural learners' participation in core skills training and to open up pathways to employment. AMES Australia has been commissioned to develop a position paper as its first piece of research. The paper will discuss the issues that are critical to CALD learners' participation in the post-COVID-19 economic recovery, provide an inventory of current initiatives and supports, and recommend future research and project work. The findings of the final report will target practitioners and policy-makers.

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

This three-year research project is a partnership between AMES Australia, the University of Technology Sydney, Western Sydney University and the University of Sydney. It looks at the experiences of refugees from Iraq and Syria who settled in urban and regional areas of Victoria, New South Wales and Queensland between 2015 and 2017. In 2021, AMES Australia completed the third and final year of data collection with 40 families in Victoria, comprising 107 adults and 58 young people.

A report on the first year's findings in Victoria has been prepared by the University of Technology Sydney members, while analysis of the three-year longitudinal data is under way, incorporating interviews with schools, settlement agencies and other providers across the three states. The Research and Policy Unit is helping to develop policy



recommendations for inclusion in the final report to the Australian Research Council, which is being prepared in consultation with AMES Australia's Humanitarian Settlement Program, Education and Employment teams for presentation to the Commonwealth Government at the conclusion of the project in 2021.

### **Relationship established with Yooralla**

AMES Australia has partnered with Yooralla, one of Victoria's largest and oldest disability service providers, to deliver cultural competency training for some of Yooralla's managers and disability support workers, to create an informed and culturally competent workplace based on contextualised insights and evidence. The Research and Policy Unit is developing surveys, analysing data and reporting on the results of training for continuous improvement. This work will inform AMES Australia's cultural competency training in the future.

### **Relationship established with the University of Wollongong**

AMES Australia is an industry partner with the University of Wollongong in the Australian Research Council Linkage Grant application 'A longitudinal study of humanitarian settlement in regional Australia: Opportunities, challenges and key learnings'. This research project complements AMES Australia's Social and Economic Participation Framework, which aims to help clients achieve their short- and long-term settlement goals. It 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. This five-year project has the potential for direct application in the design of settlement services and programs for refugees and migrants.

## **Funding submissions**

AMES Australia's major service delivery areas of Settlement, Education and Employment are contracted through public, competitive funding.

AMES Australia regularly submits tenders for these service delivery contracts, and for major and minor project grants. The Research and Policy Unit works closely with all AMES Australia services to help them prepare these tenders and grant applications. Over the reporting period, AMES Australia has been successful in nine submissions for funding to provide programs and projects in education, employment and social participation. These are mainly funded by the Victorian and Commonwealth governments, along with some additional funding from philanthropic organisations such as the Scanlon Foundation.

Of particular note is AMES Australia's successful bid for a specialised Jobs Victoria Employment Services contract, to begin later in 2021. The CALD and asylum seeker-specific service will be provided in the Mallee, Wimmera, Gippsland, Central Highlands and Inner Metropolitan regions of Victoria. Funding will allow AMES Australia to offer a holistic, mentorship-based employment service—an approach that has been encouraged for some time. It is also an opportunity to work with an asylum seeker cohort who may not have been eligible for other AMES Australia services, particularly those who have relocated to regional Victoria, where the organisation continues to extend its reach and build its capacity.

## **Policy responses**

AMES Australia has prepared 16 policy positions, 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 inquiries into temporary migration, a social security legislation bill and adult literacy.

### Discussion papers informing future tenders

AMES Australia submitted a detailed response to the discussion paper on reform of the Adult Migrant English Program (AMEP). This discussion paper is significant in that it signals the proposed future design of the AMEP. The AMES Australia AMEP consortium response was developed in consultation with AMES Australia’s education staff and AMEP consortium subcontractors. Central to the response were the principles that the AMEP is a settlement program, and that the client is at the centre of the AMEP.

The Commonwealth Government’s proposed New Employment Services Model was released for discussion in 2020. AMES Australia commented on both the proposed licensing system and the New Employment Services Model, endorsing the recognition of CALD and refugee job seekers as specialist cohorts.

Date of submission / presentation	Topic / format	Government body / committee
July 2020	Response to the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability 1) Rights and attitudes 2) Emergency planning and response	Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Commonwealth)
July 2020	Submission in response to the Productivity Commission Interim Report into the National Agreement for Skills and Workforce Development Review	Productivity Commission (Commonwealth)
July 2020	Submission to the Select Committee on Temporary Migration	Department of the Senate
October 2020	Proposed licensing system for the New Employment Services Model: discussion paper	Commonwealth Department of Education, Skills and Employment
November 2020	Immigration (Education) Amendment (Expanding Access to English Tuition) Bill 2020 (Home Affairs)—A Bill for an Act to amend the <i>Immigration (Education) Act 1971</i> , and for related purposes	Australian Parliament (Senate), Legal and Constitutional Affairs Legislation Committee
December 2020	Submission to the Victorian Youth Strategy	Victorian Minister for Multicultural Affairs, for Community Sport, for Youth Victorian Parliamentary Secretary for Multicultural Affairs, for Youth
December 2020	Response to Labor’s Multicultural Engagement Taskforce	The Australian Labor Party’s Multicultural Engagement Taskforce

Date of submission / presentation	Topic / format	Government body / committee
February 2021	Planning Australia's 2021–22 Migration Program	Commonwealth Department of Home Affairs
March 2021	Inquiry into adult literacy and its importance	Australian Parliament (House of Representatives) Standing Committee on Employment, Education and Training
March 2021	Response to public consultation on the English language requirement and the new sponsorship framework for the Partner Visa Program	Commonwealth Department of Home Affairs
March 2021	Inquiry into Australia's Skilled Migration Program	Commonwealth Department of Home Affairs
April 2021	Response to Australia's Inaugural Social Cohesion Statement	Victorian Government
April 2021	Response to questions at Senate inquiry into temporary migration in Australia	Australian Parliament (Senate) Select Committee on Temporary Migration
May 2021	Australia's Humanitarian Program 2021–2022	Commonwealth Department of Home Affairs
June 2021	Response to questions at Senate inquiry: Social Security Legislation Amendment Bill 2021	Australian Parliament (Senate) Education and Employment Legislation Committee
June 2021	Feedback on the Essential Services Commission 'Getting to Fair' Strategy	Essential Services Commission (Victoria)

## Conferences and presentations

Between July 2020 and June 2021, AMES Australia convened several webinars for the Victorian Government (specifically the Department of Premier and Cabinet, and the Department of Families, Fairness and Housing) and organisations such as settlement providers and Learn Locals. Topics included supporting migrants on Safe Haven Enterprise visas, disability in CALD communities, and introductory sessions about AMES Australia programs and services, to encourage further collaboration and benefits across the sector.

Few conferences were held in person during the year; representatives of the Research and Policy Unit attended virtual conferences such as the Evidence and Implementation Summit in March 2021. Representatives also attended a number of external webinars, such as those hosted by the Settlement Council of Australia, as well as presenting at the virtual Australian Competition and Consumer Commission National Consumer Congress 2021, on the topics 'Building back safely in relation to COVID-19' and 'CALD communities and international students', and at the Refugee Council on 'Act for peace'.

AMES Australia's paper on 'Disrupted CALD youth employment transitions: A mixed-methods study' was accepted for presentation at the Australasian Vocational Education and Training Research Association Conference 2020, and was published in the *Research Today* magazine in May 2021, leading to a wider readership and more practical applicability.

## Finance Unit

The Finance Unit is responsible for developing and managing organisation-wide financial strategies and financial risk-mitigation practices that will ensure AMES Australia's financial sustainability. This includes providing financial and accounting services, offering advice on financial matters, setting and 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.

## Accommodation and Administration Unit

The Accommodation and Administration Unit provides services that include commercial facilities to accommodate AMES Australia's employees, programs and services, short-term and long-term residential accommodation for newly arrived Humanitarian Settlement Program (HSP) and Status Resolution Support Services (SRSS) clients, administration, procurement and lease management.

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, and are safe and fit for purpose.

Short and Long-term Accommodation teams are responsible for meeting the accommodation needs of HSP and SRSS clients. This includes sourcing and managing residential properties and providing basic household goods.

Procurement functions include centralised sourcing of products and services, facilitation of tenders and contract management. Contract management most notably includes contractors for provision of basic household goods in three states for the HSP, and also for managing AMES Australia's telecommunications and energy contracts. The Accommodation and Administration Unit also manages commercial leases.

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

## 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 AMES Australia's internal and external communications activities across social media, website, media and publicity, advertising, sponsorship, branding, client acquisition campaigns, design and production of promotional materials, and events. The breadth of work reflects the breadth of AMES Australia's stakeholders and clients: clients, governments, corporates and consumers. To all these audiences, the Marketing and Communications team brings its culturally diverse vision and voices, whether through digital course guides, newsletters, video content, posters, or blogs.

In the reporting period, the Marketing and Communications Unit:

- more than doubled social media impressions
- increased social media engagement by more than 15 per cent on Facebook and LinkedIn
- continued to decrease the cost of client acquisition activities
- posted in languages of new and emerging communities to ensure distribution of critical information on health and public safety.

In addition to sharing the organisation's vision and promoting migration's benefits to Australian society, the AMES Australia's website and social media platforms continue to be a trusted source of COVID-19 information and support for multicultural audiences.

On average throughout the reporting period, AMES Australia took approximately 700 inbound and outbound enquiries a week, through the multilingual and customer-focused Client Acquisition team, via phone, website enquiries, livechat and chatbot. Team members used the Service Directory to help them find relevant information to respond to these enquiries.

Activities in the period included:

- use of Facebook livestream, launched in Refugee Week 2020. Due to COVID-19 restrictions the traditional Refugee Week campaign could not be held, in its place a week-long livestream lunchtime campaign was produced to share the stories of a wide range of clients and supporters. This campaign received more than 5,000 views
- sharing public health information on the COVID-19 pandemic and vaccination, including posting in various languages to increase community exposure
- reviewing and updating the AMES Australia Style Guide, to align visual assets and accommodate new technologies and accessibility standards.

AMES Australia's Marketing and Communications Unit and the Media team have also made use of digital innovation and content production by frontline staff, thus reaching a broader audience for webinars on skilled migration. Settlement staff created a series of Australian life pre-arrival podcasts to help settling clients and those in the process of resettling in Australia.

## Awards

In November 2020, in conjunction with 7-Eleven and AMES Australia, the Good Cause community partnership won a Workplace Giving Bronze Award for best Pro Bono and Workplace Volunteering Program. This recognised a program of skilled volunteering, interview practice, workplace employability tours, practical placement and incorporation of retail industry knowledge into language, literacy and numeracy.

## 70 Years of Welcome

In May 2021, AMES Australia launched an exciting seven-month campaign called '70 Years of Welcome'. The campaign celebrates AMES Australia's anniversary, with a dedicated website, social media and events that will culminate in December 2021. Highlights included a visit by the Victorian Minister for Skills and Training, the Hon. Gayle Tierney, to AMES Australia's Werribee site to see students demonstrate new digital literacy tools, and Volunteer Week activities with partner Parks Victoria.

## Heartlands

In 2020, lockdown restrictions prevented AMES Australia from holding its annual art event, Heartlands. The Marketing and Communications team rose to the challenge by hosting the first online exhibition in the history of the organisation. Heartlands uses art to offer the broader community insights into the refugee and migrant experience. Five artists representing AMES Australia's multicultural clients submitted digital artwork. This was shown on an interactive online platform that included an online art store. The online exhibition was launched by the Victorian Minister for Multicultural Affairs, the Hon. Ros Spence. Guests included AMES Australia's Board, Executive, community partners and corporate supporters.

## Taste the Difference

Due to COVID-19 restrictions, the annual Taste the Difference Refugee Week dinner, which is usually held at the Multicultural Hub, went digital in 2020. In partnership with Hamed's Persian Kitchen and the social enterprise SalamaTea, which is owned and run by entrepreneurial refugees, AMES Australia delivered a Refugee Week dining experience, accompanied by inspiring stories and curated playlist, directly to the homes of supporters and corporate partners.

## 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 team continued to focus on:

- progressing cyber security compliance with jobactive—Right Fit for Risk, an ISO27001 accreditation
- raising employees' awareness of cyber security threats, such as phishing and ransomware
- supporting accommodation redesign initiatives, by consolidating and relocating IT equipment from several major sites including Flagstaff, Epping, Box Hill and Oakleigh to Little Collins Street, Dallas and 620 Bourke Street. This involved moving hundreds of staff and student computers and other equipment.

The IT Application team continues to work with operational teams to deliver solutions using PowerApp platforms (such as online staff induction, Jobs-Board App, Stakeholder Management App and Jobs Victoria Employment Services App). These enable employees to provide services and manage client cases whether working in the office or from home.

The IT Unit's continuing improvement of AMES Australia's digital capability and infrastructure (Project Vox) facilitated the necessary transition to hybrid working arrangements during the COVID-19 pandemic.



## 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 89,500 hours of online learning in English as an Additional Language and vocational education and training programs
- undertook investment in video-based learning development and hosting capabilities, increasing delivery of online learning videos for both internal and external clients that attracted 40,000 views
- diversified delivery of online learning and digital engagement, including to:
  - deliver online English language learning
  - develop a self-paced mobile learning program for Digital Literacy and Inclusion, where funded clients can cross-subsidise clients with digital literacy needs who are not eligible for government funding (a range of temporary visa holders)
  - develop and launch an external online Adult Migrant English Program
  - develop a series of online skill sets as part of the digital capacity building of the Victorian public sector education providers
  - collaborate with subject matter experts in the organisation and public sector, tapping into AMES Australia's partnership with Parks Victoria to assist with horticulture and agriculture literacy and numeracy modules.

## 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 2020–21 financial year saw the continuation of a number of strategic projects and development initiatives, along with a mission to improve and enhance people communication, visibility, capability and engagement. The following activities were undertaken (with some examples):

- Learning activities:
  - provided culture and diversity training to the organisation's diverse workforce (cultural competency program for all employees, diversity and inclusion for managers)
  - ran health and wellbeing workshops (emotional intelligence, sleep and our health, site check-ups)
  - used the myAMES platform to develop and deliver internal training for employees (core policies and procedures for new starters)
  - converted face-to-face training to online delivery (recruitment for hiring managers)
  - facilitated 'Lunch & Learn' sessions on topics of particular interest to managers (Spotting signs of team being overwhelmed, Sustaining a strong remote team and How to have difficult conversations).



- Collaborative activities:
  - worked cross-functionally to develop and deliver new opportunities (connected volunteering programs for Hume City Council, career videos for social media and Skilled Professional Migrants Program mock interviews).
- Engagement activities:
  - continued producing regular newsletter to encourage employees and volunteers to stay connected
  - launched ‘Cheers from Peers’, the employee engagement portal, in May 2021. Here employees and managers can recognise excellent work being undertaken by their peers, share stories, learn about wellbeing opportunities and highlight employee milestones
  - conducted regular health and wellbeing and engagement sessions online (International Day of Happiness, Chair Yoga, R U OK Day, Footy Finals, online Christmas party and trivia afternoons).

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

- improving the induction process—a digital Induction Passport now guides and tracks a streamlined induction process, for a better employee experience. The team is working with all areas to develop a more consistent and considered approach to portfolio and work area-level induction activities
- commencing return to the workplace from October 2020, which was supported by online learning, along with central management of capacity and tracking requirements
- reviewing and redeveloping the career pages on the AMES Australia website and intranet to provide a better candidate and employee experience with a more contemporary interface, improved resources and easier navigation
- improving systems with Fusion5 and PeopleStreme, including simplifying the calculation and processing of back-pay and termination payments, reducing the need for complex manual calculations for teachers’ annual leave entitlements, and allowing all new employees to complete their new starter paperwork and sign their contract online, via the Onboarding Portal.

Due to a significant increase in jobactive clients as a result of COVID-19, recruitment activities throughout the period have increased in Employment Portfolio to support the client caseload. COVID-19 lockdown closures also resulted in an increase in recruitment of staff for Digital Engagement Unit and Education Portfolio, to support online delivery. The Unit supported the Settlement and Asylum Seeker Program Portfolio’s business restructuring, made necessary by reduced client numbers following international border closures.

## **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.

### **Reconciliation Action Plan**

To enable all Australians to participate actively in AMES Australia services, the organisation has published its first Reconciliation Action Plan. This supports our vision for reconciliation through the participation of Aboriginal and Torres Strait Islander people in programs and workplaces that are truly inclusive. AMES Australia has:

- placed an Acknowledgement of Country on its website and email signature
- celebrated Reconciliation Week and NAIDOC Week

- employed two additional employees of Aboriginal and Torres Strait Islander background: one in Victoria and one in New South Wales
- raised awareness across different areas of AMES Australia to support Aboriginal and Torres Strait Islander recruitment and procurement of goods and services.

### **Gender Equality Action Plan**

AMES Australia wishes to achieve gender equality. A Gender Equality Action Plan 2020–2024, consistent with the *Gender Equality Act 2020 (Vic)* is being developed. AMES Australia is currently in Phase 1—conducting a gender impact assessment of its workforce. This will also involve reviewing those programs, policies or services that have a ‘direct and significant impact on the public’. Phase 2 will be the development of the Gender Equality Action Plan and the setting of targets and quotas based on the results of the gender impact assessment. Phase 3 will deliver and report on progress of the Gender Equality Action Plan.

### **Disability Action Plan**

AMES Australia continues 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. AMES Australia is reviewing its Disability Action Plan to ensure its currency and effectiveness. The Diversity at AMES intranet page contains information for employees and provides platform for feedback.

### **Industrial relations**

- No time was lost due to industrial action during the reporting period.
- AMES Australia renegotiated the AMES Australia Teachers Enterprise Agreement in October 2020.
- AMES Australia is currently renegotiating the AMES Australia Administrative Staff Agreement 2016 with the Community and Public Sector Union.
- Two disputes were lodged with the Fair Work Commission. These related to an alleged adverse action and an unfair dismissal. One of the matters was resolved in conciliation and the other was withdrawn by the applicant.
- Workforce planning activities were undertaken due to a number of employee contracts ending on 30 June 2021, and to prepare for the new employment contract tender in 2022.

### **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 volunteer survey carried out in May 2021 showed that volunteers believe volunteering

improves physical and mental health, enhances skills and knowledge, builds friendships and networks, and brings a sense of personal satisfaction from contributing. The COVID-19 pandemic has significantly disrupted volunteer activities. AMES Australia and its volunteers responded to the challenges by adapting their ways of working. In this reporting period, 180 volunteers assisted clients, mostly online, via phone or video call. Of those volunteers:

- thirty-one per cent of volunteers helped clients learn English
- seventeen per cent of volunteers helped clients become familiar with essential services and learn about daily life in Australia (for example, attending appointments, connecting with community and social groups)
- thirty-eight per cent of volunteers were professional mentors who helped participants in the Skilled Professional Migrants Program pursue their careers. This program received continued support from Maurice Blackburn Lawyers, Yarra Valley Water, Jacob, Salesforce and 7-Eleven through preparation for interviews or the staging of mock interviews
- six per cent of volunteers supported office administration across different programs
- eight per cent of volunteers in the Job Ready Mentor and Refugee Employment and Training Program supported job seekers in acquiring job searching techniques, developing resumés, building interview skills, and creating a myGov account and online job profile.

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

- English language tutoring or casual English conversation via video call or phone, to improve clients' language skills
- language support in English online classes, and assisting clients in accessing and learning online learning modules
- mentoring skilled migrant clients with job-search skills, preparing for interviews, writing cover letters, and English conversation for the workplace
- assisting clients over the phone or online to register for online library membership, and downloading the myGov, banking and Centrelink apps
- calling families with school-aged children in order to support them with homework, navigating remote learning, and creating fun or educational children's 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.

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 per cent of AMES Australia's volunteers and men 35 per cent. Volunteers' ages range from 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 helps AMES Australia find new sources of funds, provide services to government and clients, and position itself for the future. It also supports corporate engagement and partnership activities. In the reporting period, the Development and Innovation Unit facilitated industry partnerships on several tenders including:

- 7-Eleven Good Cause Community Partnership, a highlight of which was a three-year renewal of the partnership and the collaborative project 'Language for Retail'—a self-

paced online module available to AMES Australia students seeking secure work in the retail industry

- Parks Victoria partnership with AMES Australia's Community Development and Social Participation Unit, including representing culturally diverse communities in the Great Outdoors Stakeholder Reference Group, and relaunching Parks Victoria Welcome Walks after COVID-19 lockdown, to reduce social isolation and promote the health and education benefits of parks and natural environments
- a Department of Education and Training-funded project to support cultural safety for multicultural learners in the disability and aged care industries
- scoping a replacement stakeholder management system, which was successfully built by AMES Australia's Information Technology team.

## Service Redesign

The Service Redesign Project aims 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:

- designed and piloted an organisation-wide Service Directory, to ensure a consistent client experience, and referrals to suitable services
- designed and began implementing AMES Australia hubs for collaborative, place-based ways of working and delivering integrated services
- continued to refine and evaluate an in-house designed and built database for Individual Pathway Planning for AMES Australia clients.

## Work health and safety

### Work health and safety management system and committees

AMES Australia's work health and safety management system continued to ensure a systematic approach to health and safety across the organisation, including identifying hazards, reducing risk, and monitoring health and wellbeing. Employees' wellbeing, mental health and resilience continued to be the focus in 2020–2021. A reinvigorated and harmonised Health and Wellbeing Framework will ensure its continuity and sustainability into 2021.

The COVID-19 pandemic led to a reduction in site visits through the year, which resulted in increased online work health and safety consultations and decreased site hazard reporting. Demand increased for one-on-one staff consultations on hygiene and safety. Reinforced safety practices were monitored throughout operations across AMES Australia. There were no reported cases of COVID-19 among staff or clients as at 30 June 2021.

### Work health and safety incidents

Fifteen work health and safety incidents were reported. Of these, 20 per cent 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 WorkCover claim was accepted during the reporting period. There were no workplace fatalities.

	2020–21	2019–20	2018–19
Total number of incidents and injuries reported (employees and clients)	15	63	93
Number of incidents and injuries (employees only)	3	7	35
Lost time injury (LTI) 1–<10 days' work-related WorkCover claim	1	3	0
WorkCover claims (open* / active**)	4* (6)**	4* (6)**	2* (7)**
LTI days (WorkCover)	144	285	305
WorkCover premium	\$333,107	\$381,083	\$445,722

\* Open claims are all claims received during the premium period (the past three years) that are still open.

\*\* Active claims are all open and closed claims received in the last three months or with payment(s) made in the last four months.

## Regional committees and early intervention strategy

Early intervention and support to employees and managers regarding work-related injuries continued throughout the year. An increase in presentation of the number of returning long-term sick or non-work-related injured employees saw demand increase for tailored solutions in work units and departments.

Regional work health and safety committees continue to operate in Victoria, New South Wales and South Australia. These committees share the hosting of quarterly meetings, thereby improving consultation and collaboration on work health and safety issues, hazard reporting and safety management. Site evacuations are also reviewed by these committees.

AMES Australia's health and wellbeing program facilitated a number of activities and support services through the year, including an increase in communications, virtual social events and online activities. Influenza vaccinations were provided in March–May 2021 to approximately 28 per cent of employees across all sites. Participation rates in the vaccination program decreased from 2019–20 due to COVID-19 restrictions.

A Mental Health and Wellbeing Survey was run across AMES Australia to understand the effects of COVID-19 and the lockdown on employees. As a result, a number of initiatives such as sleep support were implemented.

## Health and safety training

Participants	Activity	Attendance rate		
		2020–21	2019–20	2018–19
Health and safety representatives	5-day health and safety training	n/a	n/a	100%
Fire wardens	Fire warden online training	n/a**	100%	100%
Site first aiders	CPR and First Aid 003	90%*	100%	100%
People managers	Management fundamentals, including health and safety	n/a**	100%	100%
Key employees	Health and safety accountabilities and responsibilities	n/a**	76%	75%
Human Resources Unit	Return to work training (WorkCover)	n/a**	n/a	100%
Key employees	Mental health first aid, and managing stress and resilience	n/a**	100%	n/a
New starters	Corporate induction, including occupational health and safety	92%	93%	89%
	Occupational health and safety/workplace health and safety for managers	81%	84%	75%
	Equal opportunity for managers	86%	87%	75%
	Anti-bullying and anti-harassment for managers	86%	86%	79%
Employees who need conflict-resolution skills to deal with aggressive clients	Predict, assess and respond to aggressive/challenging behaviours training	n/a**	100%	100%
	Managing conflict through negotiation (basic and advanced)	n/a**	100%	100%

\* Many first aid programs ceased during 2020–21, though most renewals were completed by June 2021.

\*\* 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 updated annually and reviewed quarterly, as part of site inspections or in response to changes to emergency procedures.

## 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 best environmental practices at all sites.

### Energy consumption

Indicator	2020–21	2019–20
Electricity usage (MJ)	6,275,928	8,191,381
Natural gas usage (MJ)	728,791	1,074,630
<b>Total greenhouse gas emissions from energy consumption (tonnes CO<sub>2</sub>-e)</b>	<b>1,828</b>	<b>3,047</b>
- Electricity total tonnes CO <sub>2</sub> -e	1,778	2,973
- Gas total tonnes CO <sub>2</sub> -e	50	74
Percentage of electricity purchased as green power	0%	0%
Electricity used per FTE (MJ/FTE)	19,306	16,180
Natural gas used per FTE (MJ/FTE)	17,527	10,536

Note: MJ is Megajoules. FTE is full-time equivalent staff member. Electricity data was recorded at approximately 86 per cent of office-based sites and natural gas data at approximately 11 per cent. Billing information for excluded sites was not available because it was incorporated into the rental outgoings. FTE for electricity usage (325) and gas usage (42) were calculated for the included sites only. AMES Australia is continuing to develop systems to collect more comprehensive data. 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.



## Waste and recycling

Indicator	2020–21	2019–20
<b>Total units of waste disposed of by destination stream (kg/year)</b>	<b>8,327</b>	<b>19,246</b>
- Landfill	5,678	12,454
- Comingled recycling (cans, plastic containers, bottles etc.)	1,222	413
- Paper and cardboard	1,427	3,603
- Secure documents (paper)	0	2,776
- Organics (food scraps)	0	0
<b>Total units of waste disposed of per FTE by destination</b>	<b>321</b>	<b>311</b>
- Landfill	219	210
- Comingled recycling (cans, plastic containers, bottles etc.)	47	7
- Paper and cardboard	55	53
- Secure documents (paper)	0	41
- Organics (food scraps)	0	0
Recycling rate (%)	32%	35%
Greenhouse gas emissions associated with waste (tonnes CO <sub>2</sub> -e)	7	8

Note: Data was derived from waste audits, taken over two 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 when varying COVID-19 restrictions were in place in April 2021. 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	2020–21	2019–20
Total units of A4 equivalent copy paper used (reams)	1,845	4,688
Units of A4 equivalent copy paper used per FTE (reams/FTE)	4.86	10.3
Carbon-neutral 20% recycled content	3%	30%
Carbon-neutral 100% recycled content	79%	18%
Carbon-neutral 0% recycled content	18%	52%

Note: Data was based on purchases of reams for all office-based sites with 379 FTE. Demand for paper since the onset of COVID-19 work arrangements has further reduced in 2020–21. 100% carbon-neutral copy paper is sourced almost exclusively from Supply Nation certified Indigenous enterprises.

## Water consumption

Indicator	2020–21	2019–20
Total water consumption (kilolitres)	2,691	2,592
Units of office water used per FTE (kilolitres/FTE)	18	42
Units of office water used per office area (kilolitres/m <sup>2</sup> )	0.38	0.48

Note: Data was taken from approximately 15 per cent 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 (6,964 m<sup>2</sup>) were calculated for included sites only. AMES Australia is continuing to develop systems to collect more comprehensive data.

## Transportation

Indicator	2020–21	2019–20
Total fuel consumption by fleet vehicles (litres)	21,402	33,860
Total distance travelled by fleet vehicles (km)	230,900	320,889
Total greenhouse gas emissions from fleet vehicles (tonnes CO <sub>2</sub> -e)	1,205	1,964
Greenhouse gas emissions from fleet vehicles per 1,000 km travelled (tonnes CO <sub>2</sub> -e)	5.22	6.12

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 the Victorian Department of Education and Training 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](http://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 Principal Officer  
AMES Australia Level 4, 1 Little Collins Street Melbourne VIC 3000 or email [FOI@ames.net.au](mailto:FOI@ames.net.au)

When an FOI request is received, the FOI Principal 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 did not directly receive or process any requests under the FOI Act 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](http://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](http://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 help employees achieve their personal, family and relationship goals by offering flexible 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.

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 no 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

AMES Australia is currently working on a new procurement strategy, which will further entrench social procurement into standard procurement procedures and practices. The AMES Australia Social Procurement Strategy was approved by the Department of Treasury and Finance in December 2020, meaning the implementation is still in progress. Nonetheless, AMES Australia has a proud history of supporting disadvantaged Victorians, as demonstrated by its continuing partnerships with the following two social benefits providers.

### WISE Employment – Clean Force Property Services

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, as well as providing supported employment opportunities for AMES Australia clients.

WISE Employment – Clean Force Property Services	2020–21
Cleaning services	\$364,571
Supported employment	\$103,644
Other (including grounds maintenance)	\$5,682
Secure document bins and destruction services	\$1,249
<b>Total expenditure (including GST)</b>	<b>\$475,146</b>

### Winc – Indigenous enterprise

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

Supply Nation registered businesses	2020–21
Fresh Start Australia Pty Ltd	\$1,548
Integrity Health & Safety Pty Ltd	\$77
J Herro Pty Ltd	\$761
Nallawilli Office Wares (NOW)	\$8,156
Position Promo Pty Ltd	\$1,333
<b>Total expenditure (including GST)</b>	<b>\$11,875</b>

As part of AMES Australia's forthcoming 2021 Procurement Strategy, a capability development plan will expand the scope for staff to acquire more goods and services from Victorian social enterprises, and bring greater social benefits through new and existing suppliers.

### Consultancies expenditure

In the reporting period, there were two consultancies where the total fees payable to the consultants were \$10,000 or greater. Total expenditure during 2020–21 for these consultancies was \$297,146 (excluding GST). Details of individual consultancies are outlined below.

Consultants	Summary of project	Expenditure (ex-GST)	Future expenditure (ex-GST)
Mercer Consulting (Australia) Pty Ltd	Analysis and advice on executive positions to align with the Victorian Public Sector Executive Classification Framework	\$14,000	nil
Strategy Edge Consulting	Undertake a strategic review and sustainability plan for the organisation	\$283,146	\$120,000

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 2020–21 in relation to this consultancy was \$9,000 (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
\$3,755,576	\$132,869	\$89,573	\$43,296

## Government advertising expenditure

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

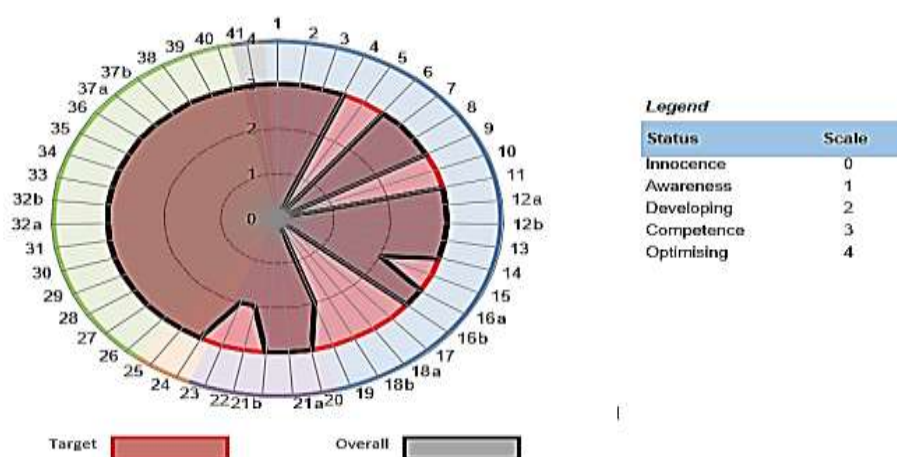
## Local Jobs First

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.

## Asset Management Accountability Framework maturity assessment

The following sections summarise AMES Australia’s assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the Department of Treasury and Finance website.

AMES Australia’s target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.





### Leadership and Accountability (requirements 1–19)

AMES Australia has met its target maturity level under most requirements within this category. AMES Australia did not comply with some requirements in the areas of asset management system performance and other requirements. There is no material non-compliance reported in this category. A plan for improvement is in place to improve AMES Australia's maturity rating in those areas where some non-compliance was identified.

### Planning (requirements 20–23)

AMES Australia has met its target maturity level under most requirements within this category. AMES Australia did not comply with the requirements in the areas of risk management and contingency planning. Additional detail will be included in the asset management plans to identify risk and treatments of complex rated assets.

### Acquisition (requirements 24 and 25)

AMES Australia has met its target maturity level in this category.

### Operation (requirements 26–40)

AMES Australia has met its target maturity level in this category.

### Disposal (requirement 41)

AMES Australia has met its target maturity level in this category.

## Key performance outcomes

Indicator title	Description	2020–21 target	2020–21 actual	Explanation of material variances	2019–20 result
<b>Education</b>					
Training delivery	Student contact hours (consortium—all programs)	1.10 m	1.24 m	<ul style="list-style-type: none"><li>Low referrals from Settlement Portfolio due to border restrictions/ closure.</li><li>Increase due to on boarding Springvale site for SEE funding.</li><li>Increased remote capability for training and assessment.</li></ul>	1.09 m
	Skills First Certificate completion rate (Certificate III in Individual Support and Early Childhood Education and Care)	48%	68%	Completions included students unable to complete the previous year due to restrictions, resulting in a significant increase this financial year.	48%
	Skills First Unit completion rate	47%	65%	Increase due to improvements in assessment capacity in myAMES and ad hoc availability when students are ready to be reassessed.	47%
	SEE Unit completion rate (includes EAL and Industry)	25%	35%	Increased focus on unit completion, as well as ACSF progression.	25%

Indicator title	Description	2020–21 target	2020–21 actual	Explanation of material variances	2019–20 result
	ACFE and Asylum Seeker ACFE Module attendance rate	85%	77%	COVID-19 restrictions reduced attendance and delivery.	85%
Student satisfaction	Student satisfaction rate (Australian Quality Training Framework Quality Report)	77%	77%	–	77%
Participation	Number of students in accredited courses with work or industry-based experience	378	152	Participation in workplace and industry experience disrupted by COVID-19 restrictions.	378
<b>Settlement</b>					
Humanitarian Settlement Program (HSP)	Number of HSP clients referred * Due to COVID-19, since March 2020 borders have been closed to non-emergency arrivals.	N/A*	636	<ul style="list-style-type: none"> <li>257 were emergency arrivals.</li> <li>289 were new external Specialised and Intensive Services clients.</li> <li>90 were clients who transferred into an AMES Australia region.</li> </ul>	5,274
	Number of HSP clients * Due to COVID-19, since March 2020 borders have been closed to non-emergency arrivals.	N/A*	7,292	Significant decrease in client numbers was due to no new arrivals, and clients leaving the program as they reached the end of their service period.	11,576
Status Resolution Support Services (SRSS)	Number of SRSS clients referred * Low arrivals into the program due to stricter program eligibility.	N/A*	115	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, and Band 3 referrals from held detention.	178
	Number of SRSS clients * Low arrivals into the program due to stricter program eligibility.	N/A*	1,194	Client numbers have decreased due to stricter program eligibility resulting in clients being exited from the program.	1,774

Indicator title	Description	2020–21 target	2020–21 actual	Explanation of material variances	2019–20 result
<b>Employment</b>					
jobactive sustainable employment outcomes	Number of placements (consortium) * No annual targets were set; rather a monthly rolling forecast was in place.	N/A*	8,006	COVID-19 pandemic resulted in an additional 17,403 new job seekers referred to AMES Australia since the end of June 2020.	4,703
	Number of 26-week retention outcomes (consortium) * No annual targets were set; rather a monthly rolling forecast was in place.	N/A*	1,753	Lack of placements during the first 6 months of FY2020–21 and job losses due to COVID-19 lockdowns contributed to low 26-week outcomes.	2,122
<b>Research and evaluation</b>					
Evidence-based research and evaluation capability	Number of research and evaluation reports	10	16	Relevant policy positions requiring response from AMES Australia and/or invitation to present to inquiries.	10
<b>Financial</b>					
Financial sustainability (AMES Australia)	Liquidity available to meet expenses as they arise Working capital ratio	1.08:1	1.87:1		1.71:1
	Surplus / (deficit) before depreciation and excluding capital	(\$7.233)	\$2.258m	Initial rolling forecast was set at a time of significant uncertainty. Concerted efforts resulted in an improved result for the year.	\$3.092 m
Revenue projection	Annual turnover AMES Australia total revenue	\$60.83m	\$67.43m		\$92.04 m
Expenditure to budget reporting	Monthly management reports	Fifteenth 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 Department of Education and Training.	met	met	–	met

## Five-year financial summary

Financial summary	30 June 2021 \$000	*30 June 2020 \$000	*30 June 2019 \$000	*30 June 2018 \$000	*30 June 2017 \$000
Total income from transactions	67,425	92,048	103,633	103,768	180,399
Total expenses from transactions	(68,272)	(94,528)	(105,910)	(101,122)	(185,710)
Net result from transactions	(847)	(2,480)	(2,277)	2,646	(5,311)
Net result for the period	(1,239)	(2,573)	(2,664)	2,712	(6,866)
Net cash flow from/(used in) operating activities	4,216	2,468	2,126	(8,244)	4,882
Total assets	62,250	61,088	63,566	65,783	83,881
Total liabilities	18,787	19,516	19,395	18,948	39,758

\*Consolidated Financial Statements

For the year ending 30 June 2021, AMES Australia reported a net deficit of \$1.2 million. AMES Australia reported a decrease in revenue and related expenditure over the previous financial year, as a result of reduced delivery. International border closure due to the COVID-19 pandemic affected AMES Australia's settlement and client housing services. Conversely, there was an increased demand for employment services.

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 \$1.9 million included a property revaluation of \$3.1 million, bringing net assets to \$43.5 million.

Refer to Part B Financial Statements of this Annual Report for further details.

The AMES Australia Annual Report 2020–21 is available on the website: [www.ames.net.au](http://www.ames.net.au)

## Disclosure index

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Standing Directions and Financial Reporting Directions		
<b>Report of operations</b>		
<b>Charter and purpose</b>		
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FRD 22H	Purpose, functions, powers and duties	Part A page 5
FRD 8D	Departmental objectives, indicators and outputs	Part A page 4
FRD 22H	Key initiatives and projects	Part A page 10–24
FRD 22H	Nature and range of services provided	Part A page 10–24
<b>Management and structure</b>		
FRD 22H	Organisational structure	Part A page 8
<b>Financial and other information</b>		
FRD 8D	Performance against output performance measures	Part A page 48–50
FRD 8D	Budget portfolio outcomes	N/A
FRD 10A	Disclosure index	Part A page 52
FRD 12B	Disclosure of major contracts	Nil report
FRD 15E	Executive officer disclosures	Part A page 8
FRD 22H	Employment and conduct principles	Part A page 42
FRD 22H	Occupational health and safety policy	Part A page 37
FRD 22H	Summary of the financial results for the year	Part A page 51
FRD 22H	Significant changes in financial position during the year	Part A page 51
FRD 22H	Major changes or factors affecting performance	Part A page 51
FRD 22H	Subsequent events	Part B page 47
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	Part A page 43
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	Part A page 30
FRD 22H	Statement on National Competition Policy	Part A page 44
FRD 22H	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	Part A page 43
FRD 22H	Application and operation of the <i>Carers Recognition Act 2012</i>	Part A page 44
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FRD 22H	Details of consultancies under \$10,000	Part A page 46
FRD 22H	Disclosure of government advertising expenditure	Part A page 47
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FRD 22H	Statement of availability of other information	Part A page 44–45
FRD 24D	Reporting of office-based environmental impacts	Part A page 40–42
FRD 25C	Local Jobs First	Part A page 47
FRD 29C	Workforce data disclosures	Part A page 9

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<b>Declaration</b>		
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<b>Other requirements under Standing Directions 5.2</b>		
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SD 5.2.1(a)	Compliance with Standing Directions	Part A page 1 Part B page 3
SD 5.2.1(b)	Compliance with Model Financial Report	Part B page 3
<b>Other disclosures as required by FRDs in notes to the financial statement</b>		
FRD 9B	Departmental disclosure of administered assets and liabilities by activity	N/A
FRD 11A	Disclosure of ex gratia expenses	Part B page 42
FRD 13	Disclosure of Parliamentary appropriations	N/A
FRD 21C	Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the Financial Report	Part B page 44–45
FRD 103H	Non-financial physical assets	Part B page 18–22
FRD 110A	Cash flow statements	Part B page 7
FRD 112D	Defined benefit superannuation obligations	Part B page 15
FRD 114C	Financial Instruments—general government entities and public non-financial corporations	Part B page 32–33
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	<i>Building Act 1993</i>	Part A page 30
	<i>Public Interest Disclosures Act 2012</i>	Part A page 43
	<i>Carers Recognition Act 2012</i>	Part A page 44
	<i>Disability Act 2006</i>	Part A page 35
	<i>Local Jobs Act 2003</i>	Part A page 47
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## **PART B: FINANCIAL STATEMENTS**

AMES Australia Annual Financial Report for the year ended 30 June 2021



**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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The financial report was authorised for issue by the Board members on 30 August 2021. AMES Australia has the power to amend and reissue the financial report.

# Independent Auditor's Report

## To the Board of AMES Australia

**Opinion** I have audited the financial report of AMES Australia (the entity) which comprises the:

- balance sheet as at 30 June 2021
- 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.

In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

**Basis for Opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Board's responsibilities for the financial report** 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 *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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**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.

---



Charlotte Jeffries

*as delegate for the Auditor-General of Victoria*

MELBOURNE  
8 September 2021

**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**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 2021 and financial position of the organisation as at 30 June 2021.

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 30 August 2021.



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Stuart Crosby  
Board Chair  
Melbourne  
30 August 2021



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Catherine Scarth  
Chief Executive Officer  
Melbourne  
30 August 2021



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Tracey Bannan  
Chief Finance Officer  
Melbourne  
30 August 2021

**AMES AUSTRALIA  
COMPREHENSIVE OPERATING STATEMENT  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	Notes	\$'000 2021	\$'000 2020
<b>Revenue and income from transactions</b>			
Government contributions - operating	2.2.1	3,836	7,793
Sales of goods and services	2.2.2	61,144	81,226
Other income	2.2.3	2,357	2,775
Interest income		88	277
<b>Total revenue and income from transactions</b>		<b>67,425</b>	<b>92,071</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1.1	36,075	42,543
Depreciation and amortisation	4.1.1	3,497	5,665
Interest expense	6.2	22	55
Supplies and services	3.2	16,332	23,536
Other operating expenses	3.2	12,346	22,721
<b>Total expenses from transactions</b>		<b>68,272</b>	<b>94,520</b>
<b>Net results from transactions (net operating balance)</b>		<b>(847)</b>	<b>(2,449)</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on non-financial assets	8.2	(728)	26
Other gains/(losses) from other economic flows	8.2	336	(119)
<b>Total other economic flows included in net result</b>		<b>(392)</b>	<b>(93)</b>
<b>Net result</b>		<b>(1,239)</b>	<b>(2,542)</b>
<b>Other economic flows – other comprehensive income:</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in physical asset revaluation surplus	8.3	3,131	-
<b>Comprehensive result</b>		<b>1,892</b>	<b>(2,542)</b>

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 2021**

	Notes	\$'000 2021	\$'000 2020
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	6.1	28,193	25,755
Receivables	5.1	3,306	5,140
<b>Total financial assets</b>		<b>31,499</b>	<b>30,895</b>
<b>Non-financial assets</b>			
Other non-financial assets		742	828
Property, plant and equipment	4.1	30,009	29,364
<b>Total non-financial assets</b>		<b>30,751</b>	<b>30,192</b>
<b>Total assets</b>		<b>62,250</b>	<b>61,087</b>
<b>Liabilities</b>			
Payables	5.2	2,775	4,868
Contract liabilities	5.3	5,110	3,292
Employee related provisions	3.1.2	7,425	7,916
Lease liabilities		1,671	1,774
Other provisions	5.4	1,806	1,666
<b>Total liabilities</b>		<b>18,787</b>	<b>19,516</b>
<b>Net assets</b>		<b>43,463</b>	<b>41,571</b>
<b>Equity</b>			
Accumulated surplus		6,554	7,793
Reserves	8.3	14,003	10,872
Contributed capital		22,906	22,906
<b>Total Equity</b>		<b>43,463</b>	<b>41,571</b>

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 2021**

		Reserves	Accumulated surplus/ (deficit)	Contributed capital	Total
<i>AMES Australia</i>	Notes	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2019</b>		10,872	10,335	22,906	44,113
<b>Net result for the year</b>		-	<b>(2,542)</b>	-	<b>(2,542)</b>
<b>Balance at 30 June 2020</b>		<b>10,872</b>	<b>7,793</b>	<b>22,906</b>	<b>41,571</b>
Changes in physical asset revaluation surplus	8.3	3,131	-	-	3,131
<b>Net result for the year</b>		-	<b>(1,239)</b>	-	<b>(1,239)</b>
<b>Balance at 30 June 2021</b>		<b>14,003</b>	<b>6,554</b>	<b>22,906</b>	<b>43,463</b>

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 2021**

	Notes	\$'000 2021	\$'000 2020
<b>Cash flow from operating activities</b>			
<b>Receipts</b>			
Government contributions – operating	2.2.1	3,836	7,793
User fees and charges received		73,127	93,950
Interest received		88	273
<b>Total receipts</b>		<b>77,051</b>	<b>102,016</b>
<b>Payments</b>			
Payments to suppliers and employees		(69,515)	(95,587)
Interest and other costs of finance paid		(21)	(55)
Net goods and services tax paid to the ATO		(3,299)	(3,486)
<b>Total payments</b>		<b>(72,835)</b>	<b>(99,128)</b>
<b>Net cash flows from/(used in) operating activities</b>	6.1.1	<b>4,216</b>	<b>2,888</b>
<b>Cash flows from investing activities</b>			
Purchase of non-financial assets		(74)	(1,906)
Proceeds from sale of non-financial assets	8.2	85	134
<b>Net cash flows from/(used in) investing activities</b>		<b>11</b>	<b>(1,772)</b>
<b>Cash flows from financing activities</b>			
Repayment of principal portion of leasing liabilities	6.2 (c)	(1,789)	(4,333)
<b>Net cash flows from/(used in) financing activities</b>		<b>(1,789)</b>	<b>(4,333)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,438</b>	<b>(3,217)</b>
Cash and cash equivalents at beginning of financial year		25,755	28,972
<b>Cash and cash equivalents at end of financial year</b>	6.1	<b>28,193</b>	<b>25,755</b>

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 2021

## 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

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.

These financial statements are presented in Australian dollars, the functional and presentation currency of AMES Australia, and have been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

Exceptions to the historical cost convention include:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values;
- the fair value of an asset other than land is generally based on its current replacement value.

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

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

The financial statements cover AMES Australia as an individual reporting entity and include all the controlled activities of the 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 (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS 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.

# AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

## 1. ABOUT THIS REPORT

### 1.3 Impact of COVID-19

The coronavirus (COVID-19), which was declared a global pandemic in March 2020, continues to evolve in 2021. Various restrictions such as lockdowns and closure of the state's borders continue to be enforced and implemented by the government as required to contain the spread of the virus and to prioritise the health and safety of our communities. These actions have in turn, continued to impact the manner in which businesses operate, including AMES Australia. Consistent with the prior year, COVID-19 continued to have a material impact on the operations of AMES Australia and as a consequence has resulted in a number of material impacts on performance, as well as the judgements and estimates used in assessing balances.

Management continues to actively monitor the impact of COVID-19 on AMES Australia's performance with scenario planning for financial and service delivery impacts. The key impacts on the appropriateness of the going concern basis of accounting, performance of the business as well as various accounting treatments and estimates are summarised below and disclosed in subsequent notes where relevant and material.

#### **The key impacts on the performance is summarised as follows:**

##### ***Revenue***

Revenues from student, fees and charges have been impacted by lower student enrolments as a result of travel restrictions and reduced demand. The reduction in revenue has been partially mitigated through increased government funding, with the State Government providing business continuity grants to support Skills First funded training delivery through to March 2021.

Fee for service revenue from the delivery of Commonwealth Government contracts has notably decreased. Due to the continuation of border closures, there has been a significant decrease in client arrivals. As a result, the delivery of the Humanitarian Settlement Program continues to be significantly impacted. The delivery of the employment Jobactive contract during the pandemic has been challenging as the impact of COVID-19 has resulted in significantly higher jobseeker caseload referrals. Outcomes from long term work placements for the jobseekers were difficult to sustain due to the volatility of the current labour market as a result of the pandemic.

##### ***Expenses***

AMES Australia's daily activities were tightly managed throughout the pandemic. With the exception of staffing levels, which were maintained in accordance with government policy, cost reductions were made wherever possible, to align with the reduction in revenue. The major reduction was in payment to partners as a result of decreased delivery in services. Cost reductions also occurred in rental expense, as we reduced our property commitments, in addition to reductions in travel, motor vehicle, marketing and promotional expenses.

#### **Key impacts on accounting treatments and estimates**

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The 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. The financial impacts of the global COVID-19 pandemic are taken into account by AMES Australia in exercising judgements, estimates and making assumptions.

The financial impacts arising from the COVID-19 pandemic, including any ongoing uncertainties, to the extent AMES Australia is able to identify are disclosed in the following relevant notes:

- Note 4.1 Total property, plant and equipment
- Note 6.2 Leases
- Note 8.2 Other economic flows included in net result

# AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

## 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.

### Structure

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

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

	Notes	\$'000 2021	\$'000 2020
Government contributions	2.2.1	3,836	7,793
Sale of goods and services	2.2.2	61,144	81,226
Other income	2.2.3	2,357	2,775
Interest income		88	276
<b>Total revenue and income from transactions</b>		<b>67,425</b>	<b>92,070</b>

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.

### 2.2 Revenue and income from transactions

#### 2.2.1 Government contributions

	\$'000 2021	\$'000 2020
<b>Government contributions – operating</b>		
State government specific funded programs	3,836	5,638
<b>Total government contributions - operating</b>	<b>3,836</b>	<b>5,638</b>
State government - other contributions	-	2,155
<b>Total government contributions - other</b>	<b>-</b>	<b>2,155</b>
<b>Total government contributions</b>	<b>3,836</b>	<b>7,793</b>

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.

**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**2. FUNDING DELIVERY OF OUR SERVICES (continued)**

**2.2.2 Sale of goods and services**

	\$'000	\$'000
	2021	2020
Student fees and charges	29	209
Fee for service – Government	57,861	77,823
Fee for service - Other	3,192	2,926
<b>Other non-course fees and charges</b>		
Sale of goods	62	268
<b>Total fees and charges</b>	<b>61,144</b>	<b>81,226</b>

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.

**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
	2021	2020
Rental revenue	1,370	1,744
Other revenue	987	1,031
<b>Total other income</b>	<b>2,357</b>	<b>2,775</b>

**(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  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**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	.....16

**3.1 Expenses incurred in the delivery of services**

	Notes	\$'000 2021	\$'000 2020
Employee expenses	3.1.1	36,075	42,543
Supplies and services	3.2	16,332	23,536
Other operating expenses	3.2	12,346	22,721
<b>Total expenses incurred in the delivery of services</b>		<b>64,753</b>	<b>88,800</b>

**3.1.1 Employee expenses**

	Notes	\$'000 2021	\$'000 2020
Salaries, wages, overtime and allowances, annual leave, long service leave and other salary related costs		30,308	35,860
Superannuation	3.1.3	2,807	3,428
Payroll tax		1,635	1,751
Worker's compensation		355	249
Termination benefits		970	1,255
<b>Total employee expenses</b>		<b>36,075</b>	<b>42,543</b>

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 deferred liabilities in respect of the plan(s) because AMES Australia has no legal or constructive obligation to pay future superannuation 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  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**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.

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Current provisions</b>		
<b>Employee benefit – Annual leave</b>		
Unconditional and expected to wholly settle within 12 months	3,096	3,080
Unconditional and expected to wholly settle after 12 months	542	264
<b>Employee benefit – Long service leave</b>		
Unconditional and expected to wholly settle within 12 months	355	290
Unconditional and expected to wholly settle after 12 months	2,222	2,770
<b>Provision for on-costs</b>		
Unconditional and expected to wholly settle within 12 months	56	46
Unconditional and expected to wholly settle after 12 months	353	441
<b>Total current provisions for employee benefits</b>	<b>6,624</b>	<b>6,891</b>
<b>Non-currents provisions:</b>		
Employee benefits	691	884
On-costs	110	141
<b>Total non-current provisions for employee benefits</b>	<b>801</b>	<b>1,025</b>
<b>Total provisions for employee benefits</b>	<b>7,425</b>	<b>7,916</b>

**Reconciliation of movements in on-cost provisions**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Opening Balance</b>	<b>628</b>	<b>632</b>
Additional provisions recognised	4,778	5,409
Reductions arising from payments	(4,933)	(5,396)
Unwind of discount and effect of changes in the discount rate	46	(17)
<b>Closing Balance</b>	<b>519</b>	<b>628</b>
Current	409	487
Non-current	110	141

**(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.

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.

**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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

**(ii) Long service leave**

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

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

**Employee benefits on-costs**

Provision for on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision of employee benefits.

**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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

**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.

**Retirement benefit obligations**

**(i) Defined contribution plan**

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

**(ii) Defined benefit plans**

The amount charged to the Comprehensive Operating Statement in respect of superannuation represents the contributions made by AMES Australia to the superannuation plan in respect of current services of current AMES Australia staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

AMES Australia does not recognise any defined benefit liability in respect of the plan(s) because the organisation has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

Superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement AMES Australia.

The name and details of the major employee superannuation funds and contributions made by AMES Australia are as follows:

	\$'000	\$'000
	2021	2020
<b>Paid contribution for the year:</b>		
<b>Defined benefit plans -</b>		
State Superannuation Fund	18	19
<b>Defined contribution plans -</b>		
VicSuper	2,707	3,079
<b>Total paid contribution for the year</b>	<b>2,725</b>	<b>3,098</b>
<b>Contribution outstanding at year end (paid the following month)</b>	<b>82</b>	<b>330</b>
<b>Total superannuation expense recognised in the comprehensive operating statement</b>	<b>2,807</b>	<b>3,428</b>

The basis for contributions is determined by the various schemes.

**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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

**3.2 Supplies and services / Other operating expenses**

	Notes	\$'000 2021	\$'000 2020
<b>Supplies and services</b>			
Purchases of supplies and consumables		345	370
Communication expenses		736	977
Contract and other services		1,481	1,835
Building repairs and maintenance		739	859
Minor equipment		246	430
Fees and charges		12,785	19,065
<b>Total supplies and services</b>		<b>16,332</b>	<b>23,536</b>
<b>Other operating expenses</b>			
<b>General expenses</b>			
Marketing and promotional expenses		268	447
Occupancy expenses		630	940
Audit fees and services	8.8	47	53
Staff development		46	119
Travel and motor vehicle expenses		251	494
Other expenses		139	273
<b>Subtotal general expenses</b>		<b>1,381</b>	<b>2,326</b>
<b>Lease expenses</b>			
Short-term lease expenses		2,595	669
Venue hire and equipment rentals		1,229	1,141
<b>Subtotal operating lease expenses</b>		<b>3,824</b>	<b>1,810</b>
<b>Other expenses</b>			
Job network clients related expenses		4,473	5,270
Asylum seeker clients related expenses		2,668	13,271
Cost of goods sold/distributed (ancillary trading)		-	44
<b>Subtotal other expenses</b>		<b>7,141</b>	<b>18,585</b>
<b>Total other operating expenses</b>		<b>12,346</b>	<b>22,721</b>

**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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

**3.2 Supplies and services / Other operating expenses (continued)**

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.

**AMES AUSTRALIA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**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 7.4 in connection with how those fair values were determined.

**Structure**

4.1	Total property, plant and equipment	.....18
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**4.1 Total property, plant and equipment**

	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	\$'000		\$'000		\$'000	
	2021	2020	2021	2020	2021	2020
Land at fair value	9,786	8,450	-	-	9,786	8,450
Buildings at fair value	21,903	23,515	(3,116)	(5,973)	18,787	17,542
Building improvements	1,136	1,136	(326)	(251)	810	885
Leasehold improvements at fair value	4,013	5,528	(3,870)	(3,715)	143	1,813
Plant & equipment, computer equipment	3,367	3,237	(3,081)	(2,925)	286	312
Motor vehicles at fair value	715	822	(518)	(460)	197	362
<b>Net carrying amount</b>	<b>40,920</b>	<b>42,688</b>	<b>(10,911)</b>	<b>(13,324)</b>	<b>30,009</b>	<b>29,364</b>

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
	2021	2021	2021	2020	2020	2020
Buildings at fair value	4,913	(3,116)	1,797	5,922	(4,174)	1,748
<b>Net carrying amount</b>	<b>4,913</b>	<b>(3,116)</b>	<b>1,797</b>	<b>5,922</b>	<b>(4,174)</b>	<b>1,748</b>

# AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

## 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to AMES Australia and the cost of the item can be measured reliably. The cost of all other repairs and maintenance are charged to the comprehensive operating statement during the financial period in which they are incurred.

The carrying amount of plant and equipment is reviewed annually by AMES Australia to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

#### 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.

Revaluation increases are credited directly to equity in the revaluation reserve, except to the extent that an increase reverses a revaluation decrease in respect of that class of property, plant and equipment, previously recognised as an expense (other economic flows) in the net result, the increase is recognised as income (other economic flows) in determining the net result. Revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except to the extent that a credit balance exists in the revaluation reserve in respect of the same class of property, plant and equipment, they are debited to the revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

When revalued assets are sold, it is AMES Australia's policy to transfer the amounts included in other reserves in respect of these assets to accumulated funds.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

An independent valuation of AMES' land and buildings was performed by Valuer-General Victoria. The effective date of the valuation was 30 June 2017. The fair value was determined on the basis of an active and liquid market and on a current replacement cost. The next scheduled full revaluation will be conducted in 2022.

Management have assessed fair value at 30 June 2021 for AMES' land and buildings by applying the Valuer General Victoria (VGV) indexation factors for the financial year 2020/21. The assessment demonstrated that fair value was greater than 10 per cent of the carrying value for the land and building asset class. A managerial revaluation was performed.

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.



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

**4.1 Total property, plant and equipment (continued)**

**4.1.1 Depreciation and amortisation**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
Buildings	2,213	4,773
Plant & equipment, computer equipment	156	235
Motor vehicles	125	166
Leasehold improvements	927	414
Building improvements	76	77
<b>Total depreciation and amortisation</b>	<b>3,497</b>	<b>5,665</b>

Depreciation is provided on property, plant and equipment, including freehold buildings, with a capitalised cost in excess of \$5,000 (2019/20: \$5,000). 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:

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

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

# AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

## 4. MAJOR ASSETS AND INVESTMENTS

### 4.1.1 Depreciation and amortisation (continued)

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 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.

During the reporting period, AMES assessed the impact of the COVID-19 pandemic to gauge whether there is an indication that its non-financial assets were impaired. Any results is further discussed in Note 8.2.

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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	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Opening balance</b>	8,450	8,450	17,542	21,988	885	962	1,813	711	312	341	362	453	29,364	32,905
Additions	-	-	1,664	457	-	-	31	1,515	130	206	-	185	1,825	2,363
Disposals	-	-	-	(130)	-	-	-	-	-	-	(40)	(109)	(40)	(239)
Depreciation	-	-	(2,213)	(4,773)	(76)	(77)	(927)	(413)	(156)	(235)	(125)	(167)	(3,497)	(5,665)
Impairment	-	-	-	-	-	-	(774)	-	-	-	-	-	(774)	-
Net revaluation increments/(decrements)	1,337	-	1,794	-	-	-	-	-	-	-	-	-	3,131	-
<b>Closing balance</b>	<b>9,787</b>	<b>8,450</b>	<b>18,787</b>	<b>17,542</b>	<b>809</b>	<b>885</b>	<b>143</b>	<b>1,813</b>	<b>286</b>	<b>312</b>	<b>197</b>	<b>362</b>	<b>30,009</b>	<b>29,364</b>

*Note: All assets are within the Public Administration purpose groups based upon government purpose classifications.*

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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	.....23
5.2	Payables	.....24
5.3	Contract liabilities	.....25
5.4	Other provisions	.....25

**5.1 Receivables**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Current receivables</b>		
<b>Contractual</b>		
Trade receivables	898	1,059
Allowance for impairment losses of contractual receivables	-	-
Revenue receivables	2,393	4,051
Other receivables	15	30
<b>Total current receivables</b>	<b>3,306</b>	<b>5,140</b>

Receivables consist of contractual receivables, which include debtors in relation to goods and services.

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.

Revenue receivables are AMES Australia's right to revenue consideration for which the performance obligations have been satisfied. However, no invoices are issued as the rights become unconditional upon services delivered and claimed on management information system as required by the customers.

Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments because they do not arise from a contract.

Details about AMES Australia's impairment policies, credit risk exposure and the calculation of the loss allowance are set out in Note 7.2.

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**5. OTHER ASSETS AND LIABILITIES (continued)**

**5.2 Payables**

	\$'000	\$'000
	2021	2020
<b>Current payable</b>		
<b>Contractual</b>		
Supplies and services	2,046	3,006
Accrued salaries, wages and superannuation	-	1,198
<b>Non Current payable</b>		
<b>Contractual</b>		
Supplies and services	86	-
<b>Sub-total</b>	<b>2,132</b>	<b>4,204</b>
<b>Statutory</b>		
Taxes payable	643	664
<b>Total payables</b>	<b>2,775</b>	<b>4,868</b>

Payables consist of:

- contractual payables, such as accounts payable, and accrued expenses. 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, such as goods and services tax and fringe benefits tax payables.

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

Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

**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
<b>2021</b>							
Supplies and services	2,132	2,132	2,022	24	86	-	-
<b>Total</b>	<b>2,132</b>	<b>2,132</b>	<b>2,022</b>	<b>24</b>	<b>86</b>	<b>-</b>	<b>-</b>
<b>2020</b>							
Supplies and services	3,006	3,006	2,812	194	-	-	-
Accrued salaries, wages and superannuation	1,198	1,198	1,198	-	-	-	-
<b>Total</b>	<b>4,204</b>	<b>4,204</b>	<b>4,010</b>	<b>194</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**5. OTHER ASSETS AND LIABILITIES (continued)**

**5.3 Contract liabilities**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
Contract liabilities	5,110	3,292
<b>Total contract liabilities</b>	<b>5,110</b>	<b>3,292</b>

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.

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
Contract liabilities		
Opening balance	3,292	2,468
Add: Payments received for performance obligations yet to be completed during the period	24,076	23,033
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(22,258)	(22,209)
<b>Total contract liabilities</b>	<b>5,110</b>	<b>3,292</b>
<i>Represented by</i>		
Current contract liabilities	5,110	3,292
Non-current contract liabilities	-	-

**5.4 Other provisions**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Current provisions</b>		
Make-good provision	1,806	1,666
<b>Total other provisions</b>	<b>1,806</b>	<b>1,666</b>

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.

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**5. OTHER ASSETS AND LIABILITIES (continued)**

**5.4 Other provisions (continued)**

**Reconciliation of movements in other provisions**

	Make-good		Total	
	\$'000 2021	\$'000 2020	\$'000 2021	\$'000 2020
<b>Opening Balance</b>	<b>1,666</b>	<b>1,315</b>	<b>1,666</b>	<b>1,315</b>
Additional provisions recognised	305	410	305	410
Reductions arising from payments	(85)	(2)	(85)	(2)
Reductions resulting from re-measurement or settlement without cost	(80)	(57)	(80)	(57)
<b>Closing Balance</b>	<b>1,806</b>	<b>1,666</b>	<b>1,806</b>	<b>1,666</b>



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**6. FINANCING OUR OPERATIONS**

**Introduction**

This section includes disclosures of balances that are financial instruments. Notes 7.1 and 7.4 provide additional, specific financial instrument disclosures.

**Structure**

6.1	Cash flow information and balances	.....27
6.2	Leases	.....28
6.3	Commitments	.....31

**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.

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
Total cash and deposits disclosed in the balance sheet	28,193	25,755
<b>Balance as per cash flow statement</b>	<b>28,193</b>	<b>25,755</b>

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

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Net result for the period</b>	<b>(1,239)</b>	<b>(2,542)</b>
<b>Non-cash movements:</b>		
Depreciation and amortisation of non-current assets	3,497	5,665
Net (gain)/loss of sale of non-current assets	728	(26)
Other non-cash movements	40	215
<b>Total non-cash flows in operating result</b>	<b>4,265</b>	<b>5,854</b>
<b>Movements in assets and liabilities</b>		
Decrease/(increase) in receivables	1,834	875
Decrease/(increase) in inventories	24	8
Increase/(decrease) in other assets	221	138
Increase/(decrease) in payables	(435)	(2,160)
Increase/(decrease) in contract liabilities	(103)	(29)
Increase/(decrease) in employee benefits	(491)	393
Increase/(decrease) in provisions	140	351
<b>Total movements in assets and liabilities</b>	<b>1,190</b>	<b>(424)</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>4,216</b>	<b>2,888</b>

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**6. FINANCING OUR OPERATIONS (continued)**

**Financing facilities**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Unsecured credit card facility, reviewed annually and payable at call</b>		
Amount used	170	145
Balance available	230	255
<b>Total credit card facility with bank</b>	<b>400</b>	<b>400</b>

**6.2 Leases**

AMES Australia lease various properties. The lease contracts are typically made for fixed periods of 1-5 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 2021, AMES Australia was committed to short term leases and the total commitment at that date was \$1,367,529 (2020: \$1,008,904).

**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:

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
Interest expense on lease liabilities	22	55
Expenses relating to short term leases	2,595	656
Variable lease payments not included in the measurement of lease liabilities	-	12
Income from subleasing right-of-use assets	-	4
<b>Total amount recognised in the comprehensive operating statement</b>	<b>2,617</b>	<b>727</b>

**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 2021 relating to leases.

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Total cash outflow for lease</b>	<b>1,789</b>	<b>4,333</b>

# AMES AUSTRALIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

## 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.

AMES Australia, as a lessee, did not receive rent concessions for its leases during the COVID-19 pandemic, nor did the pandemic result in other factors that required AMES to remeasure its lease liabilities. Accordingly, AMES Australia did not apply the practical expedient available under AASB 2020-4 *Amendments to Australian Accounting Standards - Covid-19-Related Rent Concessions*, which permits a lessee not to assess whether a rent concession meets the conditions of a lease modification that requires the remeasurement of the lease liability.

##### *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
	2021	2020	2021	2020
<b>Finance lease liabilities payable</b>				
Not longer than 1 year	1,707	1,258	1,548	1,251
Longer than 1 year but not longer than 5 years	125	672	123	523
<b>Minimum future lease payments</b>	<b>1,832</b>	<b>1,930</b>	<b>1,671</b>	<b>1,774</b>
Less future finance charges	(161)	(156)	-	-
<b>Present value of minimum lease payments</b>	<b>1,671</b>	<b>1,774</b>	<b>1,671</b>	<b>1,774</b>
Included in the financial statements as:				
Current lease liabilities	-	-	1,315	739
Non-current lease liabilities	-	-	356	1,035
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,671</b>	<b>1,774</b>

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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
2021	\$'000	\$'000	\$'000	\$'000
<b>Capital expenditure commitments payable</b>				
Property, plant and equipment	-	-	-	-
Operating commitments payable	93	-	-	93
<b>Total commitments (inclusive of GST)</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>93</b>
Less GST recoverable	(8)	-	-	(8)
<b>Total commitments (exclusive of GST)</b>	<b>85</b>	<b>-</b>	<b>-</b>	<b>85</b>

	Less than 1 year	1 – 5 years	5+ years	Total
2020	\$'000	\$'000	\$'000	\$'000
<b>Capital expenditure commitments payable</b>				
Property, plant and equipment	12	-	-	12
Operating commitments payable	2,103	21	-	2,124
<b>Total commitments (inclusive of GST)</b>	<b>2,115</b>	<b>21</b>	<b>-</b>	<b>2,136</b>
Less GST recoverable	(192)	(2)	-	(194)
<b>Total commitments (exclusive of GST)</b>	<b>1,923</b>	<b>19</b>	<b>-</b>	<b>1,942</b>

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**7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS**

<b>Introduction</b>	<b>Structure</b>	
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.	7.1	Financial instruments specific disclosures .....32
	7.2	Financial risk management objective and policies .....34
	7.3	Contingent assets and liabilities .....38
	7.4	Fair value determination .....39

**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;
- 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		2021	2020
<b>Financial assets</b>			
Cash and deposits	Cash and deposits	28,193	25,755
Receivables <sup>(a)</sup>	Financial assets at amortised cost	3,306	5,140
<b>Total financial assets</b>		<b>31,499</b>	<b>30,895</b>
<b>Financial liabilities</b>			
Payables <sup>(a)</sup>	Financial liabilities at amortised cost	2,132	4,204
Lease liabilities	Financial liabilities at amortised cost	1,671	1,774
<b>Total financial liabilities</b>		<b>3,803</b>	<b>5,978</b>

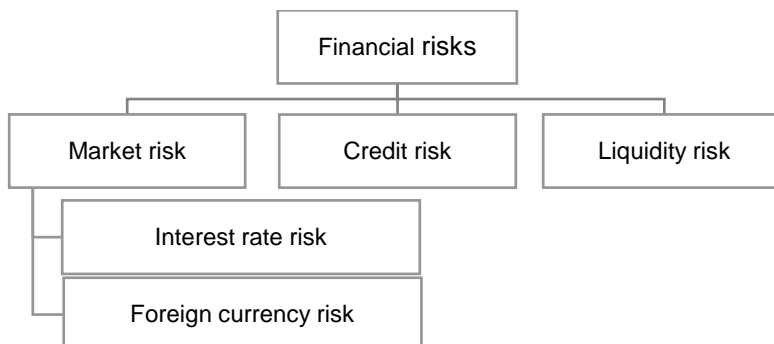
*Note: (a) Receivables and payables disclosed here exclude statutory receivables and statutory payables.*



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**7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)**

**7.2 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 89.5% (2019/20: 83.3%) 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)**

**7.2 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.

There are no material amounts of collateral held as security at 30 June 2021.

Credit risk which arises from exposures to customers as well as through deposits with financial institutions is monitored and reviewed by the Finance, Audit and Risk Committee.

Finance, Audit and Risk Management Committee monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- only Westpac Banking Corporation (current account);
- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- customers that do not meet the strict credit policies may only purchase in cash or using recognised credit cards

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<sup>(a)</sup>**

	Financial institutions (AA- rating)	Government agencies (AAA rating)	Total
2021	\$'000	\$'000	\$'000
<b>Financial assets</b>			
<b>Financial assets with loss allowance measured at 12-month expected credit loss</b>			
Cash and deposits	28,193	-	28,193
Receivables <sup>(a)</sup>	-	3,306	3,306
<b>Total financial assets</b>	<b>28,193</b>	<b>3,306</b>	<b>31,499</b>
<b>2020</b>			
<b>Financial assets</b>			
<b>Financial assets with loss allowance measured at 12-month expected credit loss</b>			
Cash and deposits	25,755	-	25,755
Receivables <sup>(a)</sup>	-	5,140	5,140
<b>Total financial assets</b>	<b>25,755</b>	<b>5,140</b>	<b>30,895</b>

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).

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## 7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

### 7.2 Financial risk management objective and policies (continued)

#### 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.

#### 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.

#### 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.

Regular risk reports are presented to the Board. 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.

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)**

**7.2 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**

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

2020	Weighted average interest rate %	Carrying amount \$'000	Interest rate exposure		
			Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000
<b>Financial assets</b>					
Cash and deposits	1.10	25,755	25,747	-	8
<b>Receivables<sup>(a)</sup></b>					
Trade receivables		1,059	-	-	1,059
Revenue receivables		4,051	-	-	4,051
Other receivables		30	-	-	30
<b>Total financial assets</b>		<b>30,895</b>	<b>25,747</b>	<b>-</b>	<b>5,148</b>
<b>Financial liabilities</b>					
Payables <sup>(a)</sup>		4,204	-	-	4,204
Lease liabilities		1,774	-	1,774	-
<b>Total financial liabilities</b>		<b>5,978</b>	<b>-</b>	<b>1,774</b>	<b>4,204</b>

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

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**7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)**

**7.3 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 2019/20).

**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.

<b>Quantifiable contingent liabilities</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
Bank guarantee	27	49
<b>Total contingent liabilities</b>	<b>27</b>	<b>49</b>

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## 7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

### 7.4 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.

#### 7.4.1 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)**

**7.4.2 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 2021 \$'000	Fair value hierarchy			Carrying amount as at 30 June 2020 \$'000	Fair value hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
Land	9,785	-	9,785	-	8,450	-	8,450	-
Buildings - Melbourne	10,927	-	10,927	-	10,207	-	10,207	-
- Noble Park	135	-	-	135	134	-	-	134
- Box Hill	5,928	-	5,928	-	5,452	-	5,452	-
Building improvements	810	-	-	810	885	-	-	885
Leasehold improvements	143	-	-	143	1,813	-	-	1,813
Plant and equipment	286	-	-	286	312	-	-	312
Motor vehicles	197	-	197	-	362	-	362	-
<b>Total assets at fair value</b>	<b>28,211</b>	<b>-</b>	<b>26,837</b>	<b>1,374</b>	<b>27,615</b>	<b>-</b>	<b>24,471</b>	<b>3,144</b>

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

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**7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)**

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

**Reconciliation of Level 3 fair value movements**

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

	<b>Buildings</b>	<b>Building improvements</b>	<b>Leasehold improvements</b>	<b>Plant and equipment</b>
<b>As at 30 June 2020</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Opening balance</b>	154	962	711	341
Additions	-	-	1,515	206
Depreciation	(19)	(76)	(414)	(236)
<b>Closing balance</b>	<b>135</b>	<b>886</b>	<b>1,812</b>	<b>311</b>

**Description of significant unobservable inputs to Level 3 valuations**

<b>2021 and 2020</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>
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 <sup>2</sup> ) of buildings and industry guidelines including construction handbooks, depreciated for building age and adjusted for refurbishment

Significant unobservable inputs have remained unchanged since June 2020.



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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 Ex-gratia expenses**

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

For the reporting year ended 30 June 2021, there were no ex-gratia expenses (2019/20: nil).

**8.2 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.

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**8. OTHER DISCLOSURES (continued)**

**8.2 Other economic flows included in net result (continued)**

**Other economic flows included in net result**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Net gain/(loss) on non-financial asset</b>		
Impairment loss	(773)	-
Proceed from sale of physical assets	85	134
Less written down value	(40)	(108)
<b>Total net gain/(loss) on non-financial assets</b>	<b>(728)</b>	<b>26</b>
<b>Other gains/(losses) from other economic flows</b>		
Net gain/(loss) arising from revaluation of long service leave liability	336	(119)
<b>Total from other economic flows</b>	<b>(392)</b>	<b>(93)</b>

The impairment loss is a result of impairment assessment performed by management on leasehold improvements of the Werribee Accommodation premises. AMES Australia intended to use the refurbished premises to provide short term accommodation for Humanitarian Settlement clients. The use of this accommodation facility has been significantly impacted by the coronavirus (COVID-19) pandemic. Due to international border closures, the arrival of Humanitarian Settlement clients has been severely impacted. Given that the lease is due to expire in April 2022 and the uncertainty of borders opening before the June 2022, it is highly probable that future economic benefits would not be derived from the use of this facility within the lease term.

**8.3 Reserves**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Physical assets revaluation surplus<sup>(a)</sup></b>		
Balance at beginning of financial year	10,872	10,872
Revaluation increments/(decrements)	3,131	-
<b>Balance at end of financial year</b>	<b>14,003</b>	<b>10,872</b>
<b>Net changes in reserves</b>	<b>3,131</b>	<b>-</b>

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

**8.4 Economic dependency**

AMES Australia derives a significant amount of its revenue from the following sources which are subject to tender:

- Department of Home Affairs (DHA)
- Department of Education, Skills and Employment

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**8. OTHER DISCLOSURES (continued)**

**8.5 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	The Hon. Gayle Tierney MP	1 July 2020 to 30 June 2021
Chief Executive Officer	Catherine Scarth	1 July 2020 to 30 June 2021
Board Member – Chair of Board and Chair of Appointments, Remuneration & Governance Committee and Chair of Investment Committee	Stuart Crosby	1 July 2020 to 30 June 2021
Board Member - Deputy Chair of Board	Michelle Foster	1 July 2020 to 30 June 2021
Board Member - Chair of Finance, Audit and Risk Management Committee	Stuart Alford	1 July 2020 to 30 June 2021
Board Member	Catherina Toh	1 July 2020 to 30 June 2021
Board Member	Ikenna Nwokolo	1 July 2020 to 30 June 2021
Board Member	Johanna Pride	1 July 2020 to 30 June 2021
Board Member	Mimmie Claudine Watts	1 July 2020 to 30 June 2021
Board Member	Tracy Le	1 July 2020 to 30 June 2021
Board Member	Vedran Drakulic	1 July 2020 to 30 June 2021
Board Member	Stelvio Vido	1 July 2020 to 30 June 2021

**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:

<b>Income range</b>	<b>2021</b>	<b>2020</b>
\$0 - \$10,000	-	1
\$20,001 - \$30,000	9	9
\$50,001 - \$60,000	1	1
\$350,001 - \$360,000	1	1
<b>Total number</b>	<b>11</b>	<b>12</b>
<b>Total remuneration (\$'000)</b>	<b>616</b>	<b>608</b>

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**8. OTHER DISCLOSURES (continued)**

**8.6 Remuneration of executive officers**

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

Tracey Bannan	Chief Finance Officer
Belinda McLennan	Chief Operating Officer (ceased November 2020)
Peter Thomas	General Manager Corporate Governance and Compliance (Board Secretary)
Catharine O'Grady	General Manager People & Development
Mirta Gonzalez	General Manager Education & Participation
Peter Harrison	General Manager Employment
Samantha Blake	Acting 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.

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Remuneration of executive officers</b>		
Short-term employee benefits	924	1,157
Post-employee benefits	104	114
Other long-term benefits	30	10
Termination benefits	20	27
<b>Total remuneration<sup>(a)</sup></b>	<b>1,078</b>	<b>1,308</b>
<b>Total number of executives</b>	<b>7</b>	<b>8</b>
<b>Total annualised employee equivalents<sup>(b)</sup></b>	<b>6</b>	<b>7</b>

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 8.7).

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

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**8. OTHER DISCLOSURES (continued)**

**8.7 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:

<b>Entity</b>	<b>Nature of transactions</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
Department of Education and Training (Victorian Government)	Payments received for the delivery of vocational training.	5,645	5,473
Adult Community and Further Education (ACFE) Board	Payments received for pre-accredited training hours and grant funding for various project initiatives.	786	1,184

**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 Department of Parliamentary Services' Financial Report.

<b>Compensation of KMPs<sup>(a)</sup></b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
Short-term employee benefits	1,485	1,713
Post-employment benefits	149	157
Other long-term benefits	40	20
Termination benefits	20	27
<b>Total</b>	<b>1,694</b>	<b>1,917</b>

Notes:

(a) Note that KMPs are also reported in the disclosure of responsible persons (Note 8.5).

**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:

<b>Organisation related to key management personnel</b>	<b>Key management personnel</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
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)	5,645	5,472

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**8. OTHER DISCLOSURES (continued)**

**8.8 Remuneration of auditors**

	<b>\$'000</b>	<b>\$'000</b>
	<b>2021</b>	<b>2020</b>
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	47	53
<b>Total remuneration of auditors</b>	<b>47</b>	<b>53</b>

**8.9 Events after reporting date**

Whilst there has been no new matter or circumstance which has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of AMES Australia, the results of those operations or the state of affairs of AMES Australia in subsequent financial years, the impact of COVID-19 continues to be pervasive. All states in which AMES Australia operates remain in a State of Emergency, with several experiencing multiple or sustained lock-downs post year end.

As responses by government continue to evolve, management recognises it is difficult to reliably estimate with any certainty the potential impact of the pandemic after the reporting date on the operations, future results and financial position of AMES Australia.

**8.10 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)**

**8.11 Australian Accounting Standards issued that are not yet effective**

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 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 2021, the following standards and interpretations which are applicable to AMES Australia had been issued but were not mandatory for financial year ending 30 June 2021. 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.  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.	1 January 2023	The standard is not expected to have a significant impact for AMES Australia.
AASB 2021-3 <i>Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021</i>	This Standard amends AASB 16 to extend by one year the application period of the practical expedient added to AASB 16 by AASB 2020-4 <i>Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions</i> . The practical expedient permits lessees not to assess whether rent concessions that occur as a direct consequence of the covid-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications (e.g. account for as variable lease payment instead). This standard extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.	1 April 2021	The standard is not expected to have a significant impact for AMES Australia.

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## 8. OTHER DISCLOSURES (continued)

### 8.11 Australian Accounting Standards issued that are not yet effective (continued)

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2020-21 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on public sector reporting.

- *AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.*
- *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).*
- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.*
- *AASB 2020-7 Amendments to Australian Accounting Standards – Covid-19-Rent Related Concessions: Tier 2 Disclosures.*
- *AASB 2020-8 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform – Phase 2.*
- *AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments.*
- *AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities.*
- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.*



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