AMES Australia

Celebrating 75 years of impact

1951 - 2026

Annual Report

2026





AMES Australia acknowledges the Traditional Custodians of the lands that our many offices are built upon and on which we meet and work.

We extend our respects to the Elders who have walked and cared for this land for tens of thousands of years, and the descendants who maintain a spiritual connection to country, land, waters, sky, and cultures.

We are committed to our reconciliation journey, because at its heart, reconciliation is about bringing healing and flourishing relationships between First Nations and non-First Nations Peoples, for the benefit of all.

This artwork called “The Journey” was a wonderful creation by malu.bajigal (Brenda Mau) a proud Torres Strait Islander, Mandubarra, Kalkadoon, Wuthagi, Ngadjonjii woman.

“The Journey” represents the ongoing journey of AMES clients from the time that they arrive in Australia to when they settle and integrate into the community.

Photo cover page: Luminous Lantern Parade

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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 2026.



Dr Vanda Fortunato
Board Chair
7 September 2026

Attestation for financial management compliance with Standing Direction 5.1.4

AMES Australia Financial Management Compliance Attestation Statement

I, Vanda Fortunato, on behalf of the 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.



Dr Vanda Fortunato
Board Chair
7 September 2026

Statement from the Board Chair of AMES Australia

This year AMES Australia celebrates 75 years of work in supporting migrants and refugees settle successfully in this country.

This is an epic achievement. From teaching English to migrants in Nissen huts at Bonnegilla in the 1950s to supporting engineers, doctors and other professionals to resume their careers in Australia, AMES has contributed to the economic success Australia has enjoyed.

Our history reflects Australia's success as a multicultural nation, built on the contribution of generations of migrants and refugees.

Over the past year, we have continued to deliver integrated settlement, employment, education and community participation services that support both individual success and broader social cohesion.

Social cohesion remains at the heart of our work. Through Community Hubs, community events and multicultural engagement initiatives, AMES creates opportunities for people from diverse backgrounds to connect, participate and build a sense of belonging.

The Melbourne Multicultural Hub continues to serve as an important community asset, fostering collaboration and engagement across Melbourne's diverse communities. Together with initiatives such as the Mildura Multicultural Cup and the Luminous Lantern Festival, these activities support inclusion, participation and stronger community connections.

Innovation is also helping AMES Australia respond to changing community needs. The national recognition of our MyAMES Chat AI learning application highlights the potential of technology to improve access to language learning, employability skills and participation opportunities.



During the year, we also continued our strong focus on supporting women in multicultural communities. Programs including Many Voices One Future, the Women's Retreat and Women of Impact are helping strengthen leadership, wellbeing and community capacity across Australia.

The achievements of our clients, volunteers and staff continue to demonstrate the positive contribution that migrants and refugees make to Australian society. Their resilience, leadership and success remain at the centre of AMES Australia’s mission.

As we mark this significant milestone, we remain committed to delivering innovative, high-quality services that respond to emerging needs and changing environments.

I thank our staff, volunteers, Board members, Executive team, government partners and community stakeholders for their ongoing commitment to AMES Australia’s and the communities we serve.

Together, we are helping build a more inclusive, connected and prosperous Australia.

Dr Vanda Fortunato
Board Chair AMES Australia

Statement from the CEO of AMES Australia

The impactful work of AMES Australia has made a positive difference in the lives of tens of thousands of people and this year – as an organisation – we are marking 75 years of this work.

It has also been my first year as CEO, providing an opportunity to see firsthand the impact of our services and the dedication of our people.

Australia continues to benefit from migration, humanitarian settlement and workforce participation programs that enable individuals and families to contribute socially and economically. AMES Australia plays an important role in this national effort through integrated settlement, employment, education and community participation services.

Over the past year, we supported thousands of newly arrived people through the Humanitarian Settlement Program, helping individuals and families establish themselves, access services and begin building their futures in Australia.

Employment outcomes remained a significant focus. Across Workforce Australia, Inclusive Employment Australia and other employment initiatives, AMES Australia assisted thousands of people to secure work and progress towards economic independence. These efforts support both individual wellbeing and broader workforce needs.

Language and education services also continued to deliver strong results, helping learners improve English proficiency, increase confidence and access education and employment opportunities.

Partnerships continue to be one of AMES Australia's greatest strengths. Working closely with government, employers, local councils, schools and community organisations enables us to deliver coordinated and effective support to diverse communities.



We have also continued to invest in innovative approaches that improve access to services and strengthen outcomes for clients. This commitment to innovation will remain critical as community needs evolve and expectations change.

As we look to the future, we are developing a new five-year strategic plan that will guide AMES Australia's next phase of growth and impact. The plan focuses on strengthening our contribution to settlement, workforce participation, social cohesion and community wellbeing.

I would like to thank AMES Australia staff, volunteers, Board members, government partners and stakeholders for their ongoing commitment. Their dedication enables us to continue making a positive difference in the lives of individuals, families and communities across Australia.

Melinda Collinson
CEO AMES Australia

About AMES Australia

AMES Australia is a Victorian statutory authority operating under the *Education and Training Reform Act 2006* and originally established under the *Education Act 1958.* As a specialist provider of services for refugees, migrants, and multicultural communities, working with people from the earliest phase of their settlement journey through to their settlement independence, we understand that each settlement journey is unique. Our vision is targeted and clear - *full participation for all in a cohesive and diverse society* – and sets the direction for our organisational priorities, activities, and responses.

Within this context, AMES Australia demonstrates public value:

- through client-led integrated servicing that offers seamless end-to-end settlement support and services. It addresses the challenges and gaps that other specialist and mainstream services do not provide. We know this because our clients tell us.
- in how we work in partnership and share expertise with government, multicultural communities, corporates, and other organisations to drive development and innovation.
- through research and discovery, participation in networks to generate new knowledge about our clients, their communities, and the settlement ecosystem, providing credible evidence to underpin service development and practice. These insights inform policies that impact the settlement of individuals and communities.

AMES Australia is subject to, and committed to, complying with, applicable legislative, regulatory, contractual and policy obligations, and maintains governance, risk and assurance processes to support compliance.

AMES Australia's vision and aspiration, aligned to our *Social and Economic Participation Framework* (the Framework), supports settlement success through our multicultural clients learning, working, and connecting with others and accessing mainstream services. In applying measures for, and with, the people and communities we serve, we aim to reduce disadvantages; increase social, civic, and economic participation; and enable a greater voice, combined with increasing personal responsibility and independence.

The Framework's four domains – health and wellbeing, education, employment, and safety and security – provide an evidence-informed basis to classify the settlement needs and outcomes of newly arrived, and more established migrants and multicultural communities, building from their unique strengths and aspirations. Our client-facing programs and services are reported against the four domains in this annual report.

From the vision and aspiration to the operational, AMES Australia's strategic and enabling priorities, identified in the diagram below, cascade to portfolio and corporate services' business plans. Actions to address objectives are assigned to individual employees and work teams, and outcomes from these plans are reported to AMES Australia's Board. This directly informs what we do, and how we work.



Achievements and outcomes

aligned to AMES Australia's Social and Economic Participation Framework domains and AMES Australia's strategic and enabling priorities

Fostering good health and wellbeing

8,552 clients supported with health appointments

Mobility aids and equipment were sourced for **68** clients

46 podcasts in **13** languages, accessed **1,006** times

54,805 people visited the Multicultural Hub; and **23** school-based Hubs supported by AMES

Healthy relationship program delivered to **95** participants

Purposeful education pathways

79% student satisfaction in national AQTF survey

6,064 enrolments in foundational and vocational education programs

216 learners successfully completed VET practical placements

73% of SEE participants achieved measurable LLN improvements

1,576 new MyAMES Chat users

Collaborating for satisfying employment

14,293 clients serviced through Workforce Australia Employment services at **20** locations

1,555 sustainable employment outcomes, of which:

- **1,456** were from culturally and linguistically diverse backgrounds
- **99** were Aboriginal or Torres Strait Islander peoples

Serviced **5,341** participants in the Inclusive Employment Australia program

Building safe and cohesive communities

7,437 clients / **2,018** families from **43** countries serviced through the Humanitarian Settlement Program

1,026 families comprising **4,541** clients provided with on-arrival accommodation

1,329 long-term housing leases secured for **5,735** clients

18 community consultations, reaching **225** individuals

51 women from multicultural backgrounds attended the annual Women's Retreat

Achievements and outcomes

addressing AMES Australia's strategic and enabling priorities

AMES Australia's employees and volunteers

82% of AMES employees were born overseas, representing **81** countries

84% of staff rate AMES as 'a truly great place to work'

295 volunteers from **55** countries, speaking more than **66** languages

18% of volunteers are from a refugee background

Social media engagement

5 social media channels

117,900 engagements

3,592 new followers

340,900 website visits

Awards

MyAMES Chat app awarded the Government Category at the TechDiversity Awards

AMES Australia – supported Brimbank Community Hubs won the Community Engagement category at the Brimbank Awards

AMES employment client Sanaa Petros won the Achiever of the Year award at the National Employment Services Association (NESA) awards for excellence.

Advocacy, publications and events

8 submissions to government inquiries and discussion papers

203 positive print articles published

12 AMES Impact editions published

2,786 broadcast and online coverage pieces

1,530 people engaged in social cohesion events

Diversity and Inclusion

AMES Gender Equality Action Plan 2021-2025 (GEAP): all 19 actions completed. 2026-2030 GEAP with continued focus on recruitment, training, and flexible work, submitted.

AMES Innovate Reconciliation Action Plan 2024-2026: committing through partnerships, employment and procurement, and respect and inclusion initiatives

AMES Accessibility and Inclusion Plan 2024-2028: addressing digital and physical accessibility barriers as an inclusive and accessible organisation.

Partnerships

Partnered with **303** community organisations to deepen and strengthen place-based reach through health and sporting events

82 Community Hub participants gained employment in AMES support regions of Dandenong, Casey, Wyndham, Brimbank and Greater Geelong.

Fostering good health and wellbeing

Health and wellbeing – encompassing both physical and mental dimensions - are critical determinants of successful settlement. Promoting good health and wellbeing sets the foundation for individuals and communities to thrive, fostering improved outcomes, greater health equity, and enhanced resilience. Access to good health and well-being is both an integral element of, and a prerequisite for, effective learning, meaningful employment, and active participation in broader society.

AMES Australia recognises that good health and feelings of wellbeing are vital to positive settlement outcomes.

Our work focuses on addressing those barriers with our programs and services across social participation, education, employment and settlement services including elements of information, awareness, or direct delivery of health-related content.

Through the Humanitarian Settlement Program (HSP), 8,552 clients received support to access health appointments during the reporting period. All new arrivals were registered with Medicare and linked to mainstream health services. Individuals requiring additional or specialist healthcare were referred to appropriate providers, with 114 people identified as needing intensive medical support. Mobility aids and essential equipment were arranged for 68 clients upon arrival.

Annual events that inform and promote good health and wellbeing provided for clients include the Women's Retreat. The 3-day retreat held in November in Mt Eliza facilitated information sessions on female health, emergency services, and online safety and was attended by 51 recently arrived women from 19 countries.
AMES Mildura partnered with Hands-on Heart Australia to deliver CPR training to 52 participants, including 19 HSP clients. Participants gained practical emergency response skills through hands-on training with mannequins, increasing their confidence to provide life-saving assistance while awaiting emergency services.

Since commencing in 2022, information podcasts in multiple languages have continued to grow, supporting multicultural new arrivals and established communities through service provider collaboration. In the reporting period community members accessed 10 health-related topics across 13 languages – including heatwave safety, road safety, working in Australia, and gambling harm. Podcasts were downloaded and played 13,393 times across platforms, including Spotify. This initiative was showcased at the national Settlement Council of Australia conference.

A partnership with the OneSight Foundation delivered a free vision clinic for newly arrived migrants and refugees in Adelaide. The initiative provided eye care support to 95 people, including free eye tests, and issuing of 26 custom-made spectacles, 8 ready-made glasses and 17 vouchers. This partnership demonstrated the power of collaborative, client-centred support in promoting health and wellbeing.

Community voice remained at the heart of our work. Working alongside community organisations and national and state peak bodies, such as the Federation of Ethnic Communities' Council of Australia (FECCA), AMES Australia facilitated consultations on issues including aged care, cervical cancer, Vocational Education and Training (VET) services, and the Census. By elevating multicultural perspectives, these engagements helped inform decision-making and strengthen inclusive, connected communities.

Throughout the year, AMES brought communities together through events that celebrated culture, strengthened belonging and fostered social cohesion. Highlights included the Refugee Week Cup, Iftar celebrations in Adelaide, Taste the Difference, and the Mildura Multicultural Soccer Cup. These initiatives created opportunities for people from diverse backgrounds to connect, share experiences, build relationships and strengthen intercultural understanding.



Mildura Multicultural Cup

Purposeful education pathways

Education plays a vital role in supporting successful settlement and creating pathways to long-term economic participation. Through connected and responsive learning opportunities, AMES facilitates the development of skills, confidence and qualifications needed to build sustainable futures while contributing valuable skills and experience to Australia's economy.

AMES Australia launched its VET Pathways and Aspirations Strategy, a whole-of-organisation approach that connects settlement, education and employment to unlock our learner cohort's potential. The strategy focuses on creating clearer pathways into vocational training and careers, strengthening industry partnerships, and helping migrants and refugees build on their skills, achieve their aspirations and contribute to Australia's workforce and economy.

AMES Australia continues to deliver high-quality education and training programs that support learner success, workforce participation and social inclusion. Education services reached 6,064 learners across foundational and vocational education programs, with a further 2,392 learners participating in community-based learning through ACFE-funded programs. Education delivery expanded significantly to 43 locations across Victoria, including new sites in Narre Warren and Flinders Street state of the art facility broadening access to learning opportunities for diverse communities.

Strong learner and industry outcomes were achieved throughout the year. A total of 216 learners successfully completed vocational work placements, providing valuable industry experience and pathways to employment. 119 active host organisations supported workplace learning opportunities. These partnerships continue to strengthen connections between learners, employers and priority workforce sectors.

Acknowledging our English language and vocational training expertise and capability, our programs are supported by federal and state government funding through Adult Migrant English Program (AMEP), Skills for Education and Employment (SEE), Skills First, and Adult, Community, and Further Education (ACFE).

Learner outcomes continued to strengthen, with 889 learners re-engaging in further study over the reporting period. Of these, 532 progressed to a new course, demonstrating the effectiveness of our education pathways supporting learners to advance their skills, qualifications and employment prospects. Pathways from English language learning into vocational education continued to be particularly strong, especially in early childhood education and care, individual support and education support.

Student satisfaction remained consistently high, with overall student satisfaction reported at 79% and satisfaction with training quality at 80.3%.

Digital learning continues to expand self-paced education opportunities. Learners recorded more than 275,240 logins to online learning platforms, up from 170,340 logins last year; and completed over 101,544 hours of online learning activity compared to 89,600 hours in the previous reporting period.

MyAMES Chat continues to support learner engagement through self-directed practice and employment-focused tools, including interview preparation and digital learning resources. The app has over 4,521 active users with 1,576 new users over the last financial year.

Education pathways are embedded across our settlement services. The Settlement team assisted 2,425 new arrival clients with school enrolment; 3,394 clients with AMEP enrolment; 393 clients into other education and training programs, including TAFE; and 18 clients with recognition of overseas qualifications.



AMES Australia Box Hill Education site

Collaborating for satisfying employment

Sustainable, long-term employment is a powerful driver of economic participation, wellbeing and social inclusion. It provides financial security for individuals and families, strengthens communities and contributes to a more productive and prosperous society.

To achieve our aim of sustainable and fulfilling employment for all, AMES Australia works alongside jobseekers, employers, industry and service partners to build skills, create opportunities and support long-term career progression.

Recognised for our expertise in delivering tailored employment services, we are one of only three organisations nationally to hold a Refugee Specialist Licence under Workforce Australia, alongside CALD and Indigenous licences. During the reporting period, services were delivered across 32 locations in Victoria and New South Wales.

In 2025–26, 14,293 clients were supported on their employment journey through Workforce Australia. Of these, 1,555 clients secured sustainable employment**,** while a further 1,274 achieved the significant milestone of remaining employed for 26 weeks, demonstrating strong long-term workforce participation outcomes.

Strategic investment in vocational education and training has strengthened pathways from study to employment, with 216 VET work placements delivered across high-demand sectors. These placements gave learners hands-on industry experience, built job-ready skills and fostered lasting connections with employers.

Two targeted pilot internship programs opened innovative pathways into professional careers. The Settling into Work Internship Program offered 12-week internships and resulted in all five participants securing long-term employment aligned with their qualifications.

The Inclusive Employment Australia strives to create pathways for people with disabilities, injuries and heath conditions to secure employment and thrive in the workplace. Since commencement, AMES Australia has supported 5,341 participants across 24 locations to overcome barriers to employment and build confidence for the workforce. The program has achieved 290 employment outcomes, with 47 participants sustaining employment beyond 12 weeks, demonstrating early success in attaining long-term workforce participation.

Meanwhile, the 12-week Telstra Foundation's See Your Path Internship provided four multicultural young people with paid industry experience in marketing and communications, platforming young migrant voices in Australia's media landscape. Both programs successfully bridged the gap between qualifications and employment, building participants' local workplace experience, confidence and professional networks.

Employment support remained a priority within the Humanitarian Settlement Program with 393 clients assisted with Centrelink employment appointments, 845 people supported with tailored employment strategies and 76 clients helped to establish new businesses. At program exit at 12-15 months, 603 clients were in employment.

By combining specialist employment services, education-to-work pathways, internships, settlement support and employer partnerships, AMES Australia's programs elevate individuals and communities and industry to build skills, gain confidence, secure employment and contribute to Australia's economic prosperity.



AMES Australia and City of Melbourne Interns

Building safe and cohesive communities

Building safer and more socially cohesive communities results in positive community impacts and improved perceptions of personal, family, and neighbourhood safety. Intercultural social cohesion is closely linked to enhanced health and wellbeing. Community participation and social cohesion both build upon, and contribute to, a sense of safety and security.

Social inclusion requires individuals to have opportunities to access services, connect with family, friends, work, and the local community, manage personal crises, have their voices heard, and secure employment. Strengthening social cohesion and community participation contributes to feeling safe and secure.

For newly arrived refugees, this journey begins with the support provided through AMES Australia's leadership provider role of the Humanitarian Settlement Program, across Victoria, South Australia and Tasmania. During the reporting period, 7,437 refugees from 43 countries were supported as they established new lives in Australia. Through a holistic settlement model, 1,026 families comprising 4,541 clients accessed immediate short-term accommodation on arrival, while 5,735 clients secured long-term housing through tenancy support, advocacy and partnerships with the rental sector.

The Multicultural Hub in Melbourne's CBD continued to be a vibrant centre of community connection and belonging, attracting 54,805 visitors throughout the reporting period. The Hub hosted 148 intercultural events and activations, creating opportunities for people from diverse backgrounds to connect, celebrate culture and build relationships. 248 diaspora and multicultural organisations utilised the venue, strengthening community networks and fostering social cohesion.

AMES Australia, the City of Melbourne and Queen Victoria Market facilitated the Melbourne Luminous Lantern Festival, celebrating cultural diversity, welcome and belonging. The festival attracted more than 400 participants from over 30 migrant and refugee communities. Eleven lantern-making workshops were held across Melbourne, involving 327 participants which assisted in building community connections through creativity, inclusion and shared cultural expression.

AMES Australia continued to invest in creating safer communities through its Prevention of Violence Against Women (PVaW) initiatives. This included the expansion of the flagship leadership program Many Voices, One Future program into South Australia. In partnership with inTouch Multicultural Centre Against Family Violence, AMES delivered 6 Healthy Relationships programs reaching 95 participants, helping to build knowledge, confidence and respectful relationships. Additionally, the Leadership program was delivered to 11 participants. The Stronger Voices for Action primary prevention program engages multicultural men and boys in the promotion of gender equality through effective strategies.

In this reporting period delivery of the Falepili Mobility Pathway Program, commenced supporting 157 Tuvaluans to settle, work and study in Australia. Alongside creating pathways to economic participation and education, the program supports participants to maintain cultural identity and connection as they build new lives in Australia.

Volunteers are central to our community impact. Acting as mentors, tutors and community guides, volunteers helped clients navigate life in Australia, develop new skills and build social connections. Of all volunteers, 41% supported English language learning, while 23% supported jobseekers to prepare for work, and other functions across AMES such as office administration and IT.



Falepili Mobility Pathway team

Environmental reporting

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

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

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

Achievements and progress include:

- Electricity from 100% renewable resources: 7 sites in Victoria currently using electricity supplied by SEC Energy with the intention for a further 11 sites, subject to those sites' consumption patterns meeting the criteria for connection to SEC Energy. However, remaining Victorian sites are subject to embedded networks controlled by their respective landlords, limiting our ability to exit the existing arrangements.

- Motor vehicles: fleet vehicles reaching the age/kilometre limits in the 2025-26 year were replaced with 13 hybrid-based vehicles.

Energy consumption

Indicator	2025-2026
Electricity usage (MJ)	5,656,449
Natural gas usage (MJ)	34,262
Total greenhouse gas emissions from energy consumption (tonnes CO_2-e)	271.89
- Electricity total tonnes CO_2-e	270.13
- Gas total tonnes CO_2-e	1.76
Percentage of electricity purchased as green power from SEC Energy Victoria	60%
Electricity used per FTE (MJ/FTE)	9.2
Natural gas used per FTE (MJ/FTE)	55.7

Note: From 1/7/2025 large usage sites in Victoria (use over 40MWh per annum) are mandated to purchase electricity from SEC Victoria. That electricity is 100% from renewable sources. Electricity and Gas consumed in the FTE columns are based on the 615.10 FTE across all AMES Australia sites.

Waste and recycling

Indicator	2025-2026
Total units of waste disposed of by destination stream (kg/year)	**44,251**
- Landfill	30,576
- Comingled recycling (cans, plastic containers, bottles, etc.)	7,385
- Paper and cardboard	4,650
- Secure documents (paper)	0
- Organics (food scraps)	1,640
Total units of waste disposed of per FTE by destination	**71.94**
- Landfill	49.7
- Comingled recycling (cans, plastic containers, bottles, etc.)	12
- Paper and cardboard	7.57
- Secure documents (paper)	Nil
- Organics (food scraps)	2.67
Recycling rate	39.6
Greenhouse gas emissions associated with waste (tonnes CO_2-e)	25.99

Note: Data derived through a waste audit conducted by the waste collection contractor. The audit was conducted at AMES Australia's Box Hill, Multicultural Hub, Werribee Bridge Street, Werribee Watton Street, Dandenong and Noble Park sites and indicators are based on 162.45 FTE across these sites, which represents 26.41% of total FTEs. AMES Australia is continuing to develop systems to collect more comprehensive data.

Paper consumption

Indicator	2025-2026
Total units of A4 equivalent copy paper used (reams)	5,976
Units of A4 equivalent copy paper used per FTE (reams/FTE)	9.72
Carbon-neutral 100% recycled content	100%
Carbon-neutral 50% recycled content	Nil
Carbon-neutral 20% recycled content	Nil
Carbon-neutral 0% recycled content	Nil
Carbon-neutral 0% recycled 100% content	Nil

Note: Data based on total ream purchases across 615.10 FTE. Carbon Neutral 100% recycled copy paper from a Supply Nation certified Indigenous enterprise (Muru) is the default supplier subject to supply availability.

Water consumption

Indicator	2025-2026
Total water consumption (kilolitres)	3,492
Units of office water used per FTE (kilolitres/FTE)	28.28
Units of office water used per office area (kilolitres/m^2)	0.46

Note: Data represents 22% of office-based sites. Billing information for excluded sites was not available as it was incorporated into rental outgoings. FTE (180.21) and office area (7,564 m2) were calculated for included sites only. AMES Australia is continuing to develop systems to collect more comprehensive data.

Electricity energy usage for 7 of 38 commercial office space sites

Sites	Amount	Total KWH	Greenhouse Emissions Tonnes	Area M2	Mega Joules (1kwh=3.6MJ)	CO2 1MJ=0.363kg
Commercial sites data	$249,873	942,742	819.16	13,158	3,393,871	Nil

Note: Commercial sites included in electricity usage data: 1 Little Collins Street Melbourne, 506 Elizabeth Street Melbourne, Box Hill, Dandenong, Noble Park, Werribee Research Close and Springvale.
Note: Note that from 1/7/2025 all large sites (those who use over 40MWh per year) are mandated to purchase electricity from SEC Victoria, and that electricity will be 100% from renewable sources - Therefore no CO_2 emissions.

Gas usage for 2 commercial sites

Energy Usage	Total MJ	Area M2	CO2 (1MJ=0.069kg)
Gas	34,262	3,352	1,761kg

Note: No gas connection at the following commercial office sites: Noble Park and Springvale

Water usage for 4 commercial sites out of 38 office space sites – approx. 10%

Energy Usage	Total KL	Sewerage disposal (KL)	Area M2
Water	32,413	3,241	2,313

Note: Commercial sites included: Box Hill, Noble Park, Little Collins Street, Multicultural Hub

Vehicle categories

Vehicle category	Petrol	Diesel
Light Passenger	8	-
Small Passenger	9	-
Medium Passenger	6	-
Passenger Hybrid	14	-
Medium SUV AWD	0	-
People Mover 2WD	2	-
Light Commercial	1	-
Total	**40**	**-**

Note: 40 vehicles including 14 hybrid vehicles.

Transportation

Indicator	2025-2026
Total fuel consumption by fleet vehicles (litres)	21,146
Total distance travelled by fleet vehicles (km)	221,491
Total greenhouse gas emissions from fleet vehicles (tonnes CO2-e)	48.85
Greenhouse gas emissions from fleet vehicles per 1,000 km travelled (kilograms CO2-e)	220.54

Note: Specific fuel consumption and kilometre tracking are not split between the 14 hybrid and 26 conventional vehicles so the emissions per 1,000 km travelled represent a blended fleet average.

Corporate governance

Establishment and enabling legislation

For 75 years AMES Australia has contributed to the success of Australia's migration and refugee programs. From teaching English to new arrivals in makeshift classrooms in 1951, AMES Australia has grown to be recognised as a pre-eminent service provider supporting multiculturalism and helping hundreds of thousands of people build new lives in Australia.

This work has underpinned the successful brand of multiculturalism Australia has established and the high levels of social cohesion the nation enjoys. This work has focused on individuals and families, tailored to their barriers and strengths and aimed at helping them achieve successful lives and careers. It has also had an impact in the broader economy and society, helping to harness the skills migrants and refugees bring with them and forging an inclusive, welcoming nation.

AMES Australia was established under the *Education Act 1958* (Vic) (now repealed) and reconstituted under the *Council of Adult Education Act 1981* (Vic). It was then known as Adult Multicultural Education Services. On 1 March 2001, the *Council of Adult Education Act 1981* (Vic) was repealed, and the institution continued as Adult Multicultural Education Services under the *Adult, Community and Further Education Act 1991* (Vic) (now repealed). Since 1 July 2007, AMES Australia has operated under the *Education and Training Reform Act 2006* (Vic) (the Act), which replaced the *Education Act 1958* (Vic). In August 2015, the Governor in Council made an order to change the name of the entity, from Adult Multicultural Education Services to AMES Australia.

Objectives and functions

The objectives of AMES Australia in accordance with the Act are:

a) to perform its functions for the public benefit by:
   i. operating its businesses, delivering educational services, and using assets that it manages on the State's behalf as efficiently as possible; and
   ii. ensuring that it is sustainable in the medium to long-term; and
   iii. ensuring that its procedures, policies, and practices are consistent with prudent commercial practice; and
   iv. endeavouring to maximise its contribution to the economy and wellbeing of the State; and
b) to provide the community served by AMES Australia (including migrants, refugees, and asylum seekers) 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; and
c) to facilitate adult, community and further education, knowledge acquisition and skills for employment through excellent teaching, innovation and educational leadership that delivers quality outcomes; and
d) to monitor the structure, reach and accessibility of AMES Australia services to maximise their availability to new and emerging communities and client groups; and
e) to make adequate arrangements for persons and groups which have not had or do not have adequate access to programs or services provided by AMES Australia; and
f) any other objective set out in an Order in Council made under the Act.

AMES Australia may perform all or any of the following functions:

a) 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 AMES Australia;
(ab) to develop and provide specialist settlement services for migrants, refugees, and people seeking asylum;
b) to provide facilities or services for study, research or education;

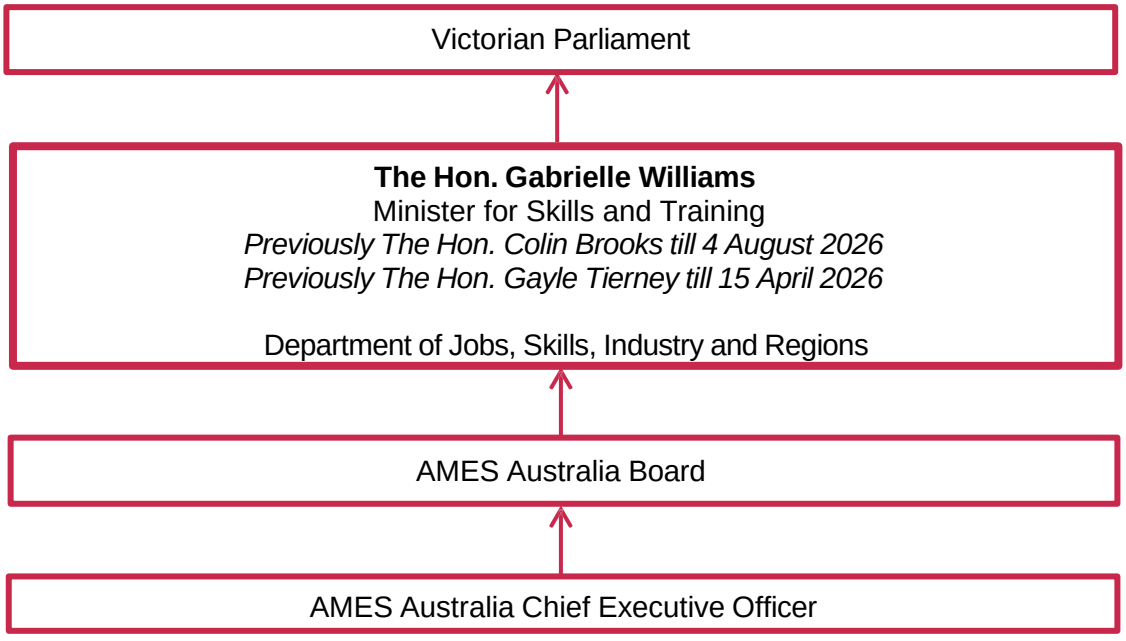
c) to undertake research, development, counselling, or other services on a commercial basis for other organisations;
d) to aid or engage in the development or promotion of research by AMES Australia or the application or use of the results of that research;
e) to prepare, publish or distribute or license the use of literary or artistic work, audio or audio-visual material or computer software;
f) to seek or encourage gifts to AMES Australia for the purposes of AMES Australia's objectives and functions;
g) to provide facilities for use by the community;
h) to perform any other function conferred on AMES Australia by or under this Act or an Order in Council made under the Act.

AMES Australia may perform any function referred above, within and outside Victoria and outside Australia. Subject to any direction or guideline issued by the Minister, AMES Australia may engage in an activity on a commercial basis if the activity is consistent with, and does not interfere with, the carrying out of any of its functions or its strategic plan.

AMES Australia Board

AMES Australia is a Victorian public entity, a body corporate governed by a Board and accountable to the Victorian Minister for Skills and Training. In April 2026, The Hon. Colin Brooks became the Minister for Skills and TAFE, taking over from The Hon. Gayle Tierney, who had
previously held the position. As of August 2026, the Hon. Gabrielle Williams is the Minister for Skills and Training.

AMES Australia's work continues to support key priorities of the Victorian Government, with many areas aligning to the policy interests of the Minister for Multicultural Affairs. In August of 2026, The Hon. Paul Edbrooke MP succeeded The Hon. Ingrid Stitt MP in the portfolio.



The Board governs and sets the overall strategic direction of AMES Australia. It consists of a minimum of nine and a maximum of eleven members. The Board Chair is appointed by the Governor in Council. Ministerial nominee members and Board nominee members are appointed by the Minister. The CEO is an ex-officio member.

Board Committees

Finance, Audit and Risk Management Committee

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

The Committee makes recommendations to the Board. The Committee comprises up to six members. Committee members are appointed by the Board.

Board Members' Attendance

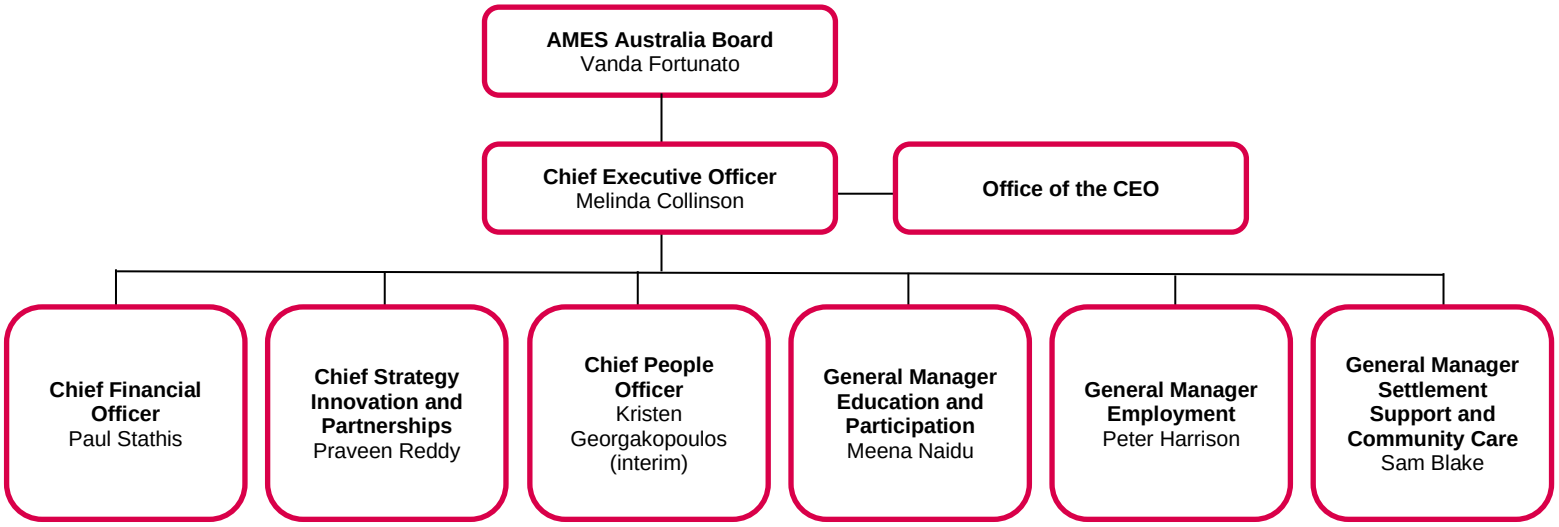
Board Member	Appointment term during the reporting period	FARM Committee membership	Board meeting attendance
Dr Vanda Fortunato (Board Chair)	11 September 2023 to 10 September 2026		6/6
Catherina Toh (Deputy Chair and FARM Committee Chair)	2 June 2023 to 1 June 2026 Extension from 30 June 2026 to 29 June 2027	✓	6/6
Tracy Le (Investment Committee Chair)	1 November 2024 to 31 October 2027	✓	6/6
Florence Mauwa	1 November 2024 to 31 October 2027	✓	6/6
Bwe Thay	1 November 2024 to 31 October 2027		5/6
Nigel McCormick	23 October 2025 to 22 October 2028	✓	5/5
Jason King	11 December 2025 to 10 December 2028		2/4
Maria Peters	1 June 2026 to 31 May 2029	✓	1/1
Philip Davies	1 July 2024 to 30 June 2027 Resigned effective 31 January 2026		2/3
Alison Jenvy (short-term appointment)	1 July 2025 to 30 September 2025		1/1
Grace Liang (Appointment concluded on 30 September 2025)	1 July 2022 to 30 June 2025 Short-term extension from 1 July 2025 to 30 September 2025	✓	1/1
Melinda Collinson (Appointed 18 August 2025)	18 August 2025		6/6

AMES Australia's operational structure and scope

AMES Australia's organisational structure supports our way of working to deliver programs and services that provide operational rigour and quality in meeting our strategic priorities and delivering government contracts.

During 2025-2026, our client-centred value proposition saw programs and services, both alone and with subcontractors, delivered from 80 locations in Victoria, New South Wales, South Australia, and Tasmania to reach newly arrived refugees and migrants, multicultural students, jobseekers, young people, older migrants requiring care, people living with disabilities, and multicultural community members.

Organisational structure as at 30 June 2026



Organisational functional focus

From our vision and aspiration to the operational, the organisational structure drives shared responsibility and informs what we do and how we work.

Operational portfolios	**Settlement Support and Community Care** Facilitates operational delivery of settlement and community care integrated services for refugees and newly arrived migrants in Victoria and South Australia	**Education and Participation** Facilitates operational delivery of community development and social participation; Education services; and Prevention of Violence against Women (PVaW) program	**Employment** Facilitates operational delivery of employment services through Workforce Australia and Inclusive Employment Australia contracts in Victoria and New South Wales
Organisational support	**Strategy, Innovation and Partnerships** Facilitates strategy direction, strategic partnerships, innovation; information and digital technology communications; research, policy and publications	**Office of the CFO** Facilitates the operations and administration of finances; procurement and assets; facilities for employees; on-arrival accommodation for newly arrived HSP clients; and risk and quality management processes and systems	**People and Development** Facilitates the employee and volunteer experience to enrich our operations, diversity and inclusion and culture through learning and development and volunteer recruitment

Executive data

Members of the Senior Executive Service (SES) under Part 3 of the Public Administration Act 2004 (PAA) as of 30 June 2026. Refer below for total number of SES for AMES Australia broken down by gender.

Class	Male	Female	Self- described
PESES-3	0	1	0
PESES-2	3	3	0
PESES-1	0	0	0
SES who left during financial year 2025–2026	0	2	0
SES reported as of 30 June 2025	2	4	0

Comparative 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 2026 and June 2025.

		Jun-26										Jun-25									
		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	285	245.26	99	11	106.37	157	129.81	18	9.08	**Gender**	210	178.70	67	6	70.60	127	103.80	10	4.29
	Female	575	482.76	164	46	194.42	304	259.14	61	29.20		447	382.40	91	35	115	269	233	52	34.60
	Self-described	0	0.00	0	0	0.00	0	0.00	0	0		0	0	0	0	0	0	0	0	0
Age	15–24	50	40.99	14	2	15.17	34	25.82	0	0.00	**Age**	36	26.98	2	0	2	33	23.99	1	1
	25–34	255	215.71	54	4	57.00	159	138.42	38	20.29		174	148.50	23	0	23	126	106.50	25	19
	35–44	246	206.05	68	18	79.64	142	118.46	18	7.96		196	167.40	40	17	51	125	108.80	14	7.60
	45–54	178	152.61	65	11	72.14	88	73.95	14	6.52		134	118.10	40	7	44.80	76	67.91	11	5.40
	55–64	91	82.29	46	12	54.80	28	25.87	5	1.63		84	76.40	42	12	50.90	23	21.78	7	3.76
	65+	40	30.38	16	10	22.05	10	6.45	4	1.88		33	23.82	11	5	13.80	13	7.85	4	2.16
Admin+	1	0	0.00	0	0	0.00	0	0.00	0	0	**Admin+**	0	0	0	0	0	0	0	0	0
	2	170	117.08	21	13	29.20	136	87.89	0	0		148	99.86	12	10	18.20	126	81.70	0	0
	3	381	352.19	132	26	148.99	223	203.20	0	0		282	263.40	76	16	86	190	177.40	0	0
	4	81	77.90	32	8	37.70	41	40.20	0	0		61	58.90	21	7	26.20	33	32.70	0	0
	5	64	61.80	45	3	46.90	16	14.90	0	0		41	40	27	4	30	10	10	0	0
	6	27	26.00	21	4	24.00	2	2.00	0	0		19	18	14	2	15.60	3	2.40	0	0
	7	11	10.32	8	0	8.00	3	2.32	0	0		3	2.20	2	0	2	1	0.2	0	0
Teaching^	1–2	19	18.50	0	0	0	19	18.50	0	0	**Teaching^**	17	16.60	0	0	0	17	16.06	0	0
	3–4	6	6.00	0	0	0	6	6.00	0	0		3	3	0	0	0	3	3	0	0
	5–6	1	1.00	0	0	0	1	1.00	0	0		1	1	0	0	0	1	1	0	0
	7–8	1	1.00	0	0	0	1	1.00	0	0		1	1	0	0	0	1	1	0	0
	9	8	6.50	4	3	6	1	0.50	0	0		9	8.50	6	2	7.50	1	1	0	0
	VET Trainer	4	3.51	0	0	0	4	3.51	0	0		4	3.77	0	0	0	4	3.77	0	0
	Sessional	80	39.21	0	0	0	1	0.93	79	38.28		62	38.90	0	0	0	0	0	62	38.90
	Executive#	7	7	0	0	0	7	7.00	0	0		6	6	0	0	0	6	6	0	0
	Other	0	0	0	0	0	0	0.00	0	0		0	0	0	0	0	0	0	0	0
	Total	**860**	**728.02**	**263**	**57**	**300.79**	**461**	**388.95**	**79**	**38.28**		**657**	**561.10**	**158**	**41**	**185**	**396**	**336.80**	**62**	**38.90**

Note: Minor discrepancies in FTE are due to figures being rounded to the nearest whole number Max term is an employment contract with an agreed expiry date
+ Grades are in accordance with the AMES Australia Administrative Staff Agreement 2021
^ Grades are in accordance with the AMES Australia Teachers Enterprise Agreement 2024
# Executive includes the CEO

Work health and safety

During the reporting period, AMES Australia continued to strengthen its Health and Wellbeing Strategy, with a focus on enhancing workplace safety culture through improved consultation, communication and employee engagement. Health and Safety Representatives (HSRs) completed accredited training and actively participated in Work Health and Safety Committee meetings, supporting greater collaboration and shared accountability across the organisation.

Improvements to reporting systems and technology enhanced the organisation's work health and safety analytics capability, providing more timely insights to support risk management, informed decision-making and continuous improvement.

A total of 65 health and safety incidents were reported during the reporting period, 28 of which involved employees. Two WorkCover claims were accepted in Victoria during the year. No new WorkCover claims were accepted in South Australia or New South Wales, and there were no workplace fatalities.

AMES Australia's Victorian WorkCover performance rating of 0.735 remained approximately 26.5 per cent better than the industry average, reflecting the organisation's continued focus on injury prevention, early intervention and effective injury management.

Work Health and Safety Report	2025-2026
Total number of incidents and injuries reported (employees and clients)	65
Number of incidents and injuries (employees only)	28
Lost time injuries (< 10 days) (LTI)	NSW – 0 days SA – 0 days VIC – 0 days
Work Cover claims accepted 2025/2026 Victoria: - 1 Physical injury (Medical only) - 1 Physical injury	VIC – 2
LTI days (Work Cover)	VIC – 375 NSW – 70 SA – 0
Work Cover premium (VIC, NSW, SA)	VIC - $633,697 NSW - $78,883 SA - $107,550

AMES Australia continued to strengthen its approach to workplace health, safety and wellbeing during the reporting period. A key focus was the proactive management of psychosocial hazards through manager capability development and targeted wellbeing reset sessions delivered across sites, reinforcing psychologically safe workplaces and positive workplace behaviours.

Workplace safety reporting was enhanced through the introduction of an online inspection management system, providing improved oversight of site inspections, corrective actions and organisational safety performance.

AMES Australia's Health and Wellbeing Program continued to support employee wellbeing, with annual influenza vaccinations delivered between March and June 2026. The program achieved a workforce participation rate of 31%.

Health and safety training

Participants	Activity	2025-2026
Health & Safety Representatives	5-day health and safety training	5, 1 new and 4 refreshers
Fire Wardens	Fire warden online training	39
Site First Aiders	CPR and First Aid	34
People managers	Management fundamentals, including health and safety	18
	Occupational health and safety/workplace health and safety for managers	All new managers
Key employees	Mental Health First Aid	84
	Managing Challenging Clients (on the phone)	20
	Foundations for Building Trauma Awareness	30
New starters	Corporate induction, including work health and safety	All new employees
All employees	Gender Equity training	161
Employees who need conflict-resolution skills to deal with aggressive clients	- Predict, assess and respond to aggressive/ challenging behaviours training	60
	- Managing conflict through negotiation: Basic	17

Emergency planning and preparedness

Site management supported monitoring gaps in emergency site teams, and training was made available in emergency response for all Wardens and First Aiders taking on roles in 2025-2026.

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 abides by 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.

Compliance with the *Public Interest Disclosures Act 2012 (Vic)*

AMES Australia aims for transparency and accountability. It does not tolerate improper conduct, or reprisals against people who disclose such conduct. In accordance with the *Public Interest Disclosures Act 2012* (Vic) and guidelines provided by the Victorian Parliament's 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 Jobs, Skills, Industry and Regions (DJSIR) or IBAC via their website.

As Principal Officer of AMES Australia, the Chief Executive Officer is responsible for:

- ensuring that AMES Australia cooperates with integrity bodies and implements recommended actions.
- approving the AMES Australia Public Interest Disclosure Policy and associated procedures.
- notifying IBAC of all instances of suspected corrupt conduct occurring in the organisation, in accordance with AMES Australia's Fraud, Corruption and Other Losses Procedure and pursuant to the mandatory notification requirements of the *Independent Broad-based Anti-corruption Commission Act 2011* (Vic).

The Senior Manager Governance and Integrity is AMES Australia's Public Interest Disclosure Coordinator and is responsible for:

- developing and maintaining the AMES Australia Public Interest Disclosure Policy and associated procedures.
- acting as the internal point of contact for general advice.
- liaising with integrity bodies under the direction of the Chief Executive Officer, or as otherwise directed where a conflict of interest arises.
- managing misdirected disclosures including secure referral, protection of confidentiality, and provision of information to disclosers.
- coordinating welfare management and record keeping in accordance with legislative and organisational requirements.

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

Application and operation of the *Freedom of Information Act 1982*

AMES Australia complies with the *Freedom of Information* (Vic) *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 freedom of information (FOI) requests to the Senior Manager Governance and Integrity, who is AMES Australia's FOI Officer. Enquiries and requests for information should be made in writing to:

Senior Manager Governance and Integrity/Freedom of Information Officer
AMES Australia Level 4, 1 Little Collins Street Melbourne VIC 3000 or email FOI@ames.net.au

An application fee of $33.60 applied during the reporting period. Access charges may also be payable if the document pool is large and the search for material time consuming. When making an FOI request, applicants should ensure requests are in writing, clearly identifying what types of material/documents are being sought and be accompanied by the application fee to be a valid request. A request for a fee waiver or reduction may be submitted along with evidence of financial hardship.

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

- verify the identity and authority of the applicant, where the request involves access to personal information
- acknowledge the FOI request by letter or email and determine whether the request meets requirements
- ensure that a diligent search is conducted for documents (including those in electronic form) covered by the request
- provide a statement of reasons under the FOI Act, if access is refused in respect to any part of a request

- provide written decisions to the applicant within 30 days of application (or later period provided under the FOI Act)
- advise the applicant of their right to seek a review by the FOI Commissioner.

AMES Australia facilitates access to information outside the formal FOI process through proactive and informal release arrangements, as well as under applicable privacy legislation where appropriate. During the reporting period, AMES Australia received and finalised one FOI request, with a decision made and documents released within the statutory timeframe. AMES Australia also responded to two third-party consultation requests under the FOI Act.

Compliance with the *Carers Recognition Act 2012*

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

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

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

Compliance with the *Disability Act 2006*

AMES Australia complies with our obligations under the *Disability Act 2006* by actively implementing actions in our Accessibility and Inclusion Plan. The Plan documents our actions to provide access and equity for all AMES employees, clients, and volunteers with disabilities to be part of a workplace free from barriers, and where people with disabilities feel safe, welcome, and empowered to reach their full potential.

Compliance with the *Building Act 1993*

AMES Australia maintains processes to support compliance with the building and maintenance provisions of the Building Act 1993 and relevant requirements of the National Construction Code for buildings under its ownership or control. For leased premises, AMES Australia works alongside property owners and building managers to support compliance.

Fees and charges

Fees and charges for government-funded services and programs are applied in accordance with applicable funding requirements, contractual obligations and relevant government policies. No additional compulsory tuition 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

National Competition Policy

AMES Australia's costing models comply with National Competitive Neutrality 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 Framework

AMES Australia has a longstanding history of working with social enterprises and continued its commitment to social procurement as a national integrated service provider. Goods and services procurement processes are streamlined and delivered in line with the principles of the Victorian Government's Purchasing Board program and aligned to AMES Australia's governance framework.

AMES Australia, as a Group B entity under the Victorian Government Social Procurement Framework (SPF) commits to contributing to whole-of-government reporting on aggregated SPF outcomes. Following is AMES Australia's social procurement achievements for 2025-2026 to demonstrate positive social value outcomes beyond the monetary value and efficient delivery of the goods, services, assets or construction work being procured.

A key example is AMES Australia's ongoing partnership with social enterprise, Clean Force Property Services in the provision of commercial cleaning services. Clean Force, a Victorian based company, seeks to empower people by offering pathways to employment via a supported program for people with major vocational barriers; and open employment for disadvantaged Victorians wanting to enter the general workforce. Throughout the reporting period, this partnership has enabled people with a disability to gain meaningful, ongoing supported employment in essential commercial cleaning services across AMES Australia's sites in Victoria (including Mildura), New South Wales and South Australia.

Overall social procurement achievements for 2025-2026

Indicator	2025-2026
Number of social benefit suppliers engaged during the reporting period	25
Total amount spent with social benefit suppliers (direct spend) during the reporting period ($ GST exclusive)	$2,312,823

Emergency procurement

Nil reports. There were no emergencies declared and no emergency procurement activations, resulting in nil spending for emergency procurements during the reporting period.

Procurement complaints

Nil reports. No procurement complaints were received in the reporting period.

Local Jobs First

Nil reports under the Local Jobs Act 2003. 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.

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
$6,483,477	$221,586	$91,786	$129,800

Reviews and studies expenditure

Nil reports. During the reporting period no reviews or studies triggered the disclosure of reviews and studies expenditure.

Government advertising expenditure

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

Consultancies expenditure

In the reporting period, there were four consultancies where the total fee payable to the consultant was $10,000 or greater. Details of individual consultancies are outlined below. Total expenditure during 2025-2026 was $352,436 (excluding GST).

Consultants	Summary of project	Expenditure (ex-GST)	Future expenditure (ex-GST)
Nous Group Pty Ltd	Program strategy development	$100,000	-
Pinnacle Group Australia Pty Ltd	Leadership development	$36,086	-
Right Lane Consulting Pty Ltd	Project (i): Impact evaluation Project (ii): Strategic planning project	$196,950	$106,635
Banksia Strategic Partners Pty Ltd	Tender submission preparation services	$19,400	-

Note: During the reporting period, there was one consultancy where the total fee payable to the individual consultant was less than $10,000 (exclusive of GST).

Five-year financial summary (AMES Australia)

Overview of financial records 2022-2026

Financial summary	30 June 2026 $000	*30 June 2025 $000	*30 June 2024 $000	*30 June 2023 $000	*30 June 2022 $000
Total income from transactions	129,708	112,521	89,817	87,492	89,344
Total expenses from transactions	(124,959)	(106,164)	(93,226)	(88,560)	(86,666)
Net result from transactions	4,749	6,357	(3,409)	(1,068)	2,678
Net result for the period	4,939	6,386	(3,340)	5,860	2,905
Net cash flow from / (used in) operating activities	12,084	12,031	780	3,768	941
Total assets	85,683	73,333	66,600	74,176	67,179
Total liabilities	28,598	18,059	17,712	21,948	20,811

* Prior year figures have been revised to AMES Australia only for comparative purposes.

During the year, AMES Australia divested its interest in Kare One Pty Ltd as part of a strategic portfolio review. The decision reflects a commitment to ensuring that organisational activities remain closely aligned with AMES' strategic objectives, allowing resources to be concentrated on core service delivery and future growth opportunities.

AMES Australia will use its funds to continue to invest in our facilities, systems, people and clients.

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

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Standing Directions and Financial Reporting Directions

Report of operations

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FRD 22	Purpose, functions, powers, and duties	**Part A: 15-16**
FRD 8	Departmental objectives, indicators, and outputs	**Part A: 1**
FRD 22	Key initiatives and projects	**Part A: 4-10**
FRD 22	Nature and range of services provided	**Part A: 4-10**
Management and structure		
FRD 22	Organisational structure	**Part A: 18**
	Part A: Financial and other information	
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FRD 8	Budget portfolio outcomes	**N/A**
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FRD 12	Disclosure of major contracts	**N/A**
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FRD 22	Statement of availability of other information	**Part A: 25-26**
FRD 22	Asset Management Accountability Framework (AMAF) maturity assessment	**N/A**
FRD 22	Disclosure of emergency procurement	**Part A: 26**
FRD 22	Disclosure of social procurement activities under the Social Procurement Framework	**Part A: 26**
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Financial statements

Declaration		
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SD 5.2.1(b)	Compliance with Model Financial Report	**Part B: 1**
Other disclosures as required by FRDs in notes to the financial statements		
FRD 9	Departmental Disclosure of Administered Assets and Liabilities by Activity	**N/A**
FRD 11	Disclosure of Ex gratia Expenses	**Part B: 29**
FRD 13	Disclosure of Parliamentary Appropriations	**N/A**
FRD 21	Disclosures of Responsible Persons, Executive Officers, and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	**Part B: 30**
FRD 103	Non-Financial Physical Assets	**Part B: 16**
FRD 110	Cash Flow Statements	**Part B: 7**
FRD 112	Defined Benefit Superannuation Obligations	**Part B: 12**
FRD 114	Financial Instruments – general government entities and public non-financial corporations	**Part B: 19**

Legislation

Building Act 1993	**Part A: 25**
Carers Recognition Act 2012	**Part A: 25**
Disability Act 2006	**Part A: 25**
Financial Management Act 1994	**Part B: 1**
Freedom of Information Act 1982 (Vic) (FOI Act)	**Part A: 24-25**
Local Jobs Act 2003	**Part A: 27**
Public Interest Disclosures Act 2012	**Part A: 23**

AMES AUSTRALIA
CONSOLIDATED ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

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The financial report was authorised for issue by the Board members on 7 September 2026. AMES Australia has the power to amend and reissue the financial report.

AMES AUSTRALIA
CONSOLIDATED ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

DECLARATION IN THE FINANCIAL STATEMENTS

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

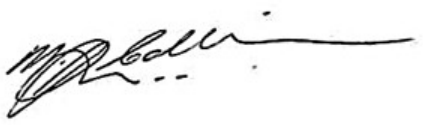
We further state that, in our opinion, the information set out in the consolidated comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and financial position of AMES Australia as at 30 June 2026.

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

We authorise the attached financial statements for issue on 7 September 2026.



Dr Vanda Fortunato
Board Chair
Melbourne
7 September 2026



Melinda Collinson
Chief Executive Officer
Melbourne
7 September 2026



Paul Stathis
Chief Finance Officer
Melbourne
7 September 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of AMES Australia

Opinion	I have audited the consolidated financial report of AMES Australia (the entity) and its controlled entity (together the consolidated entity), which comprises the: • consolidated entity and entity balance sheet as at 30 June 2026 • consolidated entity and entity comprehensive operating statement for the year then ended • consolidated entity and entity statement of changes in equity for the year then ended • consolidated entity and entity cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • 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 positions of the consolidated entity and the entity as at 30 June 2026 and their 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 Australian Accounting Standards - Simplified Disclosures.
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 and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 - Simplified Disclosures and the *Financial Management Act 1994,* and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the entity and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.
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.

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional 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 and the consolidated entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity and the consolidated entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the entity and consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the entity and the consolidated entity. I remain solely responsible for my audit opinion.

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



MELBOURNE
14 September 2026

Kevin Chan
As delegate for the Auditor-General of Victoria

AMES AUSTRALIA
CONSOLIDATED COMPREHENSIVE OPERATING STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Notes	Consolidated $'000 2026	Consolidated $'000 2025	AMES Australia $'000 2026	AMES Australia $'000 2025
Continuing operations					
Revenue and income from transactions					
Grants	2.2.1	5,293	4,185	5,293	4,185
Sales of goods and services	2.2.2	119,025	108,917	119,025	103,228
Other income	2.2.3	4,006	3,708	4,006	3,974
Interest income		1,384	1,134	1,384	1,134
Total revenue and income from transactions		**129,708**	**117,944**	**129,708**	**112,521**
Expenses from transactions					
Employee expenses	3.1.1	70,481	59,772	70,481	54,700
Depreciation and amortisation	4.1.3	5,312	4,394	5,312	4,324
Interest expense		324	99	324	98
Supplies and services	3.2	22,739	20,486	22,739	20,692
Other operating expenses	3.2	25,983	26,655	26,103	26,350
Total expenses from transactions		**124,839**	**111,406**	**124,959**	**106,164**
Net results from transactions (net operating balance)		**4,869**	**6,538**	**4,749**	**6,357**
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	8.2	52	34	52	19
Other gain/(losses) from other economic flows	8.2	138	10	138	10
Total other economic flows included in net result		**190**	**44**	**190**	**29**
Net result from continuing operations		**5,059**	**6,582**	**4,939**	**6,386**
Profit/(loss) from discontinued operations	8.8	**(6,094)**	**-**	**(5,458)**	**-**
Income tax (benefit)/expenses	3.3	**-**	**119**	**-**	**-**
Net result		**(1,035)**	**6,463**	**(519)**	**6,386**
Other economic flows – other comprehensive income:					
Items that will not be reclassified to net result					
Changes in physical asset revaluation surplus	4.1.3	2,330	-	2,330	-
Comprehensive result		**1,295**	**6,463**	**1,811**	**6,386**

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

AMES AUSTRALIA
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2026

		Consolidated		AMES Australia	
		$'000	$'000	$'000	$'000
	Notes	2026	2025	2026	2025
Assets					
Financial assets					
Cash and deposits	6.2	38,821	30,355	38,821	29,232
Receivables	5.1.1	4,503	6,023	4,503	5,433
Investment		400	400	400	400
Investment in Kare One Pty Ltd	8.8	-	-	-	6,672
Total financial assets		**43,724**	**36,778**	**43,724**	**41,737**
Non-financial assets					
Property, plant and equipment	4.1	40,957	31,140	40,957	30,909
Goodwill		-	5,938	-	-
Deferred tax asset		-	131	-	-
Other non-financial assets		1,002	693	1,002	687
Total non-financial assets		**41,959**	**37,902**	**41,959**	**31,596**
Total assets		**85,683**	**74,680**	**85,683**	**73,333**
Liabilities					
Payables	5.2.1	6,627	5,753	6,627	5,591
Contract liabilities	5.2.2	1,467	1,831	1,467	1,709
Employee related provisions	3.1.2	10,427	9,841	10,427	9,474
Lease liabilities	6.1.3	9,994	1,239	9,994	1,167
Other provisions	5.3	83	118	83	118
Deferred tax liabilities		-	107	-	-
Total liabilities		**28,598**	**18,889**	**28,598**	**18,059**
Net assets		**57,085**	**55,791**	**57,085**	**55,274**
Equity					
Accumulated surplus		10,930	11,821	10,930	11,449
Reserves		23,249	20,919	23,249	20,919
Contributed capital		22,906	22,906	22,906	22,906
Acquisition of non controlling interests		-	145	-	-
Net worth		**57,085**	**55,791**	**57,085**	**55,274**

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

AMES AUSTRALIA
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY [(a)]
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

Consolidated	Reserves $'000	Accumulated surplus/ (deficit) $'000	Contributed capital $'000	Acquisition of non controlling interest $'000	Total $'000
Balance at 1 July 2024	20,919	5,357	22,906	145	49,327
Net result for the year	-	6,463	-	-	6,463
Balance at 30 June 2025	**20,919**	**11,820**	**22,906**	**145**	**55,790**
Balance at 1 July 2025	**20,919**	**11,820**	**22,906**	**145**	**55,790**
Changes in physical asset revaluation surplus	2,330	-	-	-	2,330
Net result for the year	-	(1,035)	-	-	(1,035)
Transfer	-	145		(145)	-
Balance at 30 June 2026	**23,249**	**10,930**	**22,906**	**-**	**57,085**

AMES Australia	Reserves $'000	Accumulated surplus/ (deficit) $'000	Contributed capital $'000	Acquisition of non controlling interest $'000	Total $'000
Balance at 1 July 2024	20,919	5,063	22,906	-	48,888
Net result for the year	-	6,386	-	-	6,386
Balance at 30 June 2025	**20,919**	**11,449**	**22,906**	**-**	**55,274**
Balance at 1 July 2025	**20,919**	**11,449**	**22,906**	**-**	**55,274**
Changes in physical asset revaluation surplus	2,330	-	-	-	2,330
Net result for the year	-	(519)	-	-	(519)
Balance at 30 June 2026	**23,249**	**10,930**	**22,906**	**-**	**57,085**

Note:
(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

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

AMES AUSTRALIA
CONSOLIDATED CASH FLOW STATEMENT [(a)]
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		Consolidated		AMES Australia	
		$'000	$'000	$'000	$'000
	Notes	2026	2025	2026	2025
Cash flows from operating activities					
Receipts					
Receipts from government	2.2.1	5,293	4,185	5,293	4,185
User fees and charges received		137,640	121,989	131,839	115,507
Interest received		1,384	1,134	1,384	1,134
Total receipts		**144,317**	**127,308**	**138,516**	**120,826**
Payments					
Payments to suppliers and employees		(127,265)	(111,322)	(121,867)	(105,134)
Interest and other costs of finance paid		(325)	(99)	(324)	(98)
Goods and services tax paid to the ATO		(4,241)	(3,563)	(4,241)	(3,563)
Income taxes paid		(54)	(216)	-	-
Total payments		**(131,885)**	**(115,200)**	**(126,432)**	**(108,795)**
Net cash flows from/(used in) operating activities		**12,432**	**12,108**	**12,084**	**12,031**
Cash flows from investing activities					
Proceeds from sale of subsidiary - Kare One Pty Ltd		1,089	-	1,089	-
Dividends received		-	-	900	200
Payments for intangibles		(15)	-	-	-
Payments for investments		-	(200)	-	(200)
Purchases of non-financial assets		(1,080)	(663)	(1,051)	(577)
Proceeds from sale of non-financial assets		90	43	81	20
Net cash flows from/(used in) investing activities		**84**	**(820)**	**1,019**	**(557)**
Cash flows from financing activities					
Proceeds from borrowings		125	-	-	-
Repayment of principal portion of leasing liabilities		(3,537)	(2,694)	(3,514)	(2,666)
Net cash flows from/(used in) financing activities		**(3,412)**	**(2,694)**	**(3,514)**	**(2,666)**
Net increase/(decrease) in cash and cash equivalents		**9,104**	**8,594**	**9,589**	**8,808**
Cash and cash equivalents at beginning of financial year		30,355	21,761	29,232	20,424
Cash and cash equivalents at end of financial year	6.2	**39,459**	**30,355**	**38,821**	**29,232**

The above consolidated cash flow statement should be read in conjunction with the notes to the financial statements.
Notes:
(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.
(b) Goods and Services Tax paid to the Australian Taxation Office (ATO) is presented on a net basis.

AMES AUSTRALIA
CONSOLIDATED ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

1. ABOUT THIS REPORT

AMES Australia is a statutory authority accountable to the Victorian Minister for Skills and TAFE. It is governed by a Board established by the Constitution of the Adult Multicultural Education Services Order 2013.

Its principal address is:

AMES Australia
1 Little Collins St
Melbourne VIC 3000

1.1 Basis of preparation

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

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

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

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

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

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

These financial statements cover AMES Australia as an individual reporting entity and include all the controlled activities of the entity.

Entities consolidated into AMES Australia's reporting entity for the period 1 July 2025 to 8 May 2026 include:

Kare One Pty Ltd (disposed on 8 May 2026)

All amounts in the financial statements have been rounded to the nearest $1,000 unless otherwise stated.

1.2 Compliance information

These general-purpose financial statements have been prepared in accordance with the FMA and applicable Australian Accounting Standards (AASs), which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

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

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

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

Significant judgement:

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

Structure

2.1 Summary of revenue and income that funds the delivery of services 9

2.2 Income from transactions 10

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

		Consolidated		AMES Australia	
		$'000	$'000	$'000	$'000
	Notes	2026	2025	2026	2025
Sale of goods and services	2.2.2	119,025	108,917	119,025	103,228
Grants	2.2.1	5,293	4,185	5,293	4,185
Other income	2.2.3	4,006	3,708	4,006	3,974
Interest income		1,384	1,134	1,384	1,134
Total revenue and income from transactions		**129,708**	**117,944**	**129,708**	**112,521**

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. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2 Income from transactions

2.2.1 Grants

	Consolidated		AMES Australia	
	$'000	$'000	$'000	$'000
	2026	2025	2026	2025
Government contributions – operating				
State government specific funded programs	4,203	3,214	4,203	3,214
Total government contributions - operating	**4,203**	**3,214**	**4,203**	**3,214**
State government - other contributions	1,090	971	1,090	971
Total government contributions - other	**1,090**	**971**	**1,090**	**971**
Total government contributions	**5,293**	**4,185**	**5,293**	**4,185**

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. In accordance with AASB 15 *Revenue for Contracts with Customers*, revenue is typically recognised at the point in time when AMES Australia has claimed and delivered the funded training for eligible students enrolled in its VET courses.

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

2.2.2 Sale of goods and services

	Consolidated		AMES Australia	
	$'000	$'000	$'000	$'000
	2026	2025	2026	2025
Student fees and charges	89	57	89	57
Fee for service - Government	117,635	100,126	117,635	100,126
Fee for service - Other	1,288	8,722	1,288	3,033
Other non-course fees and charges				
Sale of goods	13	12	13	12
Total fees and charges	**119,025**	**108,917**	**119,025**	**103,228**

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.

Fee for service (Government) revenue delivered improved results as result of higher participant volumes and expanded program delivery. Growth was primarily driven by strong performance in the Skills for Education (SEE) and Inclusive Employment Australia (IEA) programs.

2. FUNDING DELIVERY OF OUR SERVICES (continued)

2.2.2 Sale of goods and services (continued)

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, over time when the customer simultaneously receives and consumes the services as it is provided.

When revenue is recognised over time as the services are provided, the stage of completion for determining the amount of revenue to recognise is assessed based on output method. Output methods recognise revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. AMES Australia applies output method by assessing milestone reached and time elapsed.

Consideration received in advance of fulfilment of the performance obligation and the related recognition of the associated revenue from the customer is recorded as a contract liability (Note 5.2.2).

2.2.3 Other income

	Consolidated		AMES Australia	
	$'000	$'000	$'000	$'000
	2026	2025	2026	2025
Rental income	1,223	1,440	1,223	1,440
Other income	2,783	2,268	2,783	2,534
Total other income	**4,006**	**3,708**	**4,006**	**3,974**

(i) Rental income

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

(ii) Other income

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

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 delivery of services 12

3.2 Supplies and services / Other operating expenses 15

3.3 Income tax expenses 16

3.1 Expenses incurred in delivery of services

		Consolidated		AMES Australia	
		$'000	$'000	$'000	$'000
	Notes	2026	2025	2026	2025
Employee expenses	3.1.1	70,481	59,772	70,481	54,700
Supplies and services expenses	3.2	22,739	20,486	22,739	20,692
Other operating expenses	3.2	25,983	26,655	26,103	26,350
Total expenses incurred in delivery of services		**119,203**	**106,913**	**119,323**	**101,742**

3.1.1 Employee expenses in the comprehensive operating statement

		Consolidated		AMES Australia	
		$'000	$'000	$'000	$'000
	Notes	2026	2025	2026	2025
Salaries, wages, overtime and allowances, annual leave, long service leave and other salary related costs		57,760	49,641	57,760	45,357
Superannuation		6,776	5,461	6,776	5,017
Payroll tax		3,939	2,939	3,939	2,749
Worker's compensation		1,236	1,024	1,236	870
Termination benefits		770	707	770	707
Total employee expenses		**70,481**	**59,772**	**70,481**	**54,700**

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

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

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

3. THE COST OF DELIVERING SERVICES (continued)

3.1.2 Employee-related provisions

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.

	Consolidated		AMES Australia	
	$'000	$'000	$'000	$'000
	2026	2025	2026	2025
Current provisions				
Annual leave	3,803	4,467	3,803	4,290
Long service leave	3,796	3,766	3,796	3,616
Provision for on-costs	768	752	768	712
Total current provisions for employee benefits	**8,367**	**8,985**	**8,367**	**8,618**
Non-currents provisions:				
Employee benefits	1,910	715	1,910	715
On-costs	150	141	150	141
Total non-current provisions for employee benefits	**2,060**	**856**	**2,060**	**856**
Total provisions for employee benefits	**10,427**	**9841**	**10,427**	**9474**

Wages and salaries, annual leave and sick leave

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

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

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

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

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

Unconditional LSL is disclosed as a current liability, even 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 this current LSL liability are measured at either:

- undiscounted value) – if AMES Australia expects to wholly settle within 12 months
- present value – if AMES Australia does not expect to wholly settle within 12 months

Conditional LSL is disclosed as a non-current liability. There is a conditional right to defer 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).

3. THE COST OF DELIVERING SERVICES (continued)

3.2 Supplies and services / Other operating expenses

	Notes	Consolidated $'000 2026	Consolidated $'000 2025	AMES Australia $'000 2026	AMES Australia $'000 2025
Supplies and services					
Purchases of supplies and consumables		666	427	666	420
Communication expenses		1,002	871	1,002	848
Contract and other services		3,135	2,542	3,135	2,532
Building repairs and maintenance		730	403	730	396
Minor equipment		2,171	1,129	2,171	1,126
Fees and charges		15,035	15,114	15,035	15,370
Total supplies and services		**22,739**	**20,486**	**22,739**	**20,692**
Other operating expenses					
General expenses					
Marketing and promotional expenses		448	437	448	431
Occupancy expenses		730	657	730	650
Audit fees and services	8.6	154	70	154	56
Staff development		306	166	306	157
Travel and motor vehicle expenses		593	431	593	394
Other expenses		320	497	440	315
Subtotal general expenses		**2,551**	**2,258**	**2,671**	**2,003**
Lease expenses					
Short-term lease expenses		654	419	654	416
Venue hire and equipment rentals		1,335	1,127	1,335	1,080
Subtotal operating lease expenses		**1,989**	**1,546**	**1,989**	**1,496**
Other expenses					
Employment service clients related expenses		3,300	2,387	3,300	2,387
Settlement support and community care client expenses		18,054	20,401	18,054	20,401
Other clients related expenses		89	63	89	63
Subtotal other expenses		**21,443**	**22,851**	**21,443**	**22,851**
Total other operating expenses		**25,983**	**26,655**	**26,103**	**26,350**

Supplies and services/other operating 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 12 months or less
- Low value leases – leases with 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 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.

3. THE COST OF DELIVERING SERVICES (continued)

3.3 Income tax expenses

	Consolidated/AMES Australia	Consolidated/AMES Australia
	$'000	$'000
	2026	2025
The components of income tax (benefit)/expense comprises:		
Current tax	-	134
Deferred tax	-	(15)
Income tax (benefit) / expense	**-**	**119**
The prima facie tax on profit/(loss) before income tax is reconciled to the Income tax expense/(benefit) as follows:		
Prima facie tax payable/(benefit) on profit/(loss) before income tax @ 30% (2025: 30%)	-	134
Add: tax effect on non-allowable items		
Deferred tax assets previously not recognised	-	(15)
Income tax (benefit) / expense	**-**	**119**

Income tax
AMES Australia is exempt from income tax under the Income Tax Assessment Act 1997 (Cth). However, its controlled entity Kare One Pty Ltd is not income tax exempt under the Income Tax Assessment Act 1997 (Cth).

Current tax
The charge for current income tax expense is based on the profit/(loss) for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

4. KEY ASSETS TO SUPPORT SERVICE DELIVERY

Introduction

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

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

Structure

4.1 Property, plant and equipment 17

4.1 Property, plant and equipment

AMES Australia	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	$'000		$'000		$'000	
	2026	2025	2026	2025	2026	2025
Land at fair value	10,250	10,250	-	-	10,250	10,250
Buildings at fair value	19,120	31,787	-	(12,311)	19,120	19,476
Building improvements	1,533	1,178	(711)	(632)	822	546
Leasehold improvements at fair value	4,801	4,303	(4,347)	(4,292)	454	11
Plant, equipment and vehicles at fair value	3,738	3,693	(3,174)	(3,067)	564	626
Right-of-use assets: building; plant, equipment and vehicles [(a)]	22,614	-	(12,867)	-	9,747	-
Net carrying amount	**62,056**	**51,211**	**(21,099)**	**(20,302)**	**40,957**	**30,909**

Note:
(a) As a result of a change in FRD 104 Leases effective for reporting periods from 30 June 2025, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated and is reported at the previously determined fair value. For further information, refer to note 8.3.

Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount. The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The following tables are right-of-use assets included in the PPE balance, presented by subsets of buildings, and plant, equipment and vehicles.

4.1.1 Total right-of-use assets: buildings, plant equipment and vehicles

AMES Australia	Gross Carrying Amount	Accumulated Depreciation	Net Carrying Amount	Gross Carrying Amount	Accumulated Depreciation	Net Carrying Amount
	$'000	$'000	$'000	$'000	$'000	$'000
	2026	2026	2026	2025	2025	2025
Buildings[(a)]	22,065	(12,831)	9,234	10,560	(9,353)	1,207
Plant, equipment and vehicles[(a)]	548	(35)	513	47	(7)	40
Net carrying amount	**22,613**	**(12,866)**	**9,747**	**10,607**	**(9,360)**	**1,247**

Note:
(a) As a result of a change in FRD 104 Leases effective for reporting periods from 30 June 2025, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated and is reported at the previously determined fair value. For further information, refer to note 8.3.

4. KEY ASSETS TO SUPPORT SERVICE DELIVERY (continued)

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

AMES Australia recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received
- any initial direct costs incurred
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located

Right-of-use asset – Subsequent measurement

AMES Australia depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Impairment of right-of-use assets

AMES Australia has assessed all right-of-use assets for impairment, and no indicators of impairment are identified as at 30 June 2026.

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

4.1.2 Depreciation

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under assets held for sale and land.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful Life (Years)
Buildings	1 - 45
Building improvements	15
Leasehold improvements	2 - 15
Plant, equipment and vehicles (including leased assets)	3 - 15

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.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where AMES Australia obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

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

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

4. KEY ASSETS TO SUPPORT SERVICE DELIVERY (continued)

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

AMES Australia	Land	Buildings	Building improvements	Leasehold improvements	Plant, equipment and vehicles	Right-of-use assets[(a)]	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
	2026	2026	2026	2026	2026	2026	2026
Opening balance	10,250	18,269	546	11	586	1,247	30,909
Additions	-	-	355	498	198	12,008	13,059
Disposals	-	-	-	-	(29)	-	(29)
Depreciation	-	(1,479)	(78)	(56)	(191)	(3,508)	(5,312)
Net revaluation increments/(decrements)	-	2,330	-	-	-	-	2,330
Closing balance	**10,250**	**19,120**	**823**	**453**	**564**	**9,747**	**40,957**

Notes:

(a) As a result of a change in FRD 104 Leases effective for reporting periods from 30 June 2025, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated and is reported at the previously determined fair value. For further information, refer to note 8.3.

5. OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

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5.1 Other assets

5.1.1 Receivables

	AMES Australia	
	$'000	$'000
	2026	2025
Current receivables		
Contractual		
Trade receivables	35	181
Revenue receivables	4,006	5,025
Other receivables	462	227
Total current receivables	**4,503**	**5,433**
Represented by:		
Current receivables	4,503	5,433
Non-current receivables	-	-

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

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

5.1.2 Impairment loss

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

The loss allowances for receivables and contract assets are based on assumptions about risk of default and expected loss rates.

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 approach. AMES Australia's contractual receivables and statutory receivables are subject to AASB 9 impairment assessment.

While contract assets recognised under AASB 15 are not classified as financial assets, they are still subject to impairment assessment; however, any identified impairment was immaterial.

5. OTHER ASSETS AND LIABILITIES (continued)

Contractual receivables at amortised cost

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

Credit loss allowance is classified as other economic flows in the net result (refer to Note 8.2). Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

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

Statutory receivables at amortised cost

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

5.2 Other liabilities

5.2.1 Payables

	AMES Australia	
	$'000	$'000
	2026	2025
Contractual payables		
Supplies and services	3,829	4,052
Accrued salaries, wages and superannuation	1,027	514
Other payables	564	155
Statutory payables		
GST payable	338	235
Other taxes payable	869	635
Total payables	**6,627**	**5,591**
Represented by:		
Current payables	6,626	5,591
Non-current payables	-	-

Payables consist of:

- **contractual payables**: Classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to AMES Australia prior to the end of the financial year that are unpaid.
- **statutory payables**: Recognised and measured similarly to contractual payable, but not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days.

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

5. OTHER ASSETS AND LIABILITIES (continued)

5.2.2 Contract liabilities

	AMES Australia	
	$'000	$'000
	2026	2025
Contract liabilities	1,467	1,709
Represented by:		
Current contract liabilities	1,467	1,709
Non-current contract liabilities	-	-

Contract liabilities include consideration received in advance from customers in respect to Education, Employment and Settlement service delivery.

5.3 Other provisions

	AMES Australia	
	$'000	$'000
	2026	2025
Current provisions		
Make-good provision	83	118
Total other provisions	**83**	**118**

Other 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, using a discount rate that reflects the time value of money and risks specific to the provision.

Reconciliation of movements in other provisions

	AMES Australia	
		Make-good
	$'000	$'000
	2026	2025
Opening Balance	**118**	**118**
Amounts charged against the provision	(26)	-
Unused amount	(9)	-
Closing Balance	**83**	**118**

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received, and the amount of the receivable can be measured reliably.

The make-good provision is recognised in accordance with the lease agreement over the plants. AMES Australia must remove any leasehold improvements from the leased plants and restore the premises to its original condition at the end of the lease term.

6. FINANCING OUR OPERATIONS

Introduction

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

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

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6.1 Leases

6.1.1 Right-of-use assets

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 (see note 6.1.2 for lease expenses). AMES Australia has elected not to recognise right-of-use assets and lease liabilities for these leases.

Right-of-use assets are presented in note 4.1.1.

Significantly below-market leases

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. The leased premises are used by AMES Australia to provide a range of services such as a community hub, vocational teaching and rooming house.

6.1.2 Expense recognised for short-term leases and leases of low-value assets

The following amounts are recognised as expense relating to short-term leases and leases of low-value assets:

	AMES Australia	
	$'000	$'000
	2026	2025
Expenses relating to short term leases	654	416
Total amount recognised as expense	**654**	**416**

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.

6. FINANCING OUR OPERATIONS (continued)

6.1.3 Recognition and measurement of leases as a lessee

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 make decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

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.

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.

Future lease payments

	AMES Australia	
	Minimum future lease payments	
	$'000	$'000
	2026	2025
Not longer than 1 year	575	1,182
Longer than 1 year but not longer than 5 years	10,358	-
Minimum future lease payments	**10,933**	**1,182**
Less future finance charges	(939)	(15)
Present value of minimum lease payments	**9,994**	**1,167**

Additional leased premises were secured during the reporting period to support growth in programs and client services across operational locations.

6. FINANCING OUR OPERATIONS (continued)

6.2 Cash flow information and balances

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

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.

	Consolidated		AMES Australia	
	$'000	$'000	$'000	$'000
	2026	2025	2026	2025
Total cash and deposits disclosed in the balance sheet[(a)]	39,459	30,355	38,821	29,232
Balance as per cash flow statement	**39,459**	**30,355**	**38,821**	**29,232**

Note:
(a) Cash and deposits bear variable interest rate with a weighted-average interest rate of 4.50% during 2025-26.

6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded 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

AMES Australia	Less than 1 year	1 – 5 years	5+ years	Total
2025	$'000	$'000	$'000	$'000
Operating commitments payable	337	-	-	337
Total commitments (inclusive of GST)	**337**	**-**	**-**	**337**
Less GST recoverable	(31)	-	-	(31)
Total commitments (exclusive of GST)	**306**	**-**	**-**	**306**

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

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

Structure

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

Categories of financial assets

Financial assets at amortised cost

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

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

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

- Cash and deposits;
- Receivables (excluding statutory receivables)

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
- 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
- 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
  - 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.

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.1 Financial instruments specific disclosures (continued)

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:

- Payables (excluding statutory payables)
- Borrowings (including lease liabilities)

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 Financial instruments – Net gain/(loss) on financial instruments by category

AMES Australia	Carrying amount		Net gain /(loss)		Total interest income /(expense)		Fee income /(expense)		Impairment loss	
	$'000 2026	$'000 2025	$'000 2026	$'000 2025	$'000 2026	$'000 2025	$'000 2026	$'000 2025	$'000 2026	$'000 2025
Financial assets at amortised cost										
Cash and deposits	38,821	29,232	-	-	1,384	1,134	-	-	-	-
Receivables[(a)]	4,503	5,433	-	-	-	-	-	-	-	-
Total financial assets at amortised cost	**43,324**	**34,665**	**-**	**-**	**1,384**	**1,134**	**-**	**-**	**-**	**-**
Financial liabilities at amortised cost										
Payables[(a)]	5,419	4,721	-	-	-	-	-	-	-	-
Borrowings										
Lease liabilities	9,994	1,167	-	-	(324)	(98)	-	-	-	-
Total contractual financial liabilities	**15,413**	**5,888**	**-**	**-**	**(324)**	**(98)**	**-**	**-**	**-**	**-**

Note:

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

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.2 Contingent assets and contingent liabilities

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

7.2.1 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 2024/25).

7.2.2 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
- 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 the amount of the obligations cannot be measured with sufficient reliability.

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

Quantifiable contingent liabilities

Quantifiable contingent liabilities	$'000	AMES Australia $'000
	2026	2025
Bank guarantees	305	-
Total contingent liabilities	**305**	**-**

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of AMES Australia.

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

Land, buildings, plant, equipment and vehicles are carried at fair value.

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

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. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS (continued)

7.3.1 Fair value determination: Non-financial physical assets

Valuation techniques and significant assumptions of non-financial physical assets measured at fair value

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian implementation guidance for not-for-profit public sector entities*. Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

The last scheduled full independent valuation of all land and buildings was performed by Valuer General Victoria (VGV) in 2023. The annual fair value assessment undertaken as at 30 June 2026, based on the application of VGV indices, resulted in a net upward revaluation of $2.330m. AMES Australia will reflect Appendix F in its next scheduled formal revaluation in 2028 or interim revaluation process (whichever is earlier). All annual fair value assessments thereafter will continue compliance with Appendix F.

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

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From this analysis, an appropriate rate per square metre has been applied to the subject asset.

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

Vehicles (including right-of-use assets) are valued using the current replacement cost method. AMES Australia acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by the fleet management team at AMES Australia.

Description of significant assumptions applied to fair value measurement

2026 and 2025	Valuation technique	Significant assumption	Range (weighted average)
Leasehold improvements	Current replacement cost	Useful life	1-5 years (3 years)
Plant and equipment	Current replacement cost	Useful life	3-15 years (11 years)
Buildings improvements	Current replacement cost	Useful life	15 years (15 years)
Vehicles	Current replacement cost	Useful life	3-5 years (4 years)
Buildings	Current replacement cost	Estimated replacement cost ($ per m2) of buildings and industry guidelines including construction handbooks, depreciated for building age and adjusted for refurbishment	$6000 - $9500/m2 ($8333/m2)

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

No ex-gratia payments were made in the reporting period 2025-26 (2024-25: 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.

Other economic flows included in net result

	Consolidated		AMES Australia	
	$'000	$'000	$'000	$'000
	2026	2025	2026	2025
Net gain/(loss) on non-financial asset				
Proceed from sale of physical assets	82	35	81	20
Less written down value	(29)	(1)	(29)	(1)
Total net gain/(loss) on non-financial assets	**53**	**34**	**52**	**19**
Other gains/(losses) from other economic flows				
Net gain/(loss) arising from revaluation of long service leave liability	138	10	138	10
Total other gains/(losses) from other economic flows	**138**	**10**	**138**	**10**
Total other economic flows included in net result	**191**	**44**	**190**	**29**

8.3 Changes in accounting policy

8.3.1 Right-of-use assets

AMES Australia has made a change in accounting policy to change the measurement basis from the revaluation model to the cost model for the subsequent measurement of right-of-use assets arising from market leases, in accordance with the updated requirements under FRD 104.

Previously, AMES Australia had measured all right-of-use assets arising from market leases using the revaluation model under AASB 13. Following the change in accounting policy, AMES Australia will measure all right-of-use assets using the cost model. Right-of-use assets measured using the cost model are held at cost less accumulated depreciation and impairment and any adjustments for remeasurement of lease liability. Periodic revaluations are not required; however, the cost model requires annual impairment assessments in accordance with AASB 136.

8. OTHER DISCLOSURES (continued)

Upon adoption of the cost model, AMES Australia has applied a modified retrospective approach. The approach takes the right-of-use asset's carrying amounts recorded under the revaluation model as at 30 June 2025 as the right-of-use asset's opening balances on application of the cost model.

Accordingly, the comparative information presented is not restated and is reported at the previously determined fair value.

Right-of-use assets arising from significantly below-market leases

AMES Australia is not required to make any adjustments to right-of-use assets arising from significantly below-market leases, including peppercorn leases, as AMES Australia already measures these right-of-use assets using the cost model in accordance with AASB 16 and FRD 104, and are thus not impacted as a result of this accounting policy change.

Impacts on financial statements

On transition to the cost model, there was no impact on AMES Australia's financial statements. No impairment was identified by AMES Australia for the right-of-use asset held as at 30 June 2026.

8.4 Responsible persons

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

Names

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

Minister for Skills and TAFE	The Hon. Gayle Tierney MP	1 July 2025 to 14 April 2026
Minister for Skills and TAFE	The Hon. Colin Brooks MP	15 April 2026 to 30 June 2026
Accountable Officer (Chief Executive Officer and Ex-officio Board Member)	Catherine Scarth	1 July 2025 to 18 August 2025
Accountable Officer (Chief Executive Officer and Ex-officio Board Member)	Melinda Collinson	18 August 2025 to 30 June 2026
Board Chair	Dr Vanda Fortunato	1 July 2025 to 30 June 2026
Board Deputy Chair and Chair of Finance, Audit and Risk Management Committee	Catherina Toh	1 July 2025 to 1 June 2026
Board Member	Tracy Le	1 July 2025 to 30 June 2026
Board Member	Florence Mauwa	1 July 2025 to 30 June 2026
Board Member	Bwe Thay	1 July 2025 to 30 June 2026
Board Member	Nigel McCormick	23 October 2025 to 30 June 2026
Board Member	Jason King	11 December 2025 to 30 June 2026
Board Member	Maria Peters	1 June 2026 to 30 June 2026
Board Member	Philip Davies	1 July 2025 to 31 January 2026
Board Member	Grace Liang	1 July 2025 to 30 September 2025
Board Member	Alison Jenvey	1 July 2025 to 30 September 2025

8. OTHER DISCLOSURES (continued)

Remuneration

Remuneration received or receivable by the Accountable Officer with the management of AMES Australia for the reporting year was in the range: $440,000-450,000 (2025: $440,000-450,000).

8.5 Remuneration of executives

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

Remuneration comprises employee benefits (as defined in AASB 119 *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. Accordingly, remuneration is determined on an accrual basis.

	2026	2025
	$'000	$'000
Total remuneration[(a)]	**2,258**	**1846**
Total number of executives	**7**	**6**
Total annualised employee equivalents[(b)]	**7**	**6**

Notes:
(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.5).
(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.6 Related parties

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

The following entity has been consolidated (up until disposal date of 8 May 2026) into AMES Australia's financial statements pursuant to the determination made by the Minister for Finance under section 53(1)(b) of the *Financial Management Act 1994 (FMA)*:

- Kare One Pty Ltd[(a)]

Related parties of AMES Australia and Kare One Pty Ltd include:

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

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

Note:
(a) Refer to sale of subsidiary disclosure note 8.8 for further information.

8. OTHER DISCLOSURES (continued)

Key management personnel

Key management personnel of AMES Australia includes the Portfolio Minister, and members of the Senior Executive Team which includes:

Paul Stathis	Chief Finance Officer
Kristen Georgakopoulos	Chief People Officer
Praveen Reddy	Chief Strategy, Innovation and Partnerships
Catharine O'Grady	General Manager People & Development (resigned January 2026)
Meena Naidu	General Manager Education & Participation
Peter Harrison	General Manager Employment
Samantha Blake	General Manager Settlement Support & Community Care

Key management personnel of the entity consolidated pursuant to section 53(1)(b) of the FMA into AMES Australia's financial statements include:

Entity	Key Management Personnel	Position title
Kare One Pty Ltd	Melinda Collinson	Board Chair (from August 2025 to May 2026)
Kare One Pty Ltd	Jodie King	Director (from July 2025 to May 2026)

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

Compensation of KMPs[(a)]	Consolidated		AMES Australia	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Total[(b)]	**3,239**	**2,745**	**3,031**	**2,532**

Notes:
(a) Note that KMPs are also reported in the disclosure of responsible persons (Note 8.4).
(b) This includes remuneration of KMPs for Kare One Pty Ltd.

Transactions with key management personnel and other related parties

During the year, AMES Australia entered into a related party transaction when Kare One Pty Ltd was sold to Same Viva Pty Ltd, a company related to Jodie King.

8.7 Remuneration of auditors

	AMES Australia	
	$'000	$'000
	2026	2025
Victorian Auditor-General's Office		
Audit of the financial statements	59	56
Other non-audit services[(a)]	**95**	**-**
Total remuneration of auditors	**154**	**56**

Note:
(a) The Victorian Auditor-General's Office is prohibited from providing non-audit services.

8. OTHER DISCLOSURES (continued)

8.8 Sale of subsidiary

On 8 May 2026, AMES Australia completed the full divestment and disposal of its subsidiary Kare One Pty Ltd, to Same Viva Pty Ltd for total cash consideration of $1,214,286. Same Viva Pty Ltd is related to Jodie King, a key management personnel of Kare One Pty Ltd.

Kare One Pty Ltd declared a pre-completion dividend of $900,000 payable to AMES Australia prior to the transfer of ownership and formed part of the arrangements associated with the sale of the subsidiary.

The loss from the sale of subsidiary presented in the consolidated statement of profit and loss and other comprehensive income relates to:

	$'000
Profit/(loss) after tax from sale of subsidiary	(17)
Loss on sale of subsidiary after income tax	(6,077)
Profit/(loss) from discontinued operations	(6,094)
Loss on sale of subsidiary	
Consideration received	1,214
Carrying amount of the net assets sold	(6,672)
Loss on sale of subsidiary	(5,458)

8.9 Events after reporting date

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

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