



Australian Government
Aboriginal Hostels Limited



Annual Report

2020-21





Aboriginal Hostels Limited

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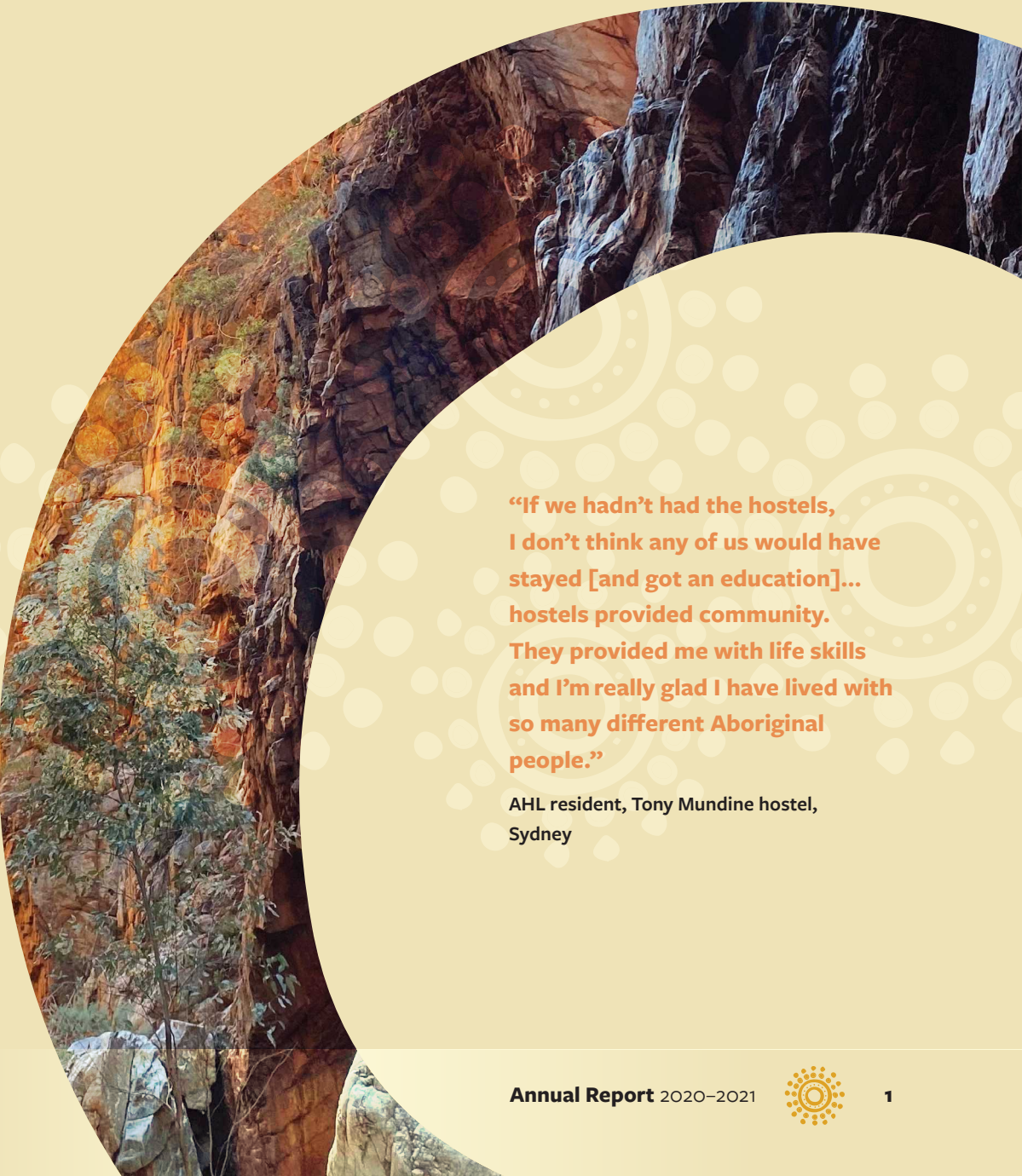
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ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE ARE ADVISED THAT THIS PUBLICATION MAY CONTAIN REFERENCES TO PEOPLE WHO HAVE PASSED AWAY.

ABORIGINAL HOSTELS LIMITED

Annual Report

2020-21



**“If we hadn’t had the hostels,
I don’t think any of us would have
stayed [and got an education]...
hostels provided community.
They provided me with life skills
and I’m really glad I have lived with
so many different Aboriginal
people.”**

AHL resident, Tony Mundine hostel,
Sydney



Letter of transmittal



Australian Government
Aboriginal Hostels Limited



28 September 2021

The Hon. Ken Wyatt AM MP
Minister for Indigenous Australians
Parliament House
CANBERRA ACT 2600

Dear Minister

On behalf of the Board of Aboriginal Hostels Limited (AHL), I am pleased to submit our Annual Report for the financial year ended 30 June 2021.

The report was prepared in accordance with section 97 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and Chapter 2M of the *Corporations Act 2001*. Under section 97 of the PGPA Act, AHL is required to provide you with a copy of its Annual Report, which includes its Financial Report, Director's Report and the Independent Auditor's Report.

The Annual Report and the audited Financial Statements were approved in accordance with a resolution of the AHL Board of Directors on 28 September 2021.

AHL provides accommodation through a national network of facilities for Aboriginal and Torres Strait Islander people who are travelling, relocating or who need to be away from home to access services and economic opportunities. This report covers those activities for the 2020-21 financial year.

I commend this report to you as a record of AHL's achievements and compliance.

Your sincerely

Anthony Ashby
Chairperson
Aboriginal Hostels Limited



Guide to the report

This Annual Report describes the management and performance of Aboriginal Hostels Limited (AHL) for the financial year from 1 July 2020 to 30 June 2021.

It fulfils the reporting requirements set out in legislation, including the *Corporations Act 2001* and the *Public Governance, Performance and Accountability Act 2013*, and performance measures set out in the Australian Government Portfolio Budget Statements.

The report is in four parts:

- **Overview** includes messages from the Chairperson and the Chief Executive Officer (CEO), and describes AHL's purpose and service network.
- **Performance** sets out AHL's planning and reporting framework, and reports on AHL's performance against its Budget performance measures and strategic goals in 2020–21.
- **Organisation** describes the structure, governance and people that determine AHL's strategic direction, accountability and operational outcomes.
- **Financial Report** presents the Directors' Report and Financial Statements for 2020–21.

AHL's current and previous Annual Reports are available on AHL's website, ahl.gov.au.

For more information, or to comment on this Annual Report, please contact AHL by email at executive@ahl.gov.au or by telephone on 02 6212 2001.

Aboriginal Hostels Limited acknowledges the Traditional Owners and Custodians of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to Aboriginal and Torres Strait Islander people and cultures, and we pay our respects to Elders past, present and emerging.



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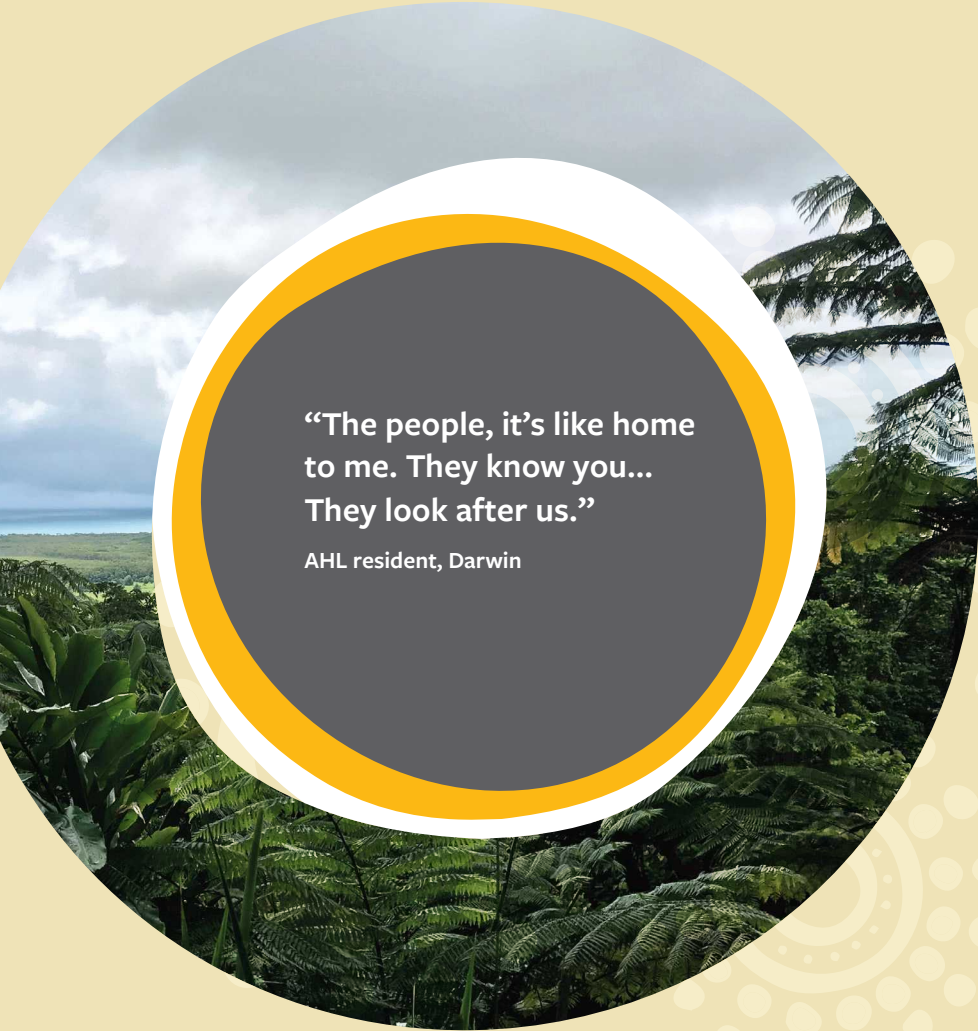
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“The people, it’s like home
to me. They know you...
They look after us.”

AHL resident, Darwin



Overview



Overview

Message from the Chairperson



Despite the challenges of the past year, AHL has been able to maintain service continuity, while supporting the safety of our residents and employees. I am pleased that we have been able to continue to deliver on our mandate to provide safe, culturally appropriate, affordable accommodation for Indigenous Australians who need to be away from home to access services and economic opportunities.

Throughout the year, AHL has also continued to pay attention to the economic inclusion aspect of our work. We have contributed to the Indigenous economy by purchasing goods and services from Indigenous businesses and by being one of the largest employers of Indigenous Australians in the Australian Public Service.

Working in close collaboration with others has always been part of AHL's ethos and was a focus throughout 2020-21. This work on maximising our partnerships and engagement will continue, and will be complemented by efforts to improve our service offering and maintain robust, effective governance.

The Australian Government's priorities for Aboriginal and Torres Strait Islander people include working in partnership to realise improved employment, education and health outcomes. AHL, through the provision of accommodation, supports improved access to employment, education and health services in place-based settings across Australia. AHL looks forward to continuing to play a practical and valuable role in delivering on the Government's vision for Indigenous Australians in the coming year.

A handwritten signature in black ink that reads "Anthony Ashby". The signature is written in a cursive, flowing style.

Anthony Ashby
Chairperson



Message from the CEO



As detailed in the 2020-21 Corporate Plan, in the past year we had a range of strategic and operational priorities for the Company to deliver. The year was not without its challenges, and I am satisfied with the progress we have been able to make. Ensuring resident-focused accommodation services was of particular importance, in order to maximise asset utilisation and assist with increasing tariff revenue.

I am pleased to report that in 2020-21, we were able to achieve a 70 per cent occupancy rate across the hostel network and our hostel accommodation revenue met our budget target.

We have also been able to meet our resident satisfaction goals, and successfully roll out our hostel facilities improvement program, including capital upgrades, painting programs and solar panel installations, which will support our environmental and fiscal sustainability.

As I acknowledged when I assumed the CEO role in March 2020, AHL needs to remain responsive to an increasingly difficult operating environment and financial outlook. That journey continues and the Board has worked diligently on setting and implementing a sustainability agenda. The focus remains on strengthening the business model and making decisions that best support the Company's long term financial viability.

Our important work on attracting and retaining talented Aboriginal and Torres Strait Islander employees continues. While we are well above the APS average here, we have set ambitious targets for our organisation and we continue to work towards these.

Lastly, supporting the wellbeing of our greatest asset – our people – remains a focus. On the occasions that I am able to travel across the hostel network, I am always pleased to observe the commitment of our employees. It is this dedication which enables AHL to deliver on our important mandate – to facilitate greater access to services, education and economic opportunities for Indigenous Australians, through culturally appropriate accommodation.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Dave Chalmers AO, CSC
Chief Executive Officer



2020-21 at a Glance

AHL's day to day work throughout the year represented practical and tangible efforts towards addressing priorities identified in the National Agreement on Closing the Gap.

People can secure appropriate, affordable housing that is aligned with their priorities and need

In 2020-21, AHL provided safe, culturally appropriate accommodation for those who needed it most.

- **17,827** residents were accommodated in 45 hostels.
- **100%** of medical hostels continued to accept residents accessing medical services even during COVID-19 lockdown periods. While adjustments were made (in support of COVID-19 safety requirements), no hostels closed due to COVID-19, ensuring that Aboriginal and Torres Strait Islander people continued to have safe and affordable accommodation options.
- The targeted occupancy rate of **70%** was achieved.
- Results from AHL's Resident Satisfaction Survey showed that **78%** of residents rated their overall experience staying with AHL as either 'good' or 'excellent'.

Strong economic participation and development of people and their communities

In 2020-21, AHL supported the Indigenous economy through employment opportunities and investment in Indigenous businesses, creating flow-on benefits to families and communities.

- AHL is proud to be one of the largest employers of Indigenous Australians in the Australian Public Service, with Aboriginal and Torres Strait Islander employees comprising **50%** of our workforce.
- In 2020-21, the Company spent **over \$2.8m** on goods and services from Indigenous businesses, which represents an overall percentage of 16% of AHL's total expenditure.

Youth are engaged in employment or education

In 2020-21, AHL provided a secure base from which young people could access education opportunities.

- Education is key to advancing the independence of current and future generations of Indigenous young people and AHL proudly supported **15** students to graduate from Year 12 in 2020.
- Crucially, AHL supported students to remain actively engaged in their schooling:
 - **100%** of secondary education hostels achieved or exceeded the average Indigenous student school attendance rates relevant to their locality in 2020-21.
 - **Three** secondary education hostels achieved or exceeded the non-Indigenous national average school attendance rates in 2020-21.
- **225** students stayed in our secondary education hostels, and accessed education opportunities.
- **90** students stayed in our tertiary hostels, to access tertiary education, employment and training opportunities.



Everyone enjoys long and healthy lives

In 2020-21, AHL supported the health and safety of a diverse group of Aboriginal and Torres Strait Islander people - the age of our residents ranged from a few days old to 94 years old. Resident feedback highlighted the benefits of staying at a hostel in terms of being able to save money, have access to services and undergo medical treatment that is close to home, community, friends and family.

- AHL provided accommodation for **4,335** people in medical hostels who were receiving treatment for a variety of health conditions.
- Access to regular, healthy meals is important and over **53,000** meals were offered to residents in 2020-21.



About AHL

AHL is a not-for-profit Company wholly owned by the Australian Government, with an independent non-executive Board of Directors.

Since 1973, AHL has worked to provide accommodation through a national network of facilities for Aboriginal and Torres Strait Islander people who are travelling, relocating or who need to be away from home to access services and economic opportunities.

Residents are charged a tariff that is affordable for recipients of Australian Government income support. Through an annual appropriation, the Australian Government provides funds to cover the gap between tariff income and the cost of providing hostel services.

AHL is proud to be one of the largest employers of Indigenous Australians in the Australian Public Service.

AHL's purpose

AHL's purpose is to provide safe, culturally appropriate and affordable short-term accommodation for Indigenous Australians who need to be away from home to access medical services, education and economic opportunities.

AHL's services

Across a national network of hostels, AHL provides accommodation and meals to Aboriginal and Torres Strait Islander residents. Through strong relationships with local Indigenous service providers and referral agencies, AHL works in partnership to maximise the use of our facilities. AHL is increasingly committed to working with partners to improve accommodation offerings and to better meet the needs of residents. AHL's hostel network is segmented into three service categories: multipurpose; education; and health/medical.

Multipurpose

21 facilities, 1,083 beds, 65% of capacity

Multipurpose hostels provide accommodation in towns and cities for individuals and families awaiting housing, seeking employment or meeting general business and other commitments away from their homes and communities.

Multipurpose hostels generally provide short-stay accommodation, but some residents stay for a longer period until they are able to access long-term accommodation elsewhere.

“Here I have a safe place to stay... The kids can still go to school, and we are close to the city.”

AHL resident, Iris Clay hostel, Townsville

“AHL provides an invaluable service for Aboriginal and Torres Strait Islander people who need accommodation away from home.”

The Hon. Ken Wyatt, Minister for Indigenous Australians



Education

12 facilities, 242 beds, 14% of capacity

Secondary education hostels provide a safe, comfortable environment for students while they attend high school to pursue their educational goals, including the Year 12 certificate and transition to higher education, training and employment.

ABSTUDY assistance is available to help with the cost of secondary education hostel accommodation.

AHL also provides accommodation for Indigenous students who undertake higher education and training — opening doors to degrees, diplomas and employment opportunities.

“It was challenging being away from home... but the staff at the hostel made it feel like home.”

AHL student, Grey St hostel, Dubbo

Health / Medical

12 facilities, 356 beds, 21% of capacity

Health and medical hostels cater for Indigenous people who need to be away from home to access medical treatment, including renal dialysis and antenatal or postnatal care for mothers and babies.

Financial assistance and help with transport are available through state and territory Patient-Assisted Travel Schemes.

“I am a renal patient... I leave at 6am each morning for renal treatment. I get breakfast and lunch when I get back at midday. I have family and friends. My son comes over with his partner and family to visit me. I can also go on the weekend to Ali Curung to see my family and spend time with them.”

AHL resident, Wangkana Kari hostel, Tennant Creek



AHL's network

AHL's network covers locations of greatest need, so that Aboriginal and Torres Strait Islander Australians in urban, regional and remote communities can access services in the areas of education, training, employment and health.

AHL's services are managed by its National Office in Canberra, working closely with colleagues on the ground to deliver services through its network of accommodation facilities.

In 2020-21, only 15% of our workforce was based in our National Office, which reflects business efficiency and low administrative overheads, with the vast majority of our employees engaged in front line service delivery.

For some of our residents, AHL's extensive national footprint means that there are accommodation options available closer to community and Country.

“I came here last year when I was sick. Before, I was in Alice Springs for renal treatment staying with my daughter. It was a long way from Ali Curung. I like staying here.”

AHL resident, Wangkana Kari hostel,
Tennant Creek

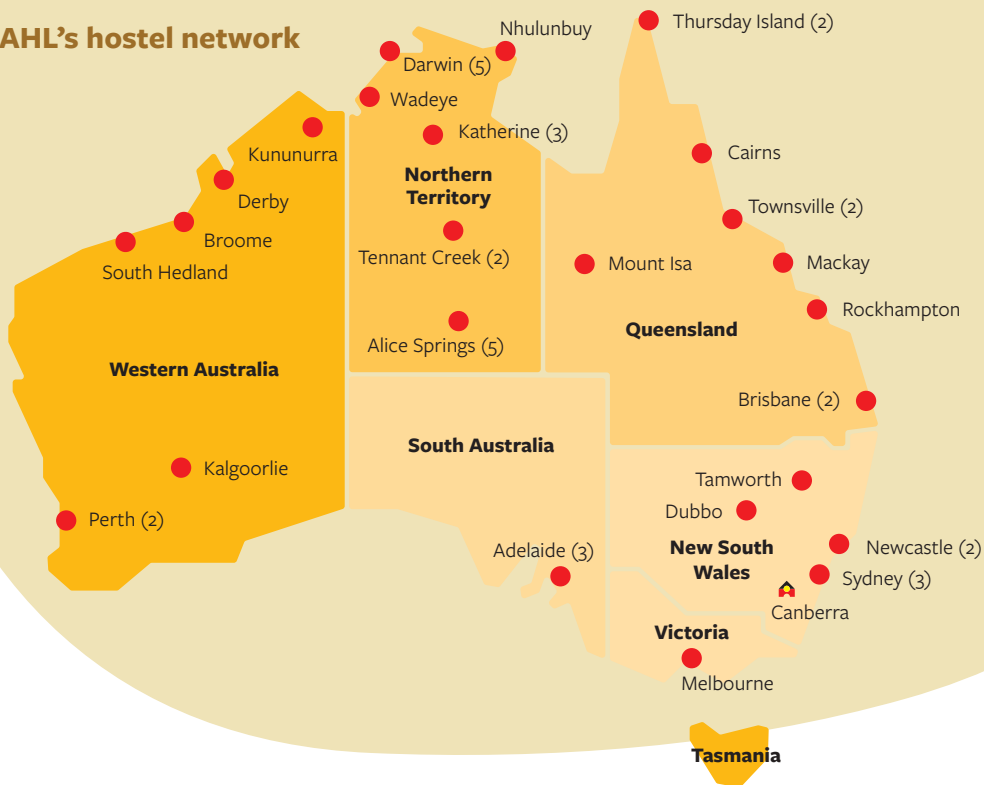
“I am happy to be... so close to Homelands and Country.”

AHL resident, South Hedland
hostel



Figure 1: Service delivery network at 30 June 2021

AHL's hostel network



Northern Territory (NT) Darwin

- Daisy Yarmirr Hostel
- Galawu Hostel
- Silas Roberts Hostel
- Gudang Dalba Hostel
- Nagandji Nagandji-Ba Hostel

Wadeye

- Kardu Darrikardu
- Numida Hostel

Alice Springs

- Apmere Mwerre Visitor Park
- Ayiparinya Hostel
- Topsy Smith Hostel
- Sid Ross Hostel
- Alyerre Hostel

Tennant Creek

- Wangkana Kari Hostel
- Tennant Creek Secondary

Katherine

- Katherine Women's Medical Hostel
- Corroboree Hostel
- Fordimail Student Hostel

Nhulunbuy

- Nhulunbuy Hostel

Western Australia (WA) Kununurra

- Kununurra Hostel

Derby

- Kabayji Booroo Hostel

Broome

- Broome Hostel

South Hedland

- South Hedland Hostel

Kalgoorlie

- Trilby Cooper Hostel

Perth

- Allawah Grove Hostel
- Derbal Bidjar Hostel

Queensland (QLD)

Thursday Island

- Jumula Dubbins Hostel
- Canon Boggo Pilot Hostel

Cairns

- Kuiyam Hostel

Townsville

- Iris Clay Hostel
- Tonky Logan Hostel

Mackay

- Mackay Hostel

Mt Isa

- Kabalulumana Hostel

Rockhampton

- Neville Bonner Hostel

Brisbane

- Yumba Hostel
- Elley Bennet Hostel

New South Wales (NSW)

Tamworth

- Tamworth Hostel

Dubbo

- Grey Street Hostel

Newcastle

- Durungaling Hostel
- Kirinari Newcastle Hostel

Sydney

- Tony Mundine Hostel
- Biala Hostel
- Kirinari Sylvania Hostel

Victoria (VIC)

- William T Onus Hostel

South Australia (SA)

Adelaide

- Luprina Hostel
- Nindee Hostel
- Mulgunya Hostel

Canberra (ACT)

- AHL National Office



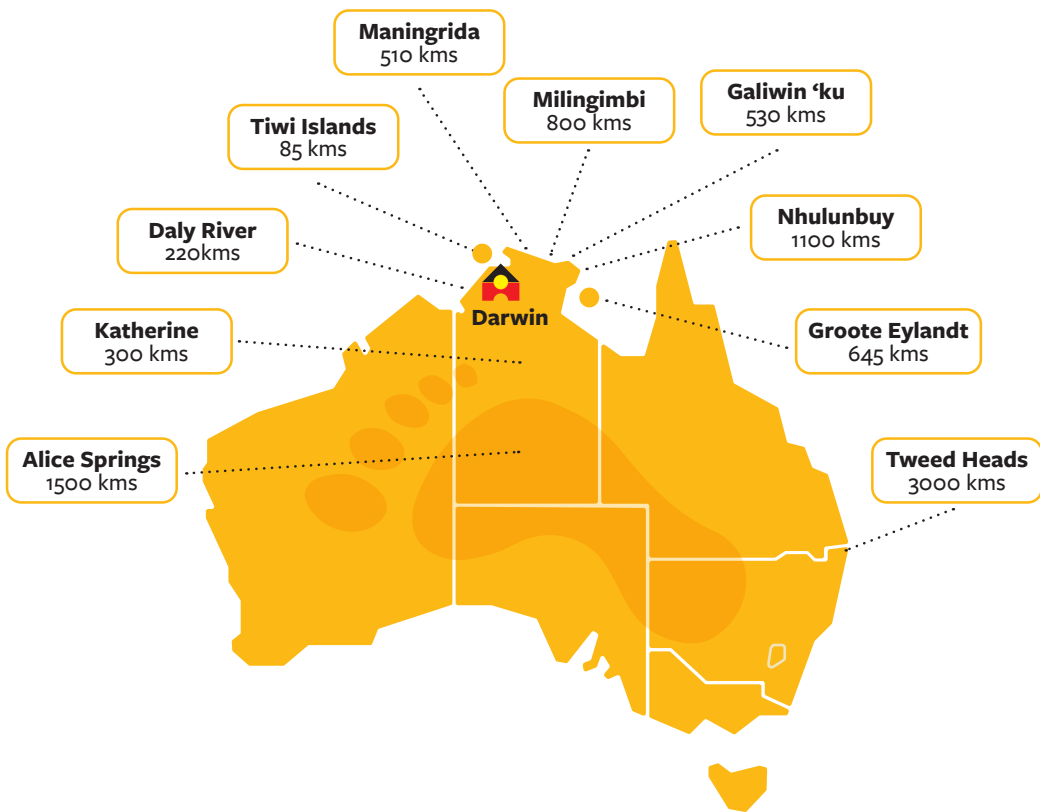
AHL's Hostels: A place to stay, for those from near and far

AHL's network spans across Australia and each hostel takes in residents from diverse communities, near and far. Each hostel has a unique guest footprint.

A survey of residents staying in hostels in Darwin on a single day (Figure 2) showed a balance of residents who were local and those who had travelled to stay with us.

AHL is pleased that we can offer a place to stay for such a diversity of residents, including those from remote communities, who need to travel to access services not available where they call home.

Figure 2: Snapshot of Darwin guest footprint in a single day



Performance

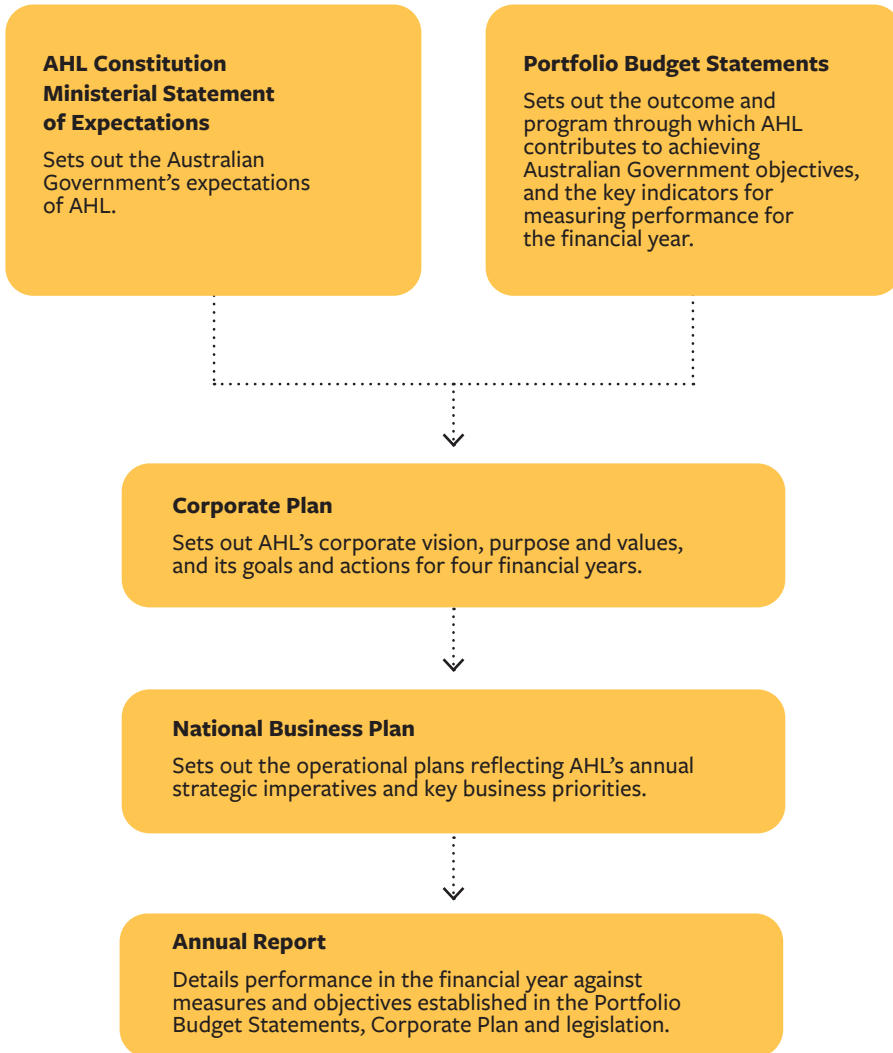


Performance

Planning and reporting framework

AHL's strategic planning and performance reporting framework guides the Company in meeting its objectives. In 2020-21, the central element of the framework was the 2020-2024 Corporate Plan, as shown in Figure 3 below.

Figure 3: Planning and reporting framework in 2020-21



In 2020–21, AHL contributed to the Indigenous Affairs objectives of the Prime Minister and Cabinet portfolio under Outcome 1, as set out in the Portfolio Budget Statement (Figure 4). AHL contributed to improved access to medical services, education and economic opportunities for Indigenous Australians through its accommodation services.

Figure 4: Portfolio Budget Statements outcomes and program in 2020–21

Aboriginal Hostels Limited	Outcome 1 Improved access to education, employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating, through the operation of temporary hostel accommodation services.
	Program 1.1 Company Operated Hostels — Objective: To provide temporary accommodation for Indigenous Australians who must live away from home to access services and economic opportunities.
	Performance measure Occupancy level as a percentage of resident bed nights available per annum (target: 70%).

“I had nowhere to go ...
 I knew a person who worked here,
 and I rang up to see about staying
 here. I now have a fulltime job and
 am waiting for a house. This is
 much better...”

AHL Resident, Silas Roberts hostel, Darwin



Accommodation services

Performance measures

Government priorities for Indigenous Australians

To improve access to services and opportunities, through the provision of well run and well utilised accommodation services. The measurement here includes occupancy level as a percentage of resident bed nights available per annum (target: 70%).

AHL Corporate Plan

- Minimum 70% occupancy rate
- Number of residents accommodated (measured as unique occasions of stay)
- Minimum 80% resident satisfaction

Achievements in 2020-21

AHL continued to offer Aboriginal and Torres Strait Islander people a safe and affordable accommodation and meal service throughout the COVID-19 pandemic. Occupancy across the year was 70%.

AHL was vigilant in meeting COVID-19 requirements and responsively adjusted the service offering as necessary to meet COVID-19 safety obligations.

Over 365,000 bed nights were filled throughout the year, with most residents (66%) staying in the multipurpose hostels. Occupancy in AHL's 12 health hostels was 76% for the year, indicating the continued high demand for accommodation for Aboriginal and Torres Strait Islander people accessing health services.

There was a strong demand for secondary education hostel accommodation with most hostels experiencing high occupancy levels during the school term, despite some students being impacted by COVID-19 concerns. A total of 225 students stayed in secondary education hostels during the reporting period.

AHL was pleased that we were able to achieve a resident satisfaction rating of 78% in our survey for 2020-21. This survey was conducted by an Indigenous consultant, who engaged with residents across several hostel segments and locations. The feedback provided valuable insights for the Company into the needs and priorities of our residents. The consultation also offered reassurance to us that we are on the right track, with many residents noting that the hostels provided them with a safe and quiet place from which to access healthcare, education and other services.



Tables 1-3 illustrate occupancy rates and beds available in 2020–21.

Table 1: How we performed in 2020–21 overall

Performance measure	Available bed nights	Occupied bed nights	PBS target occupancy	Actual occupancy
Occupancy level as a % of resident bed nights available	520,069	365,544	70%	70.3%

Table 2: How we performed, by hostel type, in 2020–21

Accommodation category	Occupancy %
Health & medical	76%
Multipurpose	72%
Secondary education	57%
Tertiary education & training	39%

Table 3: Where our beds were in 2020–21 (by the type of hostel, state/territory and location category).

Distribution category	Available bed nights
Type of accommodation	
Health	121,420
Multipurpose	333,668
Secondary education	43,174
Tertiary education & training	21,807
Total	520,069
Location by state/territory	
Queensland	134,334
New South Wales	36,337
South Australia	16,925
Northern Territory	256,644
Victoria	5,501
Western Australia	70,328
Total	520,069
Location by remoteness	
Regional	162,638
Remote or very remote	258,258
Urban	99,173
Total	520,069



Support for Indigenous advancement

Education and school attendance

Performance measures

Government priorities for Indigenous Australians

AHL contributes to Closing the Gap targets for young Indigenous Australians, by providing accommodation services that contribute to:

- Improving health outcomes
- Supporting students to achieve their full learning potential
- Supporting students to reach their full potential through further education pathways and supporting youth engagement in employment and education

AHL Corporate Plan

- Increase in secondary student enrolments (measured as occupancy rate)
- Increase retention rates across the school year
- Number of children staying in multipurpose facilities (and attending school)

Achievements in 2020-21

AHL provided a home away from home for 225 secondary education students in 2020-21.

Secondary education hostels worked closely with a range of stakeholders to support students to access health services, out of school activities, including sporting and cultural activities, tutoring and mentoring support. AHL supported 15 Aboriginal and Torres Strait Islander students to graduate from Year 12 in 2020.

All Year 12 students either gained their completion certificate or moved into vocational, education and training programs to gain qualifications for employment.

AHL's secondary education hostels met or exceeded national Indigenous student school attendance averages during the reporting period.

Around 1,000 school aged children stayed at AHL's multipurpose hostels for more than a week during the reporting period. AHL's Conditions of Stay require children to attend school when residing in an AHL hostel for more than one week.

“I still think of my life at the hostel and how it played such a significant role in my life. My sister went there when I left, so that’s part of that history as well.”

AHL resident, Durungaling hostel, Newcastle



Improved access to opportunities

Performance measures

Government priorities for Indigenous Australians

Improving access to education, employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating through the operation of hostel accommodation services

AHL Corporate Plan

- Maintain agreements in areas of high accommodation need, including in the Northern Territory

Achievements in 2020-21

The Australian Government's priorities for Aboriginal and Torres Strait Islander people include working in partnership to realise improved employment, education and health outcomes.

AHL, through the provision of accommodation, supports access to services and opportunities in a range of locations across Australia.

Wangkana Kari, Tennant Creek (NT)

In Warumungu, Wangkana Kari means *Crow Dreaming*

Despite the impacts of COVID-19 in 2020-21, AHL has been able to provide service continuity (with necessary adjustments) at Wangkana Kari hostel in Tennant Creek. AHL's efforts at this hostel are an example of where we have worked in partnership with stakeholders to provide a service in a high need area.

AHL is one of a number of stakeholders involved in the Barkly Regional Deal. The initiative demonstrates the benefits of the three levels of government and local communities coming together to respond to challenges, and unlock opportunities.

In 2020-21, the facility was well utilised, with 9,869 occupied bed nights and an occupancy rate of 79%. As these figures attest, Wangkana Kari continued to meet high demand for homelessness and medical accommodation in Tennant Creek, supported by a comprehensive service agreement with local support agencies.

An Impact Evaluation Study from this period found that many residents recognised the importance of having an affordable accommodation choice which allowed them to keep a job, visit family and be close to support networks. The Study also found that AHL has been effective in providing safe, alternative accommodation, including for residents who are undergoing renal or medical treatment. Service providers reported seeing general improvements in their client's physical and mental health from staying at the hostel. This work to maximise continuity of care through service provider linkages will continue.



Galawu, Darwin (NT)

In Gapapuygy, Galawu means a *place of shelter*

In 2019, AHL entered into an agreement with the Northern Territory Government to support further transitional housing opportunities for Aboriginal men, women and children who were experiencing homelessness in Darwin. The project ended in March 2021 and was a success, with available beds well utilised. AHL strengthened links with stakeholders, including the City of Darwin and Indigenous referral agencies such as Danila Dilba Health Service and Larrakia Nation. AHL remains committed to working with stakeholders to alleviate local pressures.



Business efficiency and sustainable asset management

AHL priorities

Setting and implementing a sustainability agenda, with a focus on efficient practise and decisions that best support the Company’s long-term financial viability

Performance measures

AHL Corporate Plan

- Support business efficiency through improved Work Health and Safety indicators
- Support sustainable asset management through continued implementation of Strategic Asset Management Plans
- Support business efficiency through continued implementation of the Information and Communication Technology (ICT) Strategy, designed to modernise and strengthen the IT operating environment

Achievements in 2020-21

The Company’s sustainability agenda is starting to deliver results and we were pleased that our hostel accommodation revenue exceeded budget in 2020-21 despite the impacts of COVID-19. We were also able to commence the roll out of our hostel facilities improvement program, which included capital upgrades, painting programs, installation of a lift at Silas Roberts hostel and solar panel installations, which will support ongoing environmental and fiscal sustainability.



Table 4 outlines key activities in 2020-21 supporting improved business efficiency and sustainable asset management objectives.

Table 4: Business efficiency and asset management initiatives, 2020-21

Objective	Activity
Improved Work Health and Safety (WHS) indicators	<p>In accordance with the WHS Plan 2020-21, the following activities were undertaken:</p> <ul style="list-style-type: none"> ● Through the WHS Compliance and Outreach Program, the WHS team undertook an extensive audit of hostels and conducted a number of engagement activities. These aimed to ensure that rehabilitation management systems were properly implemented, working environments were safe and WHS expertise was shared through the delivery of training on Managing Aggression in the Workplace. While COVID-19 affected planned face to face engagements, the WHS team were able to safely visit 13 hostels in 2020-21 across Sydney, Darwin and Alice Springs. ● The benefits of accessing the Employee Assistance Program (EAP) were promoted to employees throughout 2020-21. Aware of the potential impacts of COVID-19 on mental health and wellbeing, AHL made a continued effort to remind employees that this service was available, including the expertise of a specialist Aboriginal and Torres Strait Islander counsellor. Throughout 2020-21 the utilisation rate of employees accessing the program increased from 5% to 7.1%, which represents the highest recorded rate achieved over the past five years. An increase in the number of cases involving employees requesting assistance for personal matters may be indicative of the effects of sustained COVID-19 restrictions on mental health and wellbeing. ● Conscious of the extensive benefits of early intervention, AHL continued efforts to support employees in a timely manner. Over 2020-21, there were eight cases of workplace injuries that required medical treatment and all received treatment within 48 hours. In addition, the WHS team continued to review files to ensure that employees were being supported across the network in a consistent and timely way.
Continued implementation of Strategic Asset Management Plans	<p>A comprehensive Strategic Asset Management Plan was implemented in 2020-21 which provided direction to effectively manage AHL’s network of assets across Australia. The Plan ensures AHL operates and maintains hostel facilities in the most cost-effective manner, while maintaining fit-for-purpose facilities to meet resident requirements.</p>
Continued implementation of ICT Strategy	<p>Significant new measures were put in place to improve AHL’s ICT infrastructure, security and user experience, including:</p> <ul style="list-style-type: none"> ● implementation of enhanced security measures across all systems; ● upgrades to hostel network data links; ● completion of upgrades to back-end systems, software platforms and desktop equipment; ● transition to a managed Secure Internet Gateway provider; and ● transition to a managed service provider for ICT operations.



Financial Summary

This section provides an overview of AHL's income and expenditure in 2020-21. The audited Financial Statements are provided in Part 4 of the Annual Report.

Income

In 2020-21, of AHL's \$55.8 million operating income, 64% came from the Australian Government and 27% was generated through the tariffs collected from residents.

The remaining income comprised funding from the Australian Government and State and Territory governments to operate hostels on behalf of other agencies (8%) and interest and other income (1%).

Table 5 shows where AHL's income came from in 2020-21 and table 6 includes information from the previous two reporting periods for comparison.

Table 5: Sources of operating income, 2020-21

Source	\$m	Per cent
Australian Government appropriation	35.9	64%
Hostel accommodation revenue	15.0	27%
Other government funding ¹	4.5	8%
Interest and other	0.4	1%
Total operating income	55.8	100

¹ Operational grants received from the Northern Territory Government and Australian Government to operate hostels on their behalf.

Table 6: Operating income, 2018-19 to 2020-21 (\$m)

Source	2018-19	2019-20	2020-21
Australian Government – appropriation	36.3	36.2	35.9
Hostel accommodation revenue	14.8	13.8	15.0
Other government funding – Australian Government	0.9	1.7	2.4
Other government funding – State and Territory governments	2.8	2.3	2.1
Interest and other	0.6	0.7	0.4
Total	55.4	54.7	55.8



Expenditure

AHL's total operating expenses for 2020-21 were \$57.8 million, table 7 shows operating expenses by locations.

Table 7: Operating expenses by location, 2020-21

Location	\$m	Per cent
NSW	5.1	8.8%
VIC	0.8	1.4%
QLD	11.2	19.4%
WA	7.7	13.3%
SA	1.4	2.4%
ACT (National Office)	11.8	20.4%
NT	19.8	34.3%
Total	57.8	100%

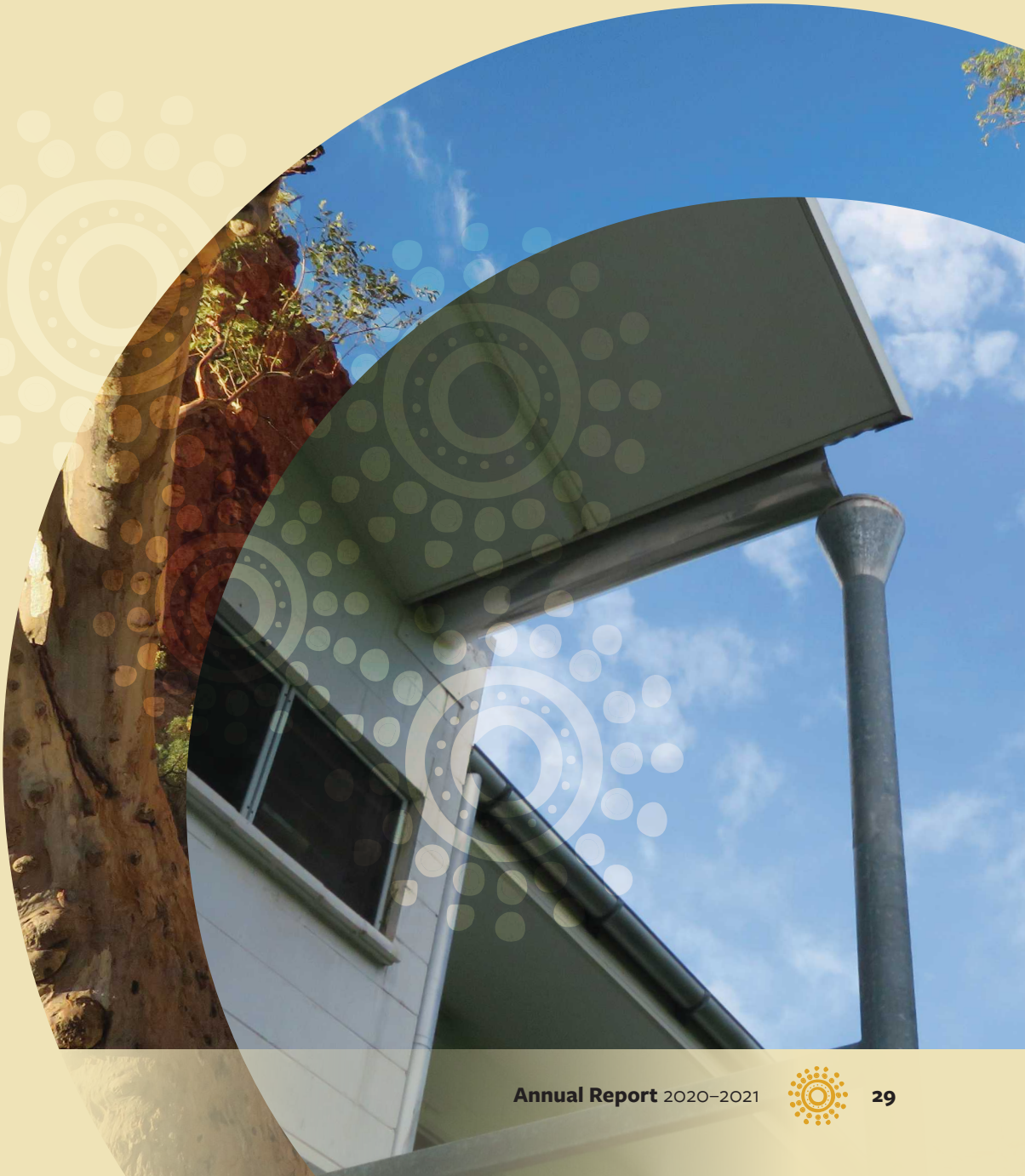
AHL's capital expenditure for 2020-21 was \$4.4 million, table 8 shows the expenditure by locations.

Table 8: Capital expenditure by location, 2020-21

Location	\$m	Per cent
NSW	0.6	13.6%
VIC	0.0	0.0%
QLD	1.1	25.0%
WA	0.4	9.1%
SA	0.2	4.5%
ACT (National Office)	0.5	11.4%
NT	1.6	36.4%
Total	4.4	100%

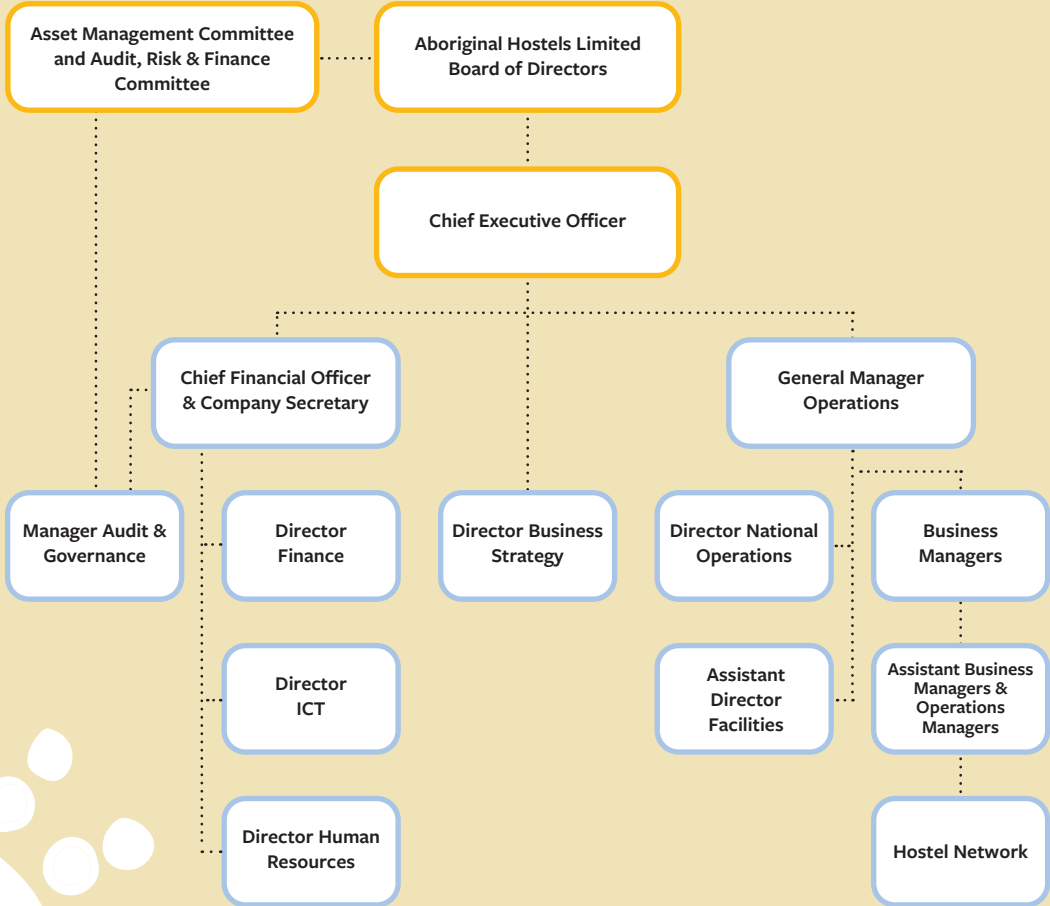


Organisation



Structure

Figure 5 shows the structure of the organisation at 30 June 2021.



Board

The Board of Directors is responsible for the overall corporate governance and successful operation of AHL and is accountable to the Minister for Indigenous Australians.

In carrying out its governance role, the Board ensures that AHL complies with its contractual, statutory and other legal obligations. The powers and duties of the Board are specified in AHL's Constitution and in relevant legislation.

Key accountabilities and matters reserved for the Board include:

- setting and reviewing objectives, goals and strategic direction and assessing performance against those benchmarks
- ensuring that AHL is financially sound and has appropriate financial reporting practices
- ensuring that a process is in place to maintain the integrity of internal controls, risk management, delegations of authority, and financial and management information systems
- appointing, supporting and evaluating the Chief Executive Officer (CEO)
- ensuring high business standards and ethical conduct, and fostering a culture of compliance and accountability
- reporting to the Minister on the Board's stewardship of AHL and monitoring its achievement against the Corporate Plan
- ensuring that AHL submits an Annual Report that is compliant with the *Public Governance, Performance and Accountability Act 2013*.

The Chairperson is responsible for ensuring that the Board receives accurate, timely and clear information to enable the Directors to analyse and constructively critique the performance of AHL and its management. The Chairperson is responsible for representing the Board to the Minister.

The Company Secretary is an ancillary role of the Chief Financial Officer (CFO), appointed by the CEO. The Company Secretary is responsible for developing and maintaining information systems that enable the Board to fulfil its role. The Company Secretary is also responsible for ensuring compliance with Board procedures and provides advice to the Board, through the Chairperson, on governance matters.

The Hon. Ken Wyatt, Minister for Indigenous Australians, with members of the AHL Board and Executive.



Executive

The Executive Management Team implements the Board's strategic direction and oversees governance in AHL's daily operations.

The key management personnel are:

Chief Executive Officer — Mr Dave Chalmers AO, CSC

Chief Financial Officer and Company Secretary — Mr Dermot Walsh FCPA, MAICD

General Manager Operations — Mr Bob Harvey PSM

Governance

AHL is accountable to the Australian community, through the Australian Parliament, for the effective delivery of its accommodation services and administration. AHL's governance framework is built on principles of accountability, leadership, executive instruction, quality control and duty of care for residents.

In 2020-21, as part of efforts to strengthen corporate governance, AHL undertook a process to review the Constitution. Some updates were subsequently proposed, and agreed by the Minister. AHL is confident that the current Constitution reflects best practise.

Legal Framework

AHL is a wholly owned Australian Government Company within the portfolio of the Prime Minister and Cabinet.

From 1 July 2020 to 30 June 2021, the Minister responsible for AHL was the Hon. Ken Wyatt AM MP, Minister for Indigenous Australians.

The Minister did not issue any directions to AHL, and AHL was not subject to any general government policy orders in 2020-21.

AHL complies with all relevant legislation, including but not limited to the:

- *Aboriginal and Torres Strait Islander Act 2005*
- *Archives Act 1983*
- *Auditor-General Act 1997*
- *Australian Charities and Not-for-profits Commission Act 2012*
- *Commonwealth Electoral Act 1918*
- *Corporations Act 2001*
- *Environment Protection and Biodiversity Conservation Act 1999*
- *Fair Work Act 2009*
- *Freedom of Information Act 1982*
- *Privacy Act 1988*
- *Public Governance, Performance and Accountability Act 2013*
- *Public Interest Disclosure Act 2013*



- *Public Service Act 1999*
- *Remuneration Tribunal Act 1973*
- *Safety, Rehabilitation and Compensation Act 1988*
- *Work Health and Safety Act 2011.*

Business Structure

AHL is a wholly owned Commonwealth Company limited by guarantee. It does not have any subsidiaries and is not a government business enterprise. The Australian Government, through the Minister, is the sole member of the Company.

AHL is incorporated under the *Corporations Act 2001*.

Internal control framework

The AHL Board is responsible for determining AHL's overall internal control framework and for reviewing its effectiveness, recognising that no cost-effective internal control system can prevent all errors and irregularities.

AHL's internal control processes are intended to provide reasonable assurance on:

- the effectiveness and efficiency of operations and programs;
- the reliability of financial reporting; and
- compliance with applicable laws and regulations.

Risk management

During 2020-21, AHL maintained its proactive approach to risk management through a comprehensive Enterprise Risk Management (ERM) Framework.

The ERM is embedded as a structured, consistent and continuous improvement process across AHL at the strategic and operational levels. It is applied to individual project areas to identify, assess, respond to and report on opportunities and threats that may affect the achievement of AHL's business objectives.

Risk tolerances are set at an appropriate level for the Company, with reference to AHL's Risk Management Plan. Within this framework, AHL's Risk Appetite Statement establishes the degree of risk exposure that the Company is willing to accept in pursuit of its goals.

Regular review mechanisms during 2020-21 included:

- the annual review of AHL's ERM Framework as part of the continual improvement process set out in AS ISO 31000:2018;
- quarterly reviews of AHL's Enterprise Risk Register by the Audit, Risk and Finance Committee;
- the annual full assessment of risks, controls and strategies by the Audit, Risk and Finance Committee, which was then presented to the Board;
- regular Board appraisal of mitigation strategies for significant risks; and
- a comprehensive internal audit program across all areas of the Company's business.



AHL's Enterprise Risk Framework was reviewed during 2020-21. The process included reviewing and updating AHL's Risk Management Plan and the Risk Appetite Statement. It also included examining and revising subsidiary risk registers to inform the Enterprise Risk Register update.

Active mitigation strategies were put in place against risks outside tolerance to ensure each is brought within tolerance, including:

- i Finance and Legal — Secondary student enrolments;
- ii Duty of Care — Children and Vulnerable persons at hostels;
- iii Finance and Legal — Procurement and Contract Management; and
- iv Infrastructure & IT — ICT security.

Fraud Risk Control

During the year, a 2020-22 Fraud Risk Control Plan and Fraud Risk Policy were reviewed and Fraud Awareness training was delivered to all National Office employees.

External scrutiny

No reports on AHL were made by the Auditor-General, parliamentary committees, the Commonwealth Ombudsman, the Office of the Australian Information Commissioner or the Australian Securities and Investments Commission during 2020-21.

In March 2020, AHL notified the Fair Work Ombudsman (FWO) that it had identified employee underpayments. Affected employees were also notified of the issue and provided advice on the steps being taken by AHL to remediate the underpayments. AHL also notified the Australian Taxation Office, the Community and Public Sector Union and the United Workers Union. Affected employees were covered under the Australian Public Service Enterprise Award 2015 and the Aboriginal Hostels Limited Enterprise Agreement 2017. In total, AHL has backpaid approximately 700 employees more than \$2.7 million, including interest and superannuation.

In June 2021, AHL entered into an Enforceable Undertaking (EU) with the FWO, which required AHL to display workplace and online notices detailing its workplace law breaches, apologise to employees, commission workplace relations training for relevant payroll and workplace relations employees and commission an independent organisation to operate a hotline for employees for 12 months.

AHL accepted the EU requirements and has met all 2020-21 requirements.

No judicial decisions or decisions of administrative tribunals made during 2020-21 significantly affected, or may significantly affect the operations of AHL.

The Australian National Audit Office (ANAO) audits the records and financial statements of AHL in accordance with the *Public Governance, Performance and Accountability Act 2013*. As part of the 2019-20 financial statement audit, the ANAO made a significant audit finding related to the governance arrangements of the Board in addition to human resources and procurement deficiencies. The ANAO recommended that AHL implement an improved governance framework, human resources policies and procurement policies to address the issues identified.



The Board, supported by the Audit, Risk and Finance Committee worked closely with management to address the issues raised by the ANAO, including the development of a comprehensive action plan. In this respect, reviews were completed of the AHL Constitution and delegations, the Board Charter, the Company Governance Framework, recruitment policies as well as delegations and the procurement framework.

This work was acknowledged by ANAO as part of the 2020-21 financial statements audit, where they tested measures put in place by management to address the weaknesses in corporate governance. In doing so, ANAO gained assurance that the measures were appropriately designed and effectively implemented. As a result, the ANAO confirmed that all open 2019-20 audit findings have now been resolved. ANAO have also advised that there were no new audit findings identified in the 2020-21 audit. This is a strong governance foundation for AHL to continue to build upon.

Ethical standards

Each AHL Director agrees to abide by the code of conduct in the Board's Governance Charter on:

- commitment and knowledge;
- conduct in Board meetings;
- confidentiality and collegiality; and
- relationship with management.

AHL employees are bound by standards of ethical behaviour communicated by the Australian Public Service values, Employment Principles and Code of Conduct. AHL promotes fraud awareness and ethical behaviour to all employees.

AHL's values and standards are embedded throughout all levels of the organisation as part of AHL's Cultural Statement, designed to foster a sense of pride and commitment in delivering services for Indigenous Australians:



Professional



Respectful



Open



Understanding



Dedicated



Ecologically sustainable development

Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* requires Australian Government agencies to report against the core criteria:

- how agencies accord with and contribute to ecologically sustainable development; and
- the impact of agencies' activities on the natural environment, how that impact is mitigated and how it will be further mitigated.

Table 9 details AHL's response to the criteria.

Table 9: Ecologically sustainable development activities

Reporting requirement	AHL response
How AHL accords with and contributes to the principles of ecologically sustainable development	<p>All newly built AHL hostels or improvements to hostels must meet minimum mandatory building requirements, as determined by the National Construction Code, in particular the Building Code of Australia. These minimum standards include statutory requirements around energy efficiency and sustainability with the requirement being to reduce carbon and greenhouse gas emissions.</p> <p>With each new development, AHL engages private consultants who assess the intended building's energy use (water, thermal performance and energy).</p> <p>AHL continues to focus on identifying and embedding better practice in the sustainable management of energy, water and waste.</p>
Activities that affect the environment	<p>AHL's core function — accommodation — consumes energy, water and materials, such as packaging, that contribute to landfill, pollution and greenhouse gas emissions. Energy is required to power AHL's offices and hostels and provide hot water, power for cooking and air conditioning.</p>
Measures taken to minimise the effect of activities on the environment	<p>During the reporting period AHL repaired, replaced or installed photovoltaic systems across 26 hostels and is continuing this program in 2021-22.</p> <p>AHL is in the process of replacing all incandescent light bulbs with LED bulbs.</p> <p>AHL encourages employees to adopt sustainable waste management practices, and educates residents in minimising energy use and following good recycling practices.</p> <p>Each time AHL conducts upgrade works or refurbishment projects, energy efficiency gains in the design and products chosen are considered to minimise environmental impacts.</p>
Mechanisms for reviewing and increasing the effectiveness of measures	<p>AHL regularly reviews energy usage with a view to identify areas of potential efficiency gains and financial benefits.</p>



People

Performance measures

AHL Corporate Plan

Workforce strategy performance measures:

- Meet target of 60% Indigenous employment
- Unscheduled leave in line with APS average
- Increased employee retention rates
- APS employee census results in line with comparator agencies

Work Health & Safety performance measure:

- Reduce / maintain Comcare premium in line with APS comparator agencies

Achievements in 2020-21

Workplace Diversity

AHL employees are integral to delivering safe, comfortable and culturally appropriate accommodation services to Aboriginal and Torres Strait Islander people. AHL strongly supports workplace diversity, recognising the value of the diverse knowledge, skills, backgrounds and perspectives that people bring to their work.

We continue to support a diverse and inclusive workplace and strive to provide a work environment for all employees to thrive and succeed through:

- creating an inclusive culture that celebrates diversity in our employees and residents;
- improved capability and performance through engagement of a variety of perspectives; and
- leadership that drives cultural change.



AHL's CEO celebrates NAIDOC Week (Healing Country) with AHL employees and guest Jenni Collard (Group Manager, Commonwealth Aboriginal & Torres Strait Islander Workforce Strategy, National Indigenous Australians Agency). Jenni is connected to the Gurindji people of the Northern Territory, the Wuthathi people of Cape York QLD, and the people of the Torres Strait Islands.



Employee headcount

(excluding casual employees)

345

2020-21

Ongoing **65%**
Non-ongoing **35%**

2019-20

Ongoing **31%**
Non-ongoing **69%**

2020-21 Engagements

124

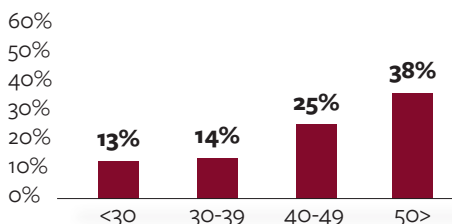
(-47 from June 2020)

2020-21 Separations

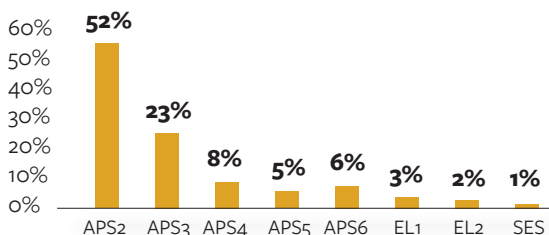
175

(-14 from June 2020)

Age



Classification



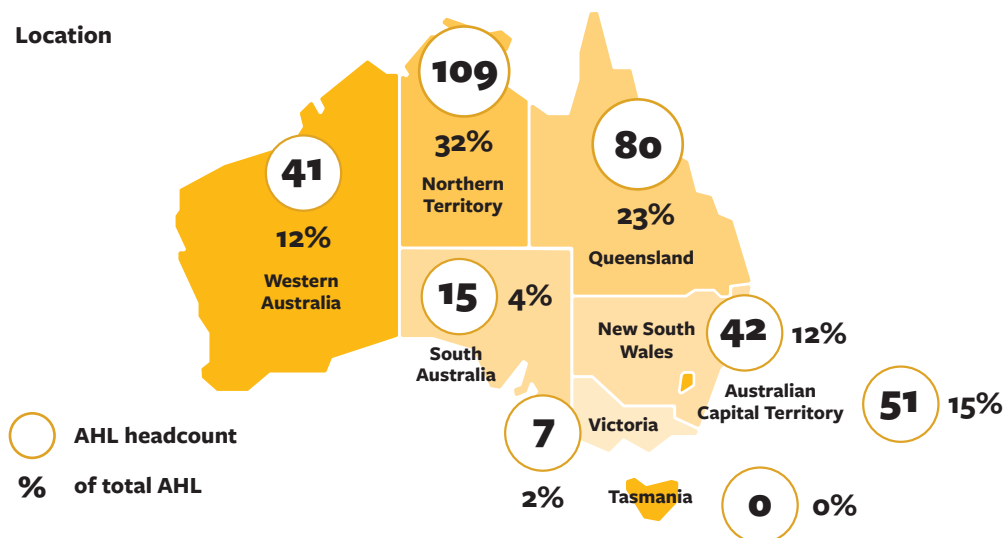
Diversity

Aboriginal & Torres Strait Islander **50%**
Disability **5.2%**
Female **60%**
Born overseas **19%**

Patterns of work

Full-time **79%**
Part-time **21%**

Location



Staff profile

AHL employed a total of 345 employees at 30 June 2021, comprising 273 full-time and 72 part-time employees.

AHL's staffing profile included strong representation of Aboriginal and Torres Strait Islander people, comprising 50% of the workforce. Women comprised 60% of the workforce.

During the 2020-21 financial year, AHL implemented strategies to stabilise its workforce including the ongoing engagement of more of its employees. During this period, 105 existing non-ongoing employees were appointed as ongoing employees and 38 existing ongoing employees were promoted to a higher classification. This resulted in an increase in the percentage of ongoing employees to 65%, compared to 31% in the previous reporting period.

The overall number of employees per State and Territory remained fairly consistent, with no significant change as at 30 June 2021, other than the shift from non-ongoing employees to ongoing employees.

Tables 10-14 show details of AHL's staffing as at 30 June 2021.

Table 10: Aboriginal and Torres Strait Islander employees

Aboriginal and Torres Strait Islander employees

Measure	Male	Female	Total
Number	54	118	172
Proportion of total workforce	16%	34%	50%

Table 11: All ongoing employees

Location	Male			Female			Indeterminate			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Indeterminate	
NSW	8	3	11	13	8	21	0	0	0	32
VIC	2	1	3	2	0	2	0	0	0	5
QLD	20	9	29	25	6	31	0	0	0	60
WA	8	1	9	14	3	17	0	0	0	26
SA	3	0	3	3	5	8	0	0	0	11
TAS	0	0	0	0	0	0	0	0	0	0
ACT	17	0	17	16	2	18	0	0	0	35
NT	21	2	23	26	6	32	0	0	0	55
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	79	16	95	99	30	129	0	0	0	224



Table 12: All non-ongoing employees

Location	Male			Female			Indeterminate			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Indeterminate	
NSW	5	1	6	2	2	4	0	0	0	10
VIC	1		1	1		1	0	0	0	2
QLD	3	1	4	8	8	16	0	0	0	20
WA	4	1	5	7	3	10	0	0	0	15
SA	0	0	0	3	1	4	0	0	0	4
TAS	0	0	0	0	0	0	0	0	0	0
ACT	10		10	5	1	6	0	0	0	16
NT	15	1	16	31	7	38	0	0	0	54
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	38	4	42	57	22	79	0	0	0	121

Note: Does not include casual employees

Table 13: All ongoing employees, previous reporting period

Location	Male			Female			Indeterminate			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Indeterminate	
NSW	3	1	4	5	3	8	0	0	0	12
VIC	2	0	2	0	0	0	0	0	0	2
QLD	6	1	7	13	3	16	0	0	0	23
WA	1	1	2	5	2	7	0	0	0	9
SA	3	0	3	3	2	5	0	0	0	8
TAS	0	0	0	0	0	0	0	0	0	0
ACT	13	0	13	7	2	9	0	0	0	22
NT	9	1	10	6	3	9	0	0	0	19
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	37	4	41	39	15	54	0	0	0	95

Note: Does not include casual employees



Table 14: All non-ongoing employees, previous reporting period

Location	Male			Female			Indeterminate			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total Indeterminate	
NSW	7	3	10	7	6	13	0	0	0	23
VIC	1	1	2	4	0	4	0	0	0	6
QLD	18	7	25	16	10	26	0	0	0	51
WA	6	0	6	22	3	25	0	0	0	31
SA	0	0	0	0	4	4	0	0	0	4
TAS	0	0	0	0	0	0	0	0	0	0
ACT	14	0	14	10	1	11	0	0	0	25
NT	29	1	30	30	11	41	0	0	0	71
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	75	12	87	89	35	124	0	0	0	211

Note: Does not include casual employees



Recruitment and retention

AHL made significant efforts to stabilise its workforce in 2020-21, with 209 new employees recruited. Of the 209 new engagements, 30 were ongoing, 94 were non-ongoing and 85 were irregular/intermittent (casual) employees.

Increasing employee retention, and actively supporting the development of employees, both in the National Office and in the network will be a continued focus for AHL.

Workforce Planning to increase our Aboriginal and Torres Strait Islander workforce

AHL's Indigenous Workforce Strategy 2020-21 (the Strategy) was developed to improve our ability to attract, develop and retain talented employees. We aspire for AHL to become an *employer of choice*, and the Strategy aims to increase AHL's Aboriginal and Torres Strait Islander workforce to 66% by the end of 2021. As a result, a number of initiatives were introduced, including:

- advertising vacancies under the Affirmative Measures – Indigenous employment scheme, to attract Aboriginal and Torres Strait Islander candidates;
- conducting local recruitment open days; and
- developing programs for intake of Indigenous candidates under entry level programs, including the Indigenous Graduate, Australian Indigenous Government Development and the AHL Traineeship programs.

Throughout 2020-21, AHL was pleased to welcome a further 93 Aboriginal and Torres Strait Islander employees to the organisation, assisting us towards meeting our ambitious recruitment targets.

AHL recognises that maximising Indigenous employment not only provides economic benefits but local employees make our hostels welcoming places for the local community and bring other benefits, including deep skills, knowledge and understanding.

Enterprise agreement

The AHL Enterprise Agreement (EA) 2017 expired on 27 July 2020. Due to the impacts of COVID-19 on travel and face-to-face meetings, AHL postponed the bargaining phase for a period of 12 months until early 2021. Eligible employees received a 2 per cent salary increase on 7 February 2021 through a section 24(1) Determination. AHL plans to commence bargaining with its employees and their representatives in the second half of 2021.

Learning and development

The AHL Learning and Development Strategy was developed to address capability gaps and to support the growth of capable leaders. In response to physical distancing requirements under the COVID-19 Management Plan and to continue to address skill deficiencies across the network, a number of Toolbox Talk training modules were developed for delivery to AHL employees. Overall, there were 997



attendees over the 2020-21 financial year, noting employees attended multiple training sessions, with training topics including:

- Protecting Children and Vulnerable People training and Critical Child Protection Incident training for employees in selected multipurpose hostels;
- Resilience, Dealing with Aggression, and Workplace Behaviours;
- Hazard Awareness, Work Health and Safety, and Injury Management; and
- ICT Security and Fraud Awareness.

Performance management

The performance management cycle in AHL commences each year on 1 August and concludes on 31 July with an annual review. In 2020-21 performance agreements were established with 92% of employees.

Unscheduled Absence

AHL's overall unscheduled absence rate for 2020-21 was an average of 15.6 days, a slight increase from 15.1 days from the 2019-20 financial year. While 2020-21 figures were affected by COVID-19 in a range of ways, AHL will continue to work with employees on promoting a strong attendance culture.

APS Employee Census

AHL participated in the APS Employee Census for the first time since 2018. The Census attracted a 34% response rate, which is lower than the APS overall rate of 77%. With 124 employees participating, the results in key areas were very positive.

The Census highlighted key areas where AHL exceeded the APS average including employee engagement, inclusion and innovation.

Further opportunities for development from Census feedback included a desire for increased promotion of wellbeing and support to employees, and better remuneration.



Work Health, Safety and Rehabilitation

Work Health and Safety (WHS)

COVID-19 continues to present a major WHS challenge for AHL due to:

- the primary risk from COVID-19 infections to the health of employees, residents (including those who are vulnerable), and others;
- the secondary risks of disruption to business operations, and the associated increased mental health impacts on employees, residents and others; and
- the complexity of managing COVID-19 in a complex environment with differing state and territory requirements.

During 2020-21, AHL has been responsive to ongoing evolving circumstances, and demonstrated its capacity to quickly assess, review and respond to escalating risk. Important activities undertaken to enable AHL to manage the safety of employees and residents throughout the pandemic included:

- the timely distribution of supplies and information across the hostel network, such as Personal Protective Equipment (PPE);
- participation in the COVID-19 Outbreak Northern Territory Preparedness Scenario in August 2020;
- the development and implementation of COVID-19 safe plans for each hostel and QR codes as needed;
- working with stakeholders, such as the National Aboriginal Community Controlled Health Organisation to distribute official information to residents and Aboriginal and Torres Strait Islander employees regarding COVID-19 vaccinations; and
- provision of permits to ensure employees could continue to provide services to residents during jurisdictional lockdowns.

Throughout 2020-21, we focussed on safety and quality assurance, with audits undertaken at 15 hostels to assess the implementation of the WHS management system with regard to COVID-19, WHS and food safety compliance. Residual current devices were installed across the hostel network on all power and light circuits to further protect residents and employees. In addition, an audit was conducted of first aid and emergency warden qualifications and coverage to ensure all hostels maintained optimal emergency management capabilities.

Rehabilitation

In early 2021, AHL worked with our Employee Assistance Provider 'Benestar' to better promote its services to Aboriginal and Torres Strait Islander employees. A key change to the service was enabling these employees to be able to seek assistance from an Aboriginal and Torres Strait Islander counsellor.

AHL continued its early intervention program by assisting employees to access timely medical assistance, improving the utilisation of the rehabilitation and early intervention system and improving processes and tools within the rehabilitation management system.

Increased awareness of the benefits of developing Mental Health First Aid capability in frontline employees will remain an ongoing focus aimed at improving AHL's response to mental health issues in both our employees and residents.



Comcare statistics

During 2020-21 there were seven worker's compensation claims accepted.

AHL continues to maintain proactive management of injury cases underpinned by robust early intervention, rehabilitation and claims management processes.

Table 15 provides a summary of notifiable incidents that occurred during the year, as required by the *Work Health and Safety Act 2011*. There were two investigations conducted by Comcare, one involving a gas leak and another relating to the passing of an elderly resident. In the latter case, it was found that the cause of death of the resident was not related to AHL.

Table 15: Work Health and Safety statistics, 2018-19 to 2020-21

Notifiable incident classification	2018-19	2019-20	2020-21
Death	0	0	1
Serious injury/ illness	1	1	1
Dangerous incident	3	6	8
Total	4	7	10



Commonwealth Child Safe Framework

AHL's Commitment to Child Safety

AHL places fundamental importance on the safety, welfare and wellbeing of children and young people staying in its accommodation facilities and has a well-established Child Protection Framework to help ensure that children are protected. AHL's framework emphasises that children, vulnerable and young people have the right to feel physically and psychologically safe at all times. Through regular monitoring and reporting AHL ensures continued compliance with the Commonwealth Child Safe Framework.

The organisation recognises that Indigenous children form one of the most vulnerable groups in society, and acknowledges that contact and working with children is a critical responsibility for all of its employees. AHL has a duty of care to ensure children and vulnerable and young people are protected from harm and that all of its employees meet their child protection obligations under the relevant state and territory jurisdiction legislation.

AHL employees regularly engage with children; as such, AHL recognises the risks inherent in the operations which may include forms of abuse and neglect. These are managed through our scheduled risk management framework. Mitigation strategies monitored in the risk assessments ensure employees (management and operational) take responsibility for keeping children safe.

AHL accommodates children across our hostel network including through secondary education boarding hostels. Employees and volunteers have direct involvement with young people on a daily basis and have an obligation to adhere to a code of behaviour and the Child Protection Framework. AHL is committed to employee participation in ongoing Child Protection training to ensure employees are equipped with skills in identifying and reporting instances of child abuse. Employees understand the importance of identifying and providing support and assistance to children who have been subject to or are at risk of abuse whilst working within a trauma informed approach. Strategies include ensuring all employees in the hostel network have working with children clearances and are informed of the three handbooks for hostel employees and families which make up AHL's Child Protection Framework. These guides help employees to understand the policies and procedures in place for protecting children and vulnerable people. Employees are also kept informed through ongoing 'Protecting Children and Vulnerable People' and 'Responding to Child Protection Critical Incidents' training which is provided by AHL's external Child Protection Advisor, who is also available for advice on a designated Child Protection phone number. AHL ensures physical spaces are safe for children and where children have access to online environments, these are also safe and age appropriate.

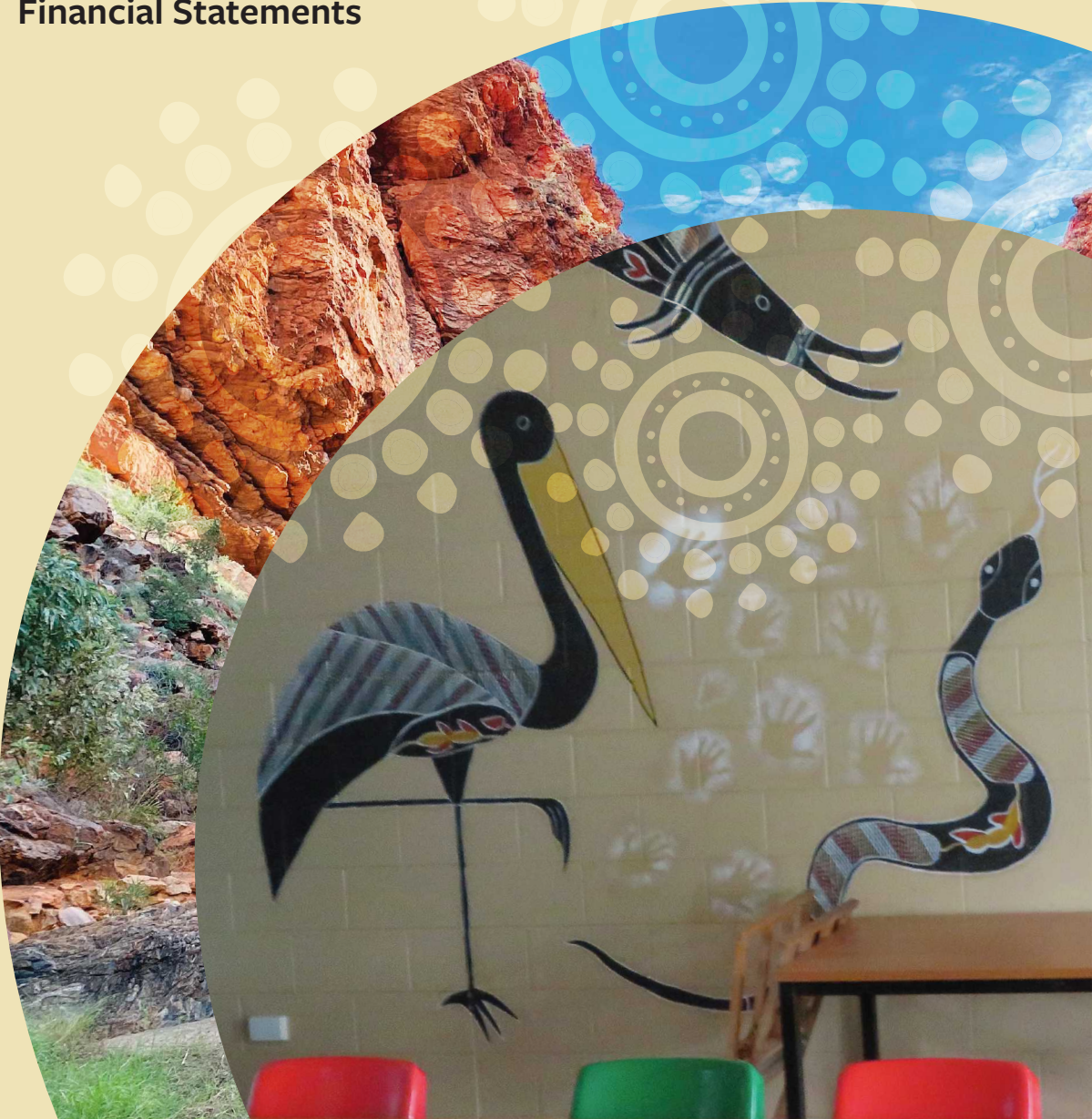
AHL has adopted the National Principles for Child Safe Organisations (National Principles) and continues to ensure policies and procedures underpinning our hostel operations are informed by the principles.

Child Protection and the prevention of child abuse is also a shared government and community responsibility. AHL recognises that the best interests of children under its care will be met by continuous collaboration and engagement with the expertise of relevant state and territory child protection agencies, government and non-government stakeholders and a range of service delivery providers. AHL works with relevant stakeholders, including the National Office for Child Safety within the Department of the Prime Minister and Cabinet to strengthen its commitment to providing a child safe culture.



Financial Report

Directors' Report
Financial Statements



Financial Report

Directors' Report

The Board of Directors presents its report on Aboriginal Hostels Limited for the financial year ended 30 June 2021.

Corporate information

AHL is a Company wholly owned by the Australian Government and is limited by guarantee. The registered office of the Company is located at 2-6 Shea Street, Phillip, ACT 2606.

AHL is recognised as a public benevolent institution by the Australian Taxation Office and has deductible gift recipient status.

Principal activities

The principal activity of the Company during 2020–21 was the operation of hostels for Aboriginal and Torres Strait Islander Australians.

The objectives of the Company are to provide or facilitate safe, comfortable, culturally appropriate and affordable accommodation for Indigenous Australians who need to be away from home to access services and economic opportunity.

To help achieve the objects of the Company, the Australian Government provides funding for the operating costs of the hostels.

AHL also enters into contracts with the Australian Government and State and Territory governments to operate their hostels on a fee-for-service basis.

Operating results

The operating result in 2020-21 was a \$1.970 million deficit (the result in 2019-20 was a deficit of \$3.179 million).

The reduction in the 2020-21 operating deficit from the previous year, was mainly due to:

- an increase in hostel accommodation revenue; and
- a reduction in administration expenses.



Financial position

The net assets of the Company at 30 June 2021 were valued at \$145.115 million, a marginal decrease from \$146.912 million in the previous financial year.

The Company continues to maintain a strong financial position with \$42.765 million in cash and cash equivalents at 30 June 2021.

Significant activities or changes in state of affairs

There were no significant changes in AHL's activities or state of affairs during the reporting period.

Significant events subsequent to reporting period

There were no significant events subsequent to the reporting period.

Board of Directors

At 30 June 2021, the AHL Board had eight members. Up to nine Directors may be appointed as prescribed by the AHL Constitution.

In 2020-21, the Board met five times; the Audit, Risk and Finance Committee met five times and the Asset Management Committee met four times.

The Board's extensive corporate governance experience has ensured that the 2020-21 objectives were pursued within an environment of accountability and transparency. This capability was complemented by the deep cultural expertise of Aboriginal and Torres Strait Islander Board members from across the country.

Directors' details

Table 16 outlines the details of the Directors in 2020-21.



Table 16: Details of Directors, 2020-21

Name	Qualifications of the Director	Experience of the Director	Period as the Director			
			Position	Date of Commencement	Date of cessation	Number of eligible meetings attended
Mr Anthony Ashby	Bachelor of Commerce (UNSW), Chartered Accountant, Registered Company Auditor, Certificate of Public Practice from Chartered Accountants Australia and New Zealand	Mr Ashby is a Gamilaraay-Yuwaalaraay man from north-western New South Wales. His current Board roles include a directorship of the Hunter New England Central Coast Primary Health Network Ltd. He is also an ex-officio member of the Supply Nation Audit and Risk Committee and Deputy Chair of the Board of Indigenous Business Australia.	Chairperson Non-executive Director	24/12/2019	17/09/2023	5/5
Deputy Chairperson 24/9/19 to 17/9/2020						
Dr Valerie Cooms	Bachelor of Arts (Hons) (ANU), Doctorate of Philosophy (ANU)	Dr Cooms belongs to the Nunukul people of North Stradbroke Island in Queensland. She worked as a full-time Member of the National Native Title Tribunal and has had many years' experience in government administration.	Deputy Chairperson Non-executive Director	02/09/2019	17/09/2023	4/5
Deputy Chairperson (from 18/9/2020)						
Mr Mike Allen PSM	Graduate Diploma in Urban Estate Management Member, Australian Institute of Company Directors Fellow, Institute of Public Administration Australia Life Member, Australasian Housing Institute	Former CEO of Housing NSW, with over 30 years' experience in social housing management and asset services, homelessness, and community and Aboriginal housing. Leader of major housing reforms, including the development of the National Regulatory System for Community Housing. Recipient of the Public Service Medal in recognition of his services to the community and strong commitment to the values and principles of social housing.	Non-executive Director Chair, Asset Management Committee	02/03/2016	01/06/2022	5/5



Table 16: Details of Directors, 2020-21

Name	Qualifications of the Director	Experience of the Director	Position	Period as the Director		
				Date of Commencement	Date of cessation	Number of eligible meetings attended
Mr Paul Allen Member, Asset Management Committee	Bachelor Commerce (Accounting), University of Canberra Graduate Diploma of Government Investigations, Member Australian Institute of Company Directors Fellow, Certified Practicing Accountants Professional Member of the Institute of Internal Auditors	Mr Allen is a founding Director of Callida Consulting and was previously a senior member of Oakton Ltd. Canberra office, a partner with Acumen Alliance, and has over 14 years' experience with the Australian Federal Police in a variety of financial and audit positions.	Non-executive Director	06/05/2020	05/05/2023	5/5
Prof. MaryAnn Bin-Sallik AO	Doctor of Education (Harvard)	Internationally recognised pioneer of Indigenous higher education in Australia. Officer of the Order of Australia in recognition of her distinguished service to tertiary education, particularly in the area of Indigenous studies and culture.	Non-executive Director	02/03/2016	01/06/2022	4/5
Mr Simon McGrath AM		Chief Operating Officer for Accor Pacific and holds numerous positions on industry Boards. Mr McGrath has taken a lead role to improve gender diversity in the tourism sector and has been recognized for his contribution to the hospitality industry.	Non-executive Director	06/05/2020	05/05/2023	5/5



Table 16: Details of Directors, 2020-21

Name	Experience of the Director	Position	Period as the Director			Number of eligible meetings attended
			Date of Commencement	Date of cessation		
<p>Ms Leann Wilson Member, Audit, Risk and Finance Committee (from 3/12/2020)</p>	<p>Managing Director for Regional Economic Solutions, a majority owned First Nation business.</p> <p>Ms Wilson is a descendant of the Bidjara and Kara-Kara peoples in central and central-western Queensland, she also identifies with her South Sea Island heritage.</p> <p>Member of a number of Boards including the Aboriginal Carbon Foundation, the Aboriginal & Torres Strait Islander Healing Foundation, the Australian Rugby League Indigenous Council, and the QLD Governments Aboriginal & Torres Strait Islander Business & Innovation Panel.</p>	<p>Non-executive Director</p>	<p>30/10/2020</p>	<p>29/10/2023</p>	<p>3/5</p>	
<p>Ms Leeanne Caton</p>	<p>CEO of Yilli Rreung Housing Aboriginal Corporation and also the Chair of Aboriginal Housing NT.</p> <p>Ms Caton is a Kalkadoon Woman who grew up in Darwin. She has family and cultural connections throughout the NT, SA, WA and QLD.</p> <p>Worked in the Aboriginal Affairs arena, operationally, strategically and in Senior Management roles across all social indicator areas over the past thirty years, inclusive of Aboriginal Housing.</p>	<p>Non-executive Director</p>	<p>30/10/2020</p>	<p>29/10/2023</p>	<p>3/3</p>	



Board Committees

To assist in the performance of its responsibilities, the Board has established two subcommittees:

- the Audit, Risk and Finance Committee; and
- the Asset Management Committee.

From time to time, the Board may create time-limited working groups to assist the Executive with specific issues or projects.

Audit, Risk and Finance Committee

The role of the Audit, Risk and Finance Committee is to provide independent advice to the Board on:

- financial reporting;
- performance reporting;
- risk oversight and management;
- compliance; and
- the system of internal controls.

This includes:

- monitoring AHL's funding, financial and planning strategies;
- monitoring the flow of funds to ensure AHL's financial viability;
- overseeing the investment / divestment strategy (cash and property), and monitoring its performance;
- reporting regularly to the Board on significant financial matters including the audit of the annual Financial Statements;
- providing input into new projects and proposals; and
- advising on annual key performance indicators in relation to finance and resources, including human resources, and performance against them.

Asset Management Committee

The Asset Management Committee provides oversight of matters relating to long term strategic asset management, including providing the Board with assurance that AHL is appropriately and sustainably managing and maintaining its asset portfolio.

Remuneration policy

The Remuneration Tribunal determines the Company's remuneration policy for the Directors and the CEO. The tribunal approves the Company's terms and conditions of remuneration relating to the appointment and retirement of the Board members and of the CEO.

The remuneration and terms of conditions of employment for the senior executives are in accordance with the Public Service Act 1999 and common law contracts.

The non-executive Directors receive the superannuation guarantee contribution required by the Australian Government, which was currently 9.5% in 2020-21, and do not receive any other retirement benefits.

The total remuneration of the Directors and senior executives of the Company in 2020-21 is shown in Table 17.





Table 17: Remuneration of key management personnel, 2021–22

Name	Position Title	Short term benefits (\$)				Other benefits and allowances	Post-employment benefits (\$)	Long service leave	Other long-term benefits	Termination Benefits (\$)	Total remuneration (\$)
		Base Salary	Bonuses	Bonuses	Bonuses						
Mr Anthony Ashby	Chair, non-executive Director	\$69,409	-	-	-	\$6,510	-	-	-	\$75,919	
Dr Valerie Cooms	Non-executive Director	\$38,960	-	-	-	\$3,687	-	-	-	\$42,647	
Mr Mike Allen PSM	Non-executive Director	\$38,960	-	-	-	\$3,687	-	-	-	\$42,647	
Mr Paul Allen	Non-executive Director	\$38,960	-	-	-	\$3,687	-	-	-	\$42,647	
Prof. MaryAnn Bin-Sallik AO	Non-executive Director	\$38,960	-	-	-	\$3,687	-	-	-	\$42,647	
Mr Simon McGrath AM	Non-executive Director	\$38,960	-	-	-	\$3,687	-	-	-	\$42,647	
Ms Leann Wilson	Non-executive Director	\$25,973	-	-	-	\$2,397	-	-	-	\$28,370	
Ms Leeanne Caton	Non-executive Director	\$25,973	-	-	-	\$2,397	-	-	-	\$28,370	
Dr Susan Gordon AM	Chair, non-executive Director	\$15,524	-	-	-	\$1,588	-	-	-	\$17,112	
Ms Jennifer Ullungura Clancy	Non-executive Director	\$4,180	-	-	-	\$454	-	-	-	\$4,633	
Mr Dave Chalmers AO, CSC	CEO	\$288,347	-	-	\$28,399	\$43,386	\$8,828	-	-	\$368,960	
Mr Dermot Walsh FCPA, MAICD	CFO, Company Secretary	\$180,213	-	-	\$26,407	\$35,744	\$5,973	-	-	\$248,337	
Mr Bob Harvey PSM	GM Operations	\$209,149	-	-	\$30,053	\$29,343	\$6,204	-	-	\$274,749	
					Total					\$1,259,685	

The composition, qualifications and remuneration of members of the Audit, Risk and Finance Committee is shown in Table 18.

Table 18: Audit, Risk and Finance Committee, 2020-21

Member name	Qualifications, knowledge, skills or experience	Number of eligible meetings attended/total number of meetings	Total annual remuneration / sitting fees
Mr David Evans Independent Chair	<p>Master of Business Administration; Bachelor of Commerce, Fellow; CPA Australia, Fellow Financial Services Institute of Australasia, Fellow Australian Institute of Company Directors.</p> <p>Mr Evans is a consultant and facilitator for the Australian Institute of Company Directors, with over 30 years' experience in banking and finance in Australia and the Asia-Pacific. He is active in governance roles in the public and private sectors, and a recipient of the Centenary Medal for his services to the health industry through the National Heart Foundation.</p>	5/5	\$9,600
Mr Mike Allen Member	Refer to table 16.	5/5	\$0
Mr Geoff Knuckey Independent Member	<p>B. Economics (ANU), FCA, GAICD, Registered Company Auditor.</p> <p>Mr Knuckey has extensive experience as an Audit Committee member or Chair, and is currently serving on Audit Committees for numerous government entities. He also has extensive experience as a Director and serves on Boards and Audit Committees of multiple private sector entities.</p> <p>Mr Knuckey has been a full-time Company Director and Audit Committee member since 2009, following a 32-year career with Ernst & Young specialising in Audit and Assurance Services in both the public and private sectors across a range of industries.</p>	5/5	\$5,600



Table 18: Audit, Risk and Finance Committee, 2020-21

Ms Leann Wilson Non-executive Director	Refer to table 16.	1/2	\$5,139
Mr Anthony Ashby¹ Member (ceased 17/9/2020)	Refer to table 16.	1/1	\$2,473

¹ Mr Ashby attended as an Observer following his appointment as Board Chair on 18/9/20.

The Committee's Charter can be found at <https://ahl.gov.au/audit-risk-and-finance-committee-charter>



The composition, qualifications and remuneration of members of the Asset Management Committee is shown in Table 19.

Table 19: Asset Management Committee, 2020-21

Member name	Qualifications, knowledge, skills or experience	Number of eligible meetings attended / total number of meetings	Total annual remuneration / sitting fees
Mr Mike Allen Chair	Refer to table 16.	4/4	\$9,192
Mr Paul Allen Member	Refer to table 16.	4/4	\$4,733
Mr David Evans Member	Refer to table 18..	4/4	\$0
Mr Trevor Moody Independent Member (ceased 2/2/2021)	<p>Fellow, Institution of Engineers, Australia, Chartered Professional Engineer (NPER) (retired), Bachelor of Engineering (Civil), University of Adelaide, Bachelor of Economics, University of Adelaide, Specialist Project Manager / Advisor for planning, development, management, design and construction of complex government facilities.</p> <p>Trevor has more than 40 years' experience in the management, planning, design and construction of a diverse range of buildings and engineering works throughout Australia. He was employed by the Commonwealth Scientific and Industrial Research Organisation (CSIRO) Australia for 17 years until his retirement from CSIRO in 2010.</p>	3/3	\$4,500





Indemnities and insurance

AHL maintains Directors' and Officers' liability insurance. The insurance covers AHL Officers in respect of legal liabilities (including legal expenses) that a Director or Officer may be legally obliged to pay in certain circumstances. The policy has some exclusions, such as wilful breach of duty, breach of professional duty and any claim arising out of libel, slander or defamation.

The Company also covers personal accident and travel insurance for Directors travelling on official Company business.

Proceedings on behalf of Company

No person has applied for leave of a court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Related party disclosures

There were no related party disclosures to report in 2020-21.

Rounding

The Company is an entity to which ASIC Class Order 98/100 applies. Accordingly, amounts in the Financial Statements and the Directors' Report have been rounded to the nearest \$1,000.

Auditor's independence

The Directors received an Independence Declaration from the Auditor-General for the year ended 30 June 2021. A copy has been included with the Financial Statements.

Resolution of Directors

This report is made in accordance with a resolution of the Board of Directors.



Anthony Ashby

Chairperson

Aboriginal Hostels Limited

28 September 2021





OFFICIAL



Mr Anthony Ashby
Chair of the Board
Aboriginal Hostels Limited
2-6 Shea St Woden ACT

**ABORIGINAL HOSTELS LIMITED FINANCIAL REPORT 2020–21
AUDITOR'S INDEPENDENCE DECLARATION**

In relation to my audit of the financial report of the Aboriginal Hostels Limited for the year ended 30 June 2021, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contravention of any applicable code of professional conduct.

Australian National Audit Office

Rahul Tejani
Executive Director
Delegate of the Auditor-General

Canberra
28 September 2021

OFFICIAL

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300





INDEPENDENT AUDITOR'S REPORT

To the members of Aboriginal Hostels Limited

Opinion

In my opinion, the financial report of Aboriginal Hostels Limited (the Company) for the year ended 30 June 2021 is in accordance with the *Corporations Act 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the Corporations Regulations 2001 and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

The financial report of the Company, which I have audited, comprises the following as at 30 June 2021 and for the year then ended:

- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information; and
- Declaration by Aboriginal Hostels Limited Chairperson and Chief Financial Officer.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the relevant ethical requirements for financial report audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, ForrestACT 2603
Phone (02) 6203 7300



Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objective is 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 National Audit Office 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 the financial report.

As part of an audit in accordance with the Australian National Audit Office 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors 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.



I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Australian National Audit Office



Rahul Tejani
Executive Director
Delegate of the Auditor-General

Canberra
29 September 2021



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Financial Statements

**Declaration by Aboriginal Hostels Limited
Chairperson and Chief Financial Officer**

For The Period Ended 30 June 2021

1. The financial statements and notes are in accordance with the *Corporations Act 2001* and satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*: and

- a) comply with Accounting Standards and the Corporations Regulations 2001; and
- b) give a true and fair view of the financial position of the company as at 30 June 2021 and of the performance for the year ended on that date of the company.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Signed



Anthony Ashby

Chair

Date: 28 September 2021

Signed



Dermot Walsh FCPA

Chief Financial Officer and Company Secretary

Date: 28 September 2021



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

FINANCIAL STATEMENTS

For The Period Ended 30 June 2021

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ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Statement of Comprehensive Income

For The Period Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1A	29,116	29,657	29,712
Hostel accommodation expenses	1B	4,162	4,215	3,557
Administration expenses	1C	6,181	6,898	7,539
Property operating expenses	1D	10,853	9,747	9,148
Depreciation and amortisation	1E	6,497	6,169	6,316
Write-down and impairment of assets and bad debts	1F	717	1,058	605
Finance and borrowing costs	1G	129	109	118
Losses from asset sales	1H	160	-	-
Total expenses		57,815	57,853	56,995
Own-source income				
Own-source revenue				
Revenue from contracts with customers	2A	19,472	17,769	19,155
Interest	2B	183	349	250
Other income	2C	134	315	-
Total own-source revenue		19,789	18,433	19,405
Gains				
Reversal of write-downs and impairment	3	115	-	115
Total gains		115	-	115
Total own-source income		19,904	18,433	19,520
Net (cost of)/contribution by services		(37,911)	(39,420)	(37,475)
Revenue from Commonwealth Government				
Grant received from portfolio department	4	35,941	36,241	35,941
Total revenue from Commonwealth Government		35,941	36,241	35,941
Total revenue		55,845	54,674	55,461
Surplus/(Deficit) on continuing operations		(1,970)	(3,179)	(1,534)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Revaluation of Land		2,989	(1,406)	-
Revaluation of Buildings		(3,238)	1,138	-
Revaluation of art and artefacts		422	-	-
Transfers between equity components				
Realisation of revaluation reserve – Land		(2,930)	-	(2,930)
Realisation of revaluation reserve – Building		(977)	-	(977)
Retained earnings		3,907	-	-
Total other comprehensive income		173	(268)	(3,907)
Total comprehensive income		(1,797)	(3,447)	(5,441)

The above statement should be read in conjunction with the accompanying notes.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For the Period Ended 30 June 2021

Budget variances commentary – Statement of comprehensive income

Hostel accommodation expenses	This variance was mainly due to increased and consistent requirements for cleaning products and services at the hostels due to COVID-19.
Administration expenses	This variance was mainly due to a lower Comcare premium and underspent Budget contingency.
Property operating expenses	This variance was due to repairs and maintenance across the hostel network being higher than Budget, as a result of a decision to accelerate the hostel painting program in 2021.
Write-down and impairment of assets and bad debts	This variance was mainly due to the impairment of computers at student labs.
Losses from asset sales	This variance was due to lower than expected proceeds from the sale of Chewings Street property in Alice Springs.
Interest	This variance related to earning less interest on term deposits due to lower market interest rates.
Other revenue	This variance related mainly to receiving the COVID-19 cash flow boost from the ATO, profit sharing with AHL's fleet leasing partner for the end of vehicle fleet leases, property insurance claim and donation income.
Revaluation of land, buildings and art and artefacts	This variance related to the revaluation of land, buildings and art and artefacts.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Statement of Financial Position

As at 30 June 2021

	Note	2021 \$'000	2020 \$'000	Original Budget \$'000
ASSETS				
CURRENT ASSETS				
Financial assets				
Cash and cash equivalents	5	42,765	36,175	38,043
Trade and other receivables	6A	1,679	609	608
Total financial assets		44,444	36,784	38,651
Non-financial assets				
Assets held for sale	7	-	3,202	-
Other non-financial assets	7A	160	129	129
Total current assets		44,604	40,115	38,780
NON CURRENT ASSETS				
Non-financial assets¹				
Land	8	36,270	33,281	32,872
Buildings	8	76,372	80,614	76,409
Work In Progress	8	264	323	323
Leasehold Improvements	8	1,017	1,000	1,000
Plant and equipment	8	1,677	1,578	2,196
Art and artefacts	8	2,302	2,083	2,073
Intangibles	8	142	173	181
Total non-financial assets		118,044	119,052	115,054
Total non current assets		118,044	119,052	115,054
Total assets		162,648	159,167	153,834
LIABILITIES				
CURRENT LIABILITIES				
Payables				
Suppliers	9	4,828	1,247	1,119
Interest bearing liabilities	10	1,018	864	960
Other payables	11	2,756	2,277	1,382
Total payables		8,602	4,388	3,461
Provisions				
Employee provisions	12A	1,971	2,449	1,786
Total current liabilities		10,573	6,837	5,247
NON CURRENT LIABILITIES				
Lease payable				
Interest bearing liabilities	10	5,062	4,680	5,037
Total operating lease payable		5,062	4,680	5,037
Provisions				
Employee provisions	12A	1,898	738	1,736
Total provisions		1,898	738	1,736
Total non current liabilities		6,960	5,418	6,773
Total liabilities		17,533	12,255	12,020
Net assets		145,115	146,912	141,814
EQUITY				
Contributed equity		94,243	94,243	94,243
Reserves		49,742	53,476	45,875
Retained surplus/(Accumulated deficit)		1,130	(807)	1,696
Total equity		145,115	146,912	141,814

The above statement should be read in conjunction with the accompanying notes.

¹Right-of-use assets are included in Building and Plant and Equipment listed under non-financial assets.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the financial statements

For The Period Ended 30 June 2021

Budget variance commentary - Statement of financial position

Cash and cash equivalents	This variance mainly related to lower than expected capital expenditure and higher than expected trade payables.
Trade and other receivables	This variance was mainly due to higher than expected increases in Comcare receivables (premium refund and performance bonus), GST receivable from the ATO from May 2021's Business Activity Statement and GST paid to suppliers.
Other financial assets	This variance was mainly due to the prepayment of various ICT licences.
Land	This variance related to the three-year cyclical revaluation of land.
Art and artefacts	This variance related to the three-year cyclical revaluation of art and artefacts.
Plant and equipment	This variance related to lower than expected capital expenditure on computer equipment.
Computer software	This variance was due to the under estimation of amortisation expenses of computer software at the time of preparing the Budget.
Trade payables	This variance mainly related to higher than expected unpaid payables and capital expenditure payables at 30 June 2021.
Other payables	This variance mainly related to the deferring of income for operation of externally funded hostels, higher than expected refundable tariffs for ABSTUDY and accrued employee benefits.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Statement of Changes in Equity For The Period Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000	Original Budget \$'000
CONTRIBUTED EQUITY				
Opening balance				
Balance carried forward from previous period		94,243	94,243	94,243
Closing balance as at 30 June		94,243	94,243	94,243
RETAINED EARNINGS				
Opening balance				
Balance carried forward from previous period		(807)	1,334	(677)
Adjustment on initial application of AASB 15		-	140	-
Adjustment on initial application of AASB 16		-	898	-
Adjusted opening balance		(807)	2,372	(677)
Comprehensive income				
Surplus/(Deficit) for the period		(1,970)	(3,179)	(1,534)
Total comprehensive income		(2,777)	(807)	(2,211)
Transfers between equity components		3,907	-	3,907
Closing balance as at 30 June		1,130	(807)	1,696
ASSET REVALUATION RESERVE				
Opening balance				
Balance carried forward from previous period		53,476	53,744	49,782
Comprehensive income				
Other comprehensive income		173	(268)	-
Total comprehensive income		173	53,476	-
Transfers between equity components		(3,907)	-	(3,907)
Closing balance as at 30 June		49,742	53,476	45,875
TOTAL EQUITY				
Opening balance				
Balance carried forward from previous period		146,912	149,321	143,348
Adjustment for changes in accounting policies		-	1,038	-
Adjusted opening balance		146,912	150,359	143,348
Comprehensive income				
Surplus/(Deficit) for the period		(1,970)	(3,179)	(1,534)
Other comprehensive income		173	(268)	-
Total comprehensive income		(1,797)	(3,447)	(1,534)
Closing balance as at 30 June		145,115	146,912	141,814

The above statement should be read in conjunction with the accompanying notes.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Budget Variance Commentary – Statement of Changes in Equity

Surplus/ (Deficit) for the period This variance related to the higher 2020-21 deficit.

Other comprehensive income This variance related to the three-year cyclical revaluation of land, buildings and art and artefacts.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Cash Flow Statement

For The Period Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000	Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Receipts from Commonwealth Government		39,239	38,124	38,099
Receipts from State and Territory Governments		2,508	2,549	2,400
Receipts from hostel accommodation customers		15,188	13,971	14,855
Interest		185	361	250
Net GST received		514	1,683	1,197
Other		344	315	317
Total cash received		57,978	57,003	57,118
Cash used				
Employees		29,242	29,254	30,269
Suppliers		21,253	22,034	22,329
Interest paid - Leases		61	62	61
Other		-	154	-
Total cash used		50,556	51,504	52,659
Net cash from operating activities		7,422	5,499	4,459
INVESTING ACTIVITIES				
Capital cash received				
Proceeds from sales of property, plant and equipment		3,157	-	3,415
Total operating cash used		3,157	-	3,415
Capital cash used				
Payment for property, plant and equipment		2,890	2,754	4,967
Payment for intangibles		66	198	33
Total capital cash used		2,956	2,952	5,000
Net cash from/ (used by) investing activities		201	(2,952)	(1,585)
FINANCING ACTIVITIES				
Financing cash used				
Principal repayments - Leased assets		1,033	929	1,006
Total investing cash used		1,033	929	1,006
Net cash used by financing activities		(1,033)	(929)	(1,006)
Net increase/(decrease) in cash held		6,590	1,618	1,868
Cash and cash equivalents at the beginning of the reporting period		36,175	34,557	36,176
Cash and cash equivalents at the end of the reporting period	5	42,765	36,175	38,044

The above statement should be read in conjunction with the accompanying notes.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Budgetary variance commentary – Cash flow statement

Interest	This variance related to lower interest receipts due to lower market interest rates for the term deposits.
Operating cash net GST received	This variance was mainly due to not receiving the GST refund from the ATO for May 2021's Business Activity Statement from the ATO and a higher than expected amount of GST input credits from unpaid trade payables for the 2020-21 financial year.
Investing activities cash used – payment for property, plant and equipment	This variance related to a lower than expected capital expenditure and a higher than expected accrued suppliers for the financial year.
Investing activities cash used – payment for intangibles	This variance related mainly to purchases of various software.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Overview

Aboriginal Hostels Limited (AHL) is an Australian Government controlled entity. It is a not-for-profit entity. The objective of AHL is to provide safe, comfortable, culturally appropriate and affordable accommodation for Indigenous Australians who must live away from home to access services, education and economic opportunities.

AHL is structured to meet the outcome of improved access to education, employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating through the operation of temporary hostel accommodation services.

The continued existence of the company in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the company's administration and programs.

The company activities contributing toward the outcomes are classified as departmental. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the company in its own right. AHL does not have any Administered items.

Basis of preparation

The financial report is a general-purpose financial report that has been prepared in accordance with *The Australian Charities and Not-for-profits Commission Act 2012* and the Australian Accounting Standards (including Australian Accounting Interpretations) – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). AHL is classified for financial reporting purposes as a not-for-profit (NFP) Commonwealth Company under the *Corporations Act 2001*.

The financial report, except for cash flow information, has been prepared on an accrual basis and on a historical cost basis (modified where applicable) by the measurement at fair value of selected assets and liabilities.

AHL's financial instruments are limited to cash, trade and other receivables and trade and other payables. AHL financial instruments are not complex and therefore are not further disclosed in the notes.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

Accounting Policy Changes

AHL receives grant funding from both the Commonwealth and Northern Territory governments for the operations of hostels, see note 2A. In 2020-21, AHL changed its accounting policy for the recognition of grant funding received but unspent at the end of the financial year. At 30 June 2021, AHL had a balance of grant funding received but unspent of \$824,528 which has been recognised as a Grants received in advance liability, see note 11.

This change in accounting policy is consistent with the grant funding agreements and the requirements of AASB 15 Revenue from Contracts with Customers. A component of the liability recognised in 2020-21 related to the previous financial year (the first year of application of AASB 15), however, this was not considered material and consequently the change in accounting policy has been applied prospectively.

New Accounting Standards

Adoption of New Accounting Standard Requirements

All new/ revised/ amending standards and/ or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the entity's financial statements.

Taxation

The entity is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Income tax

No provision for income tax has been raised as AHL is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Events after balance date

No events after balance date requiring reporting have occurred.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Financial performance

This section analyses the financial performance of Aboriginal Hostels Limited for the year ended 30 June 2021.

Expenses	Note	2021	2020
		\$'000	\$'000
Note 1A: Employee benefits			
Wages and salaries		21,923	22,738
Annual leave		1,729	1,499
Long service leave		579	438
Other leave		1,272	1,294
Superannuation		3,457	3,302
Termination benefits		156	386
Total employee benefits		29,116	29,657

Accounting Policy

Accounting policies for employee related expenses is contained in note 12.

Note 1B: Hostel accommodation expenses

Food and beverages		3,185	3,297
Cleaning and hygiene		973	913
Medical sundries		4	5
Total hostel accommodation expenses		4,162	4,215

Note 1C: Administration expenses

Workers compensation expenses		1,149	1,274
Information technology and communications		1,248	1,301
Consultants and contractors		917	1,520
Travel and accommodation		701	798
Insurance		389	285
Directors' fees	12C	389	329
Training and recruitment		222	321
Audit fees		164	113
Legal expenses		142	157
Other		860	800
Total administration expenses		6,181	6,898



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Note 1D: Property operating expenses

	2021	2020
	\$'000	\$'000
Repairs and maintenance	5,862	5,092
Fuel and power	1,827	1,898
Security Services	1,444	1,179
Rates	862	803
Minor furnishings	458	212
Short-term leases	66	74
Other	334	489
Total property operating expenses	10,853	9,747

AHL had short-term lease commitments of \$69,277 as at 30 June 2021 (\$73,740 as at 30 June 2020).

Accounting Policy

Short-term leases

AHL has elected not to recognise right-of-use assets and lease liabilities for short term leases of assets that have a lease term of 12 months or less. The entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Note 1E: Depreciation and amortisation

	2021	2020
	\$'000	\$'000
Depreciation:		
Buildings	5,427	5,274
Plant and equipment	828	699
Art and artefacts	22	22
Total depreciation	6,277	5,995
Amortisation:		
Leasehold improvements	123	121
Intangibles	97	53
Total amortisation	220	174
Total depreciation and amortisation	6,497	6,169



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements For The Period Ended 30 June 2021

Note 1F: Write-down and impairment of assets and bad debts

	2021	2020
	\$'000	\$'000
Write-down and impairment of assets		
Building	325	292
Plant and equipment	50	5
Art and artefacts	195	-
Intangibles	1	-
Computer equipment	97	-
Non-current assets held for sale	-	722
Total write-down and impairment of assets	668	1,019
Bad debts write off and provision for bad debts	49	39
Total write-down and impairment of assets and bad debts	717	1,058

Note 1G: Finance and borrowing costs

Bank charges	68	47
Interest on lease liabilities	61	62
Total finance and borrowing costs	129	109

The above lease disclosures should be read in conjunction with the accompanying notes.

Note 1H: Loss from asset sales

Sale Proceeds Received	(3,260)	-
Cost of asset sold (including selling cost)	3,420	-
Total loss from asset sales	160	-

Accounting Policy

Accounting policies for depreciation expenses are located after Note 7B.

Expense recognition

Resources provided free of charge

Resources provided free of charge by AHL are recognised as expenses when and only when the 'fair value' can be reliably determined and the services would have been sold if they had not been donated. Resources provided free of charge are recorded as either an expense or a loss depending on their nature. No value has been recognised in AHL's current or prior year financial statements for resources received free of charge.

AHL utilises two hostels under a trust deed, the properties are Durungaling Hostel and Biala Hostel in NSW.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable or payable to the Australian Taxation Office is included with other receivables and payables in the statement of financial position. Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to the Australian Taxation Office are presented as operating cash flows.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Own-Source revenue

Note 2A: Revenue from contracts with customers	2021	2020
	\$'000	\$'000
Funding for operation of hostels	4,525	4,004
Hostel accommodation revenue	14,947	13,765
Total revenue from contracts with customers	19,472	17,769
Funding received for operation of hostels		
National Indigenous Australians Agency (NIAA)		
<i>Wadeye Secondary Education Boarding Facility</i>	1,400	1,712
<i>Tennant Creek Hostels</i>	1,000	
Northern Territory Housing		
<i>Apmere Mwerre Visitor Park</i>	1,264	1,470
Department of Infrastructure		
<i>Wangkana Kari Hostel</i>	-	250
Northern Territory Department of Health		
<i>Alyerre Hostel</i>	861	572
Total funding received for operation of hostels	4,525	4,004
Hostel accommodation revenue		
Tariff collected from non-government entities	13,306	12,197
Tariff collected from State and Territory Governments	1,641	1,568
Total hostel accommodation revenue	14,947	13,765

Accounting policy

Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to AHL and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised.

Rendering of services

Revenue received for the provision of hostel accommodation is recognised at the time of delivery of the service to customers, with all outstanding hostel tariff revenue accounted for as trade receivables and revenue payable by State and Territory organisations. The transaction price is the total amount of consideration which AHL expects to be entitled in exchange for hostel accommodation services which comprise fixed amounts.

Contributions

A contribution occurs when AHL receives an asset or cash without returning approximately equal value to the parties that provided the cash or asset, for example property donations and grant funding to deliver administered programs. Contributions covered by enforceable agreements with sufficiently specific performance obligations are recognised as revenue when the performance obligations are satisfied as described in rendering of services above. Other contributions are recognised as income when AHL is entitled to the contribution.

Resources received free of charge

Resources received free of charge by AHL are recognised as revenue when the 'fair value' can be reliably determined and the services would have been purchased if they had not been donated. AHL does not include an estimate of the value of hostels provided to AHL free of charge to operate in its financial statements as these arrangements always result in nil impact to the financial position of AHL. AHL would not have purchased these resources if they were not provided free of charge. No value has been recognised in AHL's current or prior year financial statements for resources received free of charge.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

	2021 \$'000	2020 \$'000
Note 2B: Interest income		
Interest income	183	349
Total interest income	183	349
Note 2C: Other income		
Rent received	-	1
Donations received	17	-
Other revenue and gains	117	314
Total other income	134	315
Note 3: Gains		
Reversal of write-downs and impairment	115	-
Total gains	115	-
Note 4: Revenue from Commonwealth Government		
Grant received from Department of Prime Minister and Cabinet	35,941	36,241
Total Grant received from Commonwealth Government	35,941	36,241

Accounting policy

Interest revenue

Interest revenue is recognised using the effective interest method.

Other income

Other income is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to AHL and the income can be reliably measured.

Revenue from Government

Funding received or receivable from non-corporate Commonwealth entities (appropriated to the Department of Prime Minister and Cabinet for payment to corporate entities) is recognised as Revenue from Government by AHL unless the funding is in the nature of an equity injection or a loan.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Financial Position

This section analyses Aboriginal Hostels Limited's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the people and relationships section.

	2021 \$'000	2020 \$'000
Note 5: Cash and cash equivalents		
Cash at bank	42,597	36,007
Donation account	168	168
Total cash and cash equivalent	42,765	36,175
Note 6A: Trade and other receivables		
Trade receivables	414	297
Less: Impairment loss allowance	(38)	(59)
Total trade receivables	376	238
GST receivable	408	149
Other receivables	895	222
Total other receivable	1,303	371
Total trade and other receivables	1,679	609

Accounting Policy

Cash is recognised at its nominal amount. Cash and cash equivalents include:

- cash on hand;
- deposits held at call at bank; and
- other short-term deposits.

Note 6B: Allowance for impairment of receivables

A review is undertaken at 30 June each year of all outstanding trade receivables to identify impaired and uncollectable debts. Individual debts deemed uncollectable are written off at year end and an allowance for impairment (doubtful debts) is recognised.

Total trade and other receivables are expected to be recovered no more than 12 months from the reporting date.

Accounting policy

Trade and other receivables

Receivables for goods or services are recognised at the nominal amounts due, less any allowances for impairment. The collectability of debts is reviewed at year end. An allowance is recognised when the collectability of the debt is no longer probable and reported as a provision for impairment. The 'No Pay No Stay' policy is in place to reduce the level of irrecoverable debts from residents and hostel accommodation tariff payable by institutional debtors (e.g. State and Territory government agencies). Debts are either paid upfront or due within 60 days of the accommodation being provided to residents.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements For The Period Ended 30 June 2021

Reconciliation of the impairment allowance for trade receivables are noted below:

Note 6B: Movement in relation to 2021	2021
	\$'000
As at 1 July 2020	(59)
Amount written off	59
Increase/(Decrease) recognised in net cost of service	<u>(38)</u>
Closing balance provision for impairment as at 30 June 2021	<u>(38)</u>
Note 6B: Movement in relation to 2020	2020
	\$'000
As at 1 July 2019	(104)
Amount written off	84
Increase/(Decrease) recognised in net cost of service	<u>(39)</u>
Closing balance of provision for impairment as at 30 June 2020	<u>(59)</u>

	2021 \$'000	2020 \$'000
Note 7: Assets held for sale		
Assets held for sale ¹	-	3,202
Total assets held for sale	-	<u>3,202</u>
Note 7A: Other non-financial assets		
Prepayments	160	129
Total other financial assets	<u>160</u>	<u>129</u>

¹Musgrave Park Hostel, Karinga Hostel and Chewings St property were held for sale as at 30 June 2020.





ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Note 8: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles 2021

	Land	Buildings	Work In Progress	Leasehold Improvements	Plant and Equipment	Art and Artefacts	Intangibles Work In Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Closing gross book value	33,281	80,630	323	1,874	4,397	2,127	691	123,337
Closing accumulated depreciation	-	(16)	-	(874)	(2,819)	(44)	(532)	(4,285)
Closing net book value at 30 June 2020	33,281	80,614	323	1,000	1,578	2,083	159	119,052
Additions:								
By acquisition	-	-	4,352	-	-	14	-	4,366
Right-of-use assets	-	1,460	-	-	110	-	-	1,570
Capitalised from work in progress	-	3,236	(4,411)	141	967	-	81	67
Disposal of assets	-	(274)	-	(2)	(52)	(195)	(15)	(538)
Revaluations and impairments recognised in other comprehensive income ¹	2,989	(3,238)	-	-	-	422	-	173
Impairment of assets	-	-	-	-	(96)	-	14	(82)
Depreciation expense	-	(4,554)	-	(122)	(592)	(22)	(97)	(5,387)
Depreciation expense on right-of-use assets	-	(872)	-	-	(238)	-	-	(1,110)
Closing net book value as 30 June 2021	36,270	76,372	264	1,017	1,677	2,302	142	118,044
Total as at 30 June 2021 represented by								
Gross book value	36,270	76,382	264	2,010	4,454	2,302	758	122,440
Accumulated depreciation	-	(10)	-	(993)	(2,777)	-	(616)	(4,396)
Total as at 30 June 2021	36,270	76,372	264	1,017	1,677	2,302	142	118,044
Carrying amount of right-of-use assets	-	5,487	-	-	417	-	-	5,904

¹In 2020-21 AHL had an independent assessment of Land and Building assets for impairment. The net impact to the revaluation reserve on valuation was \$173k. The above lease disclosures should be read in conjunction with the accompanying notes 1D and 1G.

ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Accounting policy

Property, plant and equipment (includes fit out in leased properties, art and artefacts)

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Art, artefacts, land and buildings are carried at 'fair value' less depreciation whereas leasehold improvements and plant and equipment are carried at historic costs less accumulated depreciation and less any identified impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Independent valuations

An independent comprehensive valuation of land, buildings and art and artefacts was undertaken by Jones Lang LaSalle (JLL) as at 30 June 2021.

These independent valuations were undertaken by AHL to obtain the current values of land, buildings and art and artefacts for accounting and insurance purposes, identify potential impairment to historical values, and ensure AHL's assets are not carried at amounts greater than 'fair value' as required by accounting standard AASB 136, Impairment of Assets.

AHL undertakes revaluations of its land, buildings, art and artefacts, (excluding right-of-use assets) every three years and reflect these valuations and remaining useful lives in AHL's asset register and accounts.

Valuation policy for art and artefacts

AHL adopted a revaluation model in 2012-13 as a policy for subsequent measurement of its art and artefacts. All art and artefacts continue to be depreciated over 100 years. Although all care is taken by AHL to protect its art and artefacts, AHL does not have a formal 'preservation plan' in place to protect these assets indefinitely. Consequently, these assets cannot be classified as heritage assets and have not been assigned unlimited useful lives. During the 2020-21 financial year, AHL engaged an independent comprehensive valuation of art and artefacts. The net valuation increases were recognised in AHL's Art and Artefacts Revaluation Reserves.

Valuation policy for land and buildings

AHL adopted a revaluation model in 2012-13 as a policy for subsequent measurement of its land, buildings and building improvements. During the 2020-21 financial year, AHL engaged an independent comprehensive valuation of land and buildings. The remaining useful lives of all buildings and building improvements were reviewed and updated. AHL will depreciate all buildings and building improvements over the revised remaining useful lives of the assets. The net valuation increases were recognised in AHL's Land and Buildings Revaluation Reserves.

Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

New acquisitions are initially valued at 'historic cost' and subsequently revalued to 'fair value' as part of the next scheduled independent tri-annual revaluation process.

Valuation policy for leasehold improvements

AHL records the cost of office fit outs and capital improvements over \$2,000 undertaken by AHL in leased properties at 'historic cost' and depreciates the cost over the life of each lease.

AHL reviews its leasehold makegood liabilities with respect to each leasehold improvement agreement. For 2020-21, there was no evidence, past or present, of any damage to the leasehold premises that would require a provision for makegood to be accounted for.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Accounting policy (continued) - Property, plant and equipment

Depreciation of property, plant and equipment

Depreciable property, plant and equipment with the exception of leasehold improvement assets are written off to their estimated residual values over their estimated useful lives using the straight-line method of depreciation commencing from the time the asset is available for use. Leasehold improvements are depreciated on a straight-line basis over the estimated useful life of the improvements.

Depreciation rates (useful lives) at the end of each reporting period together with necessary adjustments are recognised in the current and future reporting periods as appropriate. Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Asset category	2021	2020
Buildings – infrastructure	10-50 Years	10-50 Years
Buildings – structure	10-95 Years	10-95 Years
Buildings – plant and equipment	10-35 Years	10-35 Years
Buildings – fit out	7-40 Years	7-40 Years
Buildings – health and safety equipment	20 Years	20 Years
Art and artefacts	100 Years	100 Years
Leasehold improvements*	5-15 Years	5-15 Years
Furniture and fittings	5 Years	5 Years
Computer equipment	3-5 Years	3-5 Years
Office machinery	5 Years	5 Years
Electrical equipment	5 Years	5 Years

Notes:

* Leasehold improvements include fit out of AHL's National Office and leased hostels.

The aggregate amounts of depreciation and amortisation expenses allocated for each class of asset during the reporting period are disclosed in note 1E.

Gains and losses on disposal

Gains and losses on disposals are determined by comparing proceeds from sale of assets with the carrying value of each asset. These gains or losses are included in the statement of comprehensive income.

Work in progress – Property, plant and equipment

The cost of construction work undertaken on AHL owned projects is capitalised in work in progress (WIP) at historical cost. Once completed, these assets are transferred from WIP to the respective asset classes within property, plant and equipment. However, where AHL receives funding to construct hostels or maintain hostels on behalf of other agencies, the full cost is immediately expensed and not capitalised. These hostels are capitalised by the respective owners upon completion and handover by AHL.

Lease Right of Use (ROU) Assets

Lease liabilities are initially recognised at the present value of future lease payments over the lease term. The lease term includes any extension or renewal options that AHL is reasonably certain to exercise.

Future lease payments comprise:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- the exercise price of a purchase option that AHL is reasonably certain to exercise
- payments for termination penalties, if the lease term reflects the early termination



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

The discount rate used is the interest rate implicit in the lease, or AHL's incremental borrowing rate if the implicit rate cannot be readily determined. Subsequently, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

Right-of-use assets are recognised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned. They are amortised over their term and are subject to impairment.

On initial adoption of AASB 16, AHL adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Aboriginal Hostels Limited's financial statements.

Intangibles

Software

AHL's intangibles comprise purchased software which is carried at cost less accumulated amortisation and less any impairment losses. Software is amortised on a straight-line basis over its anticipated useful life commencing when the software is installed ready for use.

AHL's software useful life estimated at five years and the value is assessed annually for impairment. AHL's capitalisation threshold for software is \$2,000.

Work in progress – software

The cost of purchasing software and customising for AHL's business operations is capitalised in WIP at historical cost until the software are installed ready for use. The full cost of purchasing and developing the completed software is then transferred from WIP to the appropriate software category in the asset register and amortised over the estimated useful life of the software.

Any software development costs not directly related to the development of the final installed software is expensed. Software licence fees are capitalised separately from the software and amortised over the life of each licence.

Impairment of assets

At the end of each reporting period, AHL reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists because the recoverable amount of the asset, (i.e. Fair value less selling costs) is lower than the asset's carrying value, the difference is recognised as an expense.

AHL believes that all property, plant, equipment and intangibles are accurately valued and reflect the current condition of these assets.

Fair value measurement

AHL engaged the services of Jones Lang LaSalle (JLL) to conduct a comprehensive revaluation for all land, buildings and art and artefacts as at 30 June 2021. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. Comprehensive valuations are carried out at least once every three years with the previous valuation conducted as at 30 June 2018. JLL has provided written assurance to AHL that the valuation models developed are in compliance with AASB 13.



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Notes to the Financial Statements

For The Period Ended 30 June 2021

The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

Physical depreciation and obsolescence - assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the depreciated replacement cost approach. Under the depreciated replacement cost approach, the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence have been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvement assets, the consumed economic benefit / asset obsolescence deduction is determined based on the term of the associated lease.

AHL's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.



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Notes to the Financial Statements

For The Period Ended 30 June 2021

	2021 \$'000	2020 \$'000
Note 9: Suppliers		
Trade payables		
Trade creditors and accruals	4,828	1,247
Total suppliers	4,828	1,247
Suppliers expected to be settled		
No more than 12 months	4,828	1,247
Total suppliers	4,828	1,247
Note 10: Interest bearing liabilities		
Buildings lease liability	5,660	4,997
Plant and equipment lease liability	420	547
Total lease liability	6,080	5,544
Lease liability expected to be settled		
No more than 12 months	1,018	864
More than 12 months	5,062	4,680
Total lease liability	6,080	825
Note 11: Other payables		
Employee payables	767	1,526
Revenue received in advance		
Grants received in advance	825	-
Tariff refundable	1,082	669
Unearned revenue	82	82
Total other payables	2,756	2,277
Other payable expected to be settled		
No more than 12 months	2,756	2,277
Total Other payables	2,756	2,277

Credit terms for goods and services were within 30 days (2020: 30 days). AHL has not made loans to any entity.

Accounting policy

Trade payables

Trade creditors represent the liability outstanding at the end of the financial year for goods and services received by AHL before year end which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Provisions

Provisions are recognised when AHL has a legal or constructive obligation as a result of past events, where it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions record AHL's best estimate of the amounts required to settle the obligations at the end of the financial year.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

Interest Bearing Liabilities – ROU Leases

Total cash outflow for leases for the year ended 30 June 2021 was \$1,163k (30 Jun 2020 was \$1,138k).

Maturity analysis – contractual undiscounted cash flows

	2021	2020
	\$'000	\$'000
Within 1 year	\$1,070	\$918
Between 1 to 5 years	\$3,958	\$4,194
More than 5 years	\$1,226	\$626

Disclosure notes for significant leasing arrangements and all significant leasing arrangements with below market terms.

Aboriginal Hostels Limited has the following significant leasing arrangements:

- National office lease at 2-6 Shea Street, Phillip, ACT with lease expiry at 31 March 2027.
- Kirinari Sylvania at 340 Box Road, Sylvania Heights, NSW with lease terminating on 30 June 2025 where AHL is running Secondary Education hostel operations.
- Kirinari Newcastle at 15 Myall Road, Newcastle, NSW with lease terminating on 30 Jun 2025 where AHL is running Secondary Education hostel operations.

Aboriginal Hostels Limited have the following significant leasing arrangement with below market terms:

- Gudang Dalba at Bamatj Road, Darwin, NT- AHL is operating medical hostel operations on site, the lease expiring in July 2024, with \$1 payment annually if demanded.
- Broome Hostel at 52 Forrest Street, Broome, WA – AHL is operating medical hostel operations on site, the lease is currently month to month, with \$1 payment if demanded plus any surplus tariff income are payable.
- Apmere Mwerre Visitor Park at 15 Len Kittle Drive, Alice Springs, NT – AHL is operating multipurpose hostel operations on site, the lease is currently month to month, with \$1 payment annually if demanded.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements For The Period Ended 30 June 2021

People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

	2021 \$'000	2020 \$'000
Note 12A: Provision for employee benefits		
Provision for annual leave	1,649	1,503
Provision for long service leave	2,113	1,684
Provision for separations and redundancies	107	-
Total provision for employee benefits	3,869	3,187
Employee benefits expected to be settled		
No more than 12 months	1,971	1,843
More than 12 months	1,898	1,344
Total employee benefits	3,869	3,187

Accounting policy

Employee benefits

Leave provisions

A provision is made for AHL's liability for employee entitlements arising from services rendered by employees at the reporting date to the extent that they have not been settled. These benefits include wages and salaries, annual leave and long service leave.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

Other employee entitlements payable later than twelve months have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave, as it is non-vesting and the average sick leave taken in future years by employees of AHL is estimated to be less than the annual entitlement for sick leave.

Superannuation

Staff at AHL are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or of each employee's chosen superannuation fund.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period Ended 30 June 2021

The CSS and PSS are defined benefit schemes of the Australian Government. The PSSap is a defined contribution scheme. From 1 July 2005, new employees are eligible to join the PSSap scheme. Where staff do not indicate a preference, PSSap is the default superannuation fund.

Contributions are made by AHL to the above schemes at the rates determined by an actuary to be sufficient to meet the costs to the Commonwealth Government of the superannuation entitlements of AHL's employees. AHL recognises contributions as expenses when incurred.

Accounting Judgements and Estimates

In 2020-21 AHL adopted the Department of Finance Shorthand method as per PGPA rule 2015.24(b). (iii) as the calculation methodology for employee entitlements. Each year AHL updates the calculation parameters as published in the Standard Parameters table by the Department of Finance as at reporting date.

In 2020-21 AHL reviewed its employee profile for the purposes of determining the parameters for on-cost factor application and to estimate the pattern of the employees likely to access their long-term entitlements whilst in service and on termination of their contract with AHL. AHL will continue to review its employee profile with sufficient regularity to ensure the parameters applied do not differ materially against the employee profile of the reporting period.



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Notes to the financial statements For The Period Ended 30 June 2021

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise). AHL has determined the key management personnel to be The Chair, Deputy Chair, all other Directors, Chief Executive Officer, Chief Finance Officer and Company Secretary and General Manager Operations.

Note 12B: Name of directors and key management personnel in office at any time during the financial year are:

Directors	Position	Term
Mr Anthony Ashby	Chairperson (from 18/09/2020), Deputy Chairperson (24/09/2019 to 17/9/2020), non-executive director	24/09/2020 to 17/09/2023
Dr Valerie Cooms	Deputy Chairperson (from 18/09/2020), non-executive director	02/09/2019 to 17/09/2023
Prof. MaryAnn Bin-Sallik AO	Non-executive director	02/03/2016 to 01/06/2022
Mr Mike Allen	Non-executive director	02/03/2016 to 01/06/2022
Mr Paul Allen	Non-executive director	06/05/2020 to 05/05/2023
Mr Simon McGrath	Non-executive director	06/05/2020 to 05/05/2023
Ms Leeanne Caton	Non-executive director	30/10/2020 to 29/10/2023
Ms Leann Wilson	Non-executive director	30/10/2020 to 29/10/2023
Dr Susan Gordon AM	Chair, non-executive director	Ceased 10/09/2020
Ms Jennifer Ullungura Clancy	Non-executive director	Ceased 09/08/2020

Key management personnel

Key management personnel	Position	Term
Mr Dave Chalmers	Chief Executive Officer	Commenced 10/03/2020
Mr Dermot Walsh	Chief Financial Officer and Company Secretary	Commenced 21/07/2020
Mr Robert Harvey	General Manager Operations	Commenced 28/01/2020



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**Notes to the financial statements
For The Period ended 30 June 2021**

Note 12C: Key management personnel remuneration

	2021 \$	2020 \$
Senior executive remuneration		
Short-term employee benefits	728,779	694,583
Post-employment benefits	108,473	77,616
Other long-term employee benefits	54,794	17,783
Termination benefits	-	262,338
Total senior executive remuneration¹	892,046	1,052,320
Directors remuneration²		
Short-term benefits ³	355,556	301,338
Post-employment benefits	33,620	28,279
Total directors' remuneration	389,176	329,617
Total key management personnel remuneration	1,281,222	1,381,937

1. The total number of senior management personnel that are included in the above table are 3 for 2020-21 and 4 for 2019-20.

2. The above Directors' fee calculation includes 10 members including the Chair of the Board in 2020-21 and 10 members in 2019-20.

3. The amount includes an additional \$21,537 made in respect of four directors who attended 15 Board Committee meetings during the 2020-21 and \$5,590 made in respect of two directors who attended 9 Board Committee meetings in 2019-20.

4. The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

Note 12D: Related party disclosures

There are no related party disclosure transactions for 2020-21 (1 in 2019-20).



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements

For The Period ended 30 June 2021

Managing uncertainties

This section analyses how Aboriginal Hostels Limited manages financial risks within its operating environment.

Note 13: Economic dependency

AHL currently receives the majority of its funding from the Commonwealth, State and Territory Governments and is therefore financially dependent on them.

Note 14: Contingent assets and liabilities

AHL is a respondent in an alleged breach of contract matter with one of our ICT service providers. It is currently not possible to quantify the impact, if any, of this action. Additionally, AHL is a joint party in relation to an alleged historic incident in a closed hostel in Queensland in the 1990s.

Accounting policy

Contingent assets and liabilities are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.



ABORIGINAL HOSTELS LIMITED ABN 47 008 504 587

Notes to the Financial Statements For The Period Ended 30 June 2021 Other Information

Note 15: Trust accounts

AHL administers the following two trust accounts in accordance with the individual bequests. As these trust accounts are not AHL monies, they have not been incorporated into AHL's financial statements but have been instead reported separately in this note.

Note 15A: May Ames bequest account

During 1981-82 \$46,980 was received by AHL from the estate of the late May Ames to be used for the benefit of secondary school children. The funds have been invested by AHL in Term Deposit with Westpac Bank for 12 months at interest rate 0.54%. The Term Deposit is maturing on 29 October 2021. Accrued interest on term deposit as at 30 Jun 2021 was \$314.

	2021 \$	2020 \$
CAPITAL ACCOUNT		
Opening balance	75,563	75,563
Bank fees	(15)	-
Transfer to Term Deposit	(75,548)	-
Closing balance of capital account	-	75,563
OPERATING ACCOUNT		
Opening balance	11,460	11,460
Bank interest	43	-
Bank fees	(15)	-
Transfer to Term Deposit	(11,481)	-
Closing balance of operating account	7	11,460
Term Deposit		
Opening balance	-	-
Transfer from capital and operating account	87,029	-
Closing balance of term deposit	87,029	-
Closing balance of May Ames bequest account	87,036	87,023

Note 15B: Ashley Cooper bequest account

During 2006-07 \$137,189 was received by AHL from the estate of the late Ashley Cooper to be used for the benefit of secondary school children in South Australia and Northern Territory. The funds have been invested by AHL in Term Deposit with Westpac Bank for 12 months at interest rate 0.54%. The Term Deposit is maturing on 29 October 2021. Accrued interest on term deposit as at 30 Jun 2021 was \$524.

CAPITAL ACCOUNT		
Opening balance	125,000	125,000
Transfer to Term Deposit	125,000	-
Closing balance capital account	-	125,000
OPERATING ACCOUNT		
Opening balance	20,148	20,148
Bank interest	72	-
Bank fees	(30)	-
Transfer to Term Deposit	(20,179)	-
Closing balance of operating account	11	20,148
Term Deposit		
Opening balance	-	-
Transfer from capital and operating account	145,179	-
Closing balance of term deposit	145,179	-
Closing balance of Ashley Cooper bequest account	145,190	145,148



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Compliance Index – Commonwealth Company Requirements

Below is the table set out in Schedule 2B of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule). Section 28E(p) requires this table be included in the Commonwealth Companies' Annual Reports as an aid to access.

PGPA Rule Reference	Page	Description	Requirement
28E	Contents of annual report		
28E(a)	AHL's purpose Part 1, pg 12	The purposes of the Company as included in the Company's Corporate Plan for the reporting period	Mandatory
28E(aa)	Performance Part 2, pp 18-28	The results of a measurement and assessment of the Company's performance during the reporting period, including the results of a measurement and assessment of the Company's performance against any performance measures and any targets included in the Company's Corporate Plan for the reporting period	Mandatory
28E(b)	Legal Framework Part 3, pg 32	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	Mandatory
28E(c)	Legal Framework Part 3, pg 32	Any directions given to the entity by a Minister under the Company's constitution, an Act or an instrument during the reporting period	If applicable, mandatory
28E(d)	Part 3, pg 32	Any government policy order that applied in relation to the Company during the reporting period under section 93 of the Act	If applicable, mandatory
28E(e)	N/A	Particulars of noncompliance with: (a) a direction given to the entity by the Minister under the Company's constitution, an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the Company during the reporting period under section 93 of the Act	If applicable, mandatory
28E(f)	Table 16: Details of Directors Part 4, pp 50-52	Information on each Director of the Company during the reporting period	Mandatory
28E(g)	Figure 5: Organisational structure at 30 June 2021 Part 3, pg 30	An outline of the organisational structure of the Company (including any subsidiaries of the Company)	Mandatory
28E(ga)	Staff profile Part 3, pp 39- 41	Statistics on the entity's employees on an ongoing and nonongoing basis, including the following: (a) statistics on fulltime employees; (b) statistics on parttime employees; (c) statistics on gender; (d) statistics on employee location	Mandatory



28E(h)	Figure 1- Service delivery network at 30 June 2021 Part 1, pg 15	An outline of the location (whether or not in Australia) of major activities or facilities of the Company	Mandatory
28E(i)	Governance Part 3, pg 32-35	Information in relation to the main corporate governance practices used by the Company during the reporting period	Mandatory
28E(j), 28E(k)	N/A	For transactions with a related Commonwealth entity or related Company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision making process undertaken by the Directors of the Company for making a decision to approve the Company paying for a good or service from, or providing a grant to, the related Commonwealth entity or related Company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	If applicable, mandatory
28E(l)	Significant activities or changes in state of affairs Part 4, pg 49	Any significant activities or changes that affected the operations or structure of the Company during the reporting period	If applicable, mandatory
28E(m)	External Scrutiny Part 3, p34	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the Company	If applicable, mandatory
28E(n)	External Scrutiny Part 3, p34	Particulars of any reports on the Company given by: (a) the Auditor General, or (b) a Parliamentary Committee, or (c) the Commonwealth Ombudsman, or (d) the Office of the Australian Information Commissioner, or (e) the Australian Securities and Investments Commission	If applicable, mandatory
28E(o)	N/A	An explanation of information not obtained from a subsidiary of the Company and the effect of not having the information on the Annual Report	If applicable, mandatory
28E(oa)	Table 17: Remuneration of key management personnel, 2020-21 Part 4, p 54	Information about executive remuneration	Mandatory
28E(ob)	Table 18: Audit, Risk and Finance Committee, 2020-21 Part 4, pp 55-56	The following information about the Audit Committee for the Company: (a) a direct electronic address of the charter determining the functions of the Audit Committee; (b) the name of each member of the Audit Committee; (c) the qualifications, knowledge, skills or experience of each member of the Audit Committee; (d) information about each member's attendance at meetings of the Audit Committee; (e) the remuneration of each member of the Audit Committee	Mandatory



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