

OUTBACK
Stores

OUTBACK
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OUTBACK
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OUTBACK
Stores
Working With Communities
Annual
REPORT
2017-2018

Annual Report
2009-2010

Annual Report
2010-2011



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Working With Communities
Annual
REPORT
2011-12

OUTBACK
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Working With Communities
Annual Report 2020/21

OUTBACK
Stores
Working With Communities
Annual Report
2012 | 2013



ANNUAL
REPORT
2018-2019

OUTBACK
Stores
Working With Communities
10 Year Anniversary
Annual
REPORT
2016 - 17

OUTBACK
Stores
Working With Communities
Annual Report
2015-16

OUTBACK
Stores
Working With Communities
ANNUAL
REPORT
2013-14

CELEBRATING
15
Years
OUTBACK STORES

OUTBACK
Stores
Working With Communities

ANNUAL REPORT 2021-22



557

TONNES
OF FRESH
FRUIT AND
VEGETABLES
SOLD IN
COMMUNITIES

47

STORES
ACROSS
NT, WA,
SA & NSW

11

TONNES
REDUCTION
OF SUGAR
CONSUMED
THROUGH
SUGARY
DRINKS

86%

OF ALL TEAM
MEMBERS
EMPLOYED IN
STORES ARE
ABORIGINAL
AND TORRES
STRAIT
ISLANDER



OUR PURPOSE

To be a sustainable business that makes a positive difference in the health, employment and economy of remote Indigenous communities by improving food affordability and availability, nutrition and community services.



Barge delivery, Maningrida (NT)



15 years of achievements

Celebrating 15 years of Outback Stores

Outback Stores was founded in November 2006 to improve the health of Indigenous people in remote Australia by addressing nutrition-related health problems, unreliable food supplies and poor management practices associated with retail community stores. It was an initiative led by the Commonwealth Government, with help from corporate retail experts who assisted in setting up the organisation in its early stages.

The first community to be assisted by Outback Stores was Imanpa in November 2006 and then Ringer Soak (Kundat Djaru) in March 2007. Canteen Creek was the first official store under our management in Northern Territory and since then we have extended the scope of our services to include remote Western Australia, South Australia, and most recently remote New South Wales.

Over the past fifteen years, our primary focus has been to maintain food security and provide a high level of professional

service to our customers, whilst addressing financial concerns, affordability and logistical challenges faced by the remote retail sector.

The stores we service are either considered 'managed' or 'supported'. Managed stores are generally commercially self-sufficient and generate a profit. Supported stores require financial support on an ongoing basis.

Any store profits are retained by local store owners and are utilised by those owners for the benefit of the community. For non-profitable stores, Outback Stores supports the store with financial underpinning to ensure that food security is maintained.

Since 2006 Outback Stores has succeeded in halting the potential closure of 24 stores. We have managed 11 stores out of administration, 3 out of liquidation and a further 10 stores through significant financial challenges.

63

REMOTE COMMUNITY STORES
ASSISTED IN TOTAL

\$48M

PAID IN **REAL WAGES** TO ABORIGINAL
AND TORRES STRAIT ISLANDER PEOPLE*

36%

INCREASE IN **FRESH FRUIT
AND VEG** SOLD PER STORE*

34%

DECREASE IN PROPORTION OF
FULL-SUGAR SOFT DRINK SOLD*

\$34M

INVESTED IN INFRASTRUCTURE &
ONGOING SUPPORT FOR STORES

*Since 2012 (earliest figures available)



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Letter of Transmittal

2nd of September 2022

The Honourable Linda Burney AM
The Minister for Indigenous Australians
PO Box 6022
House of Representatives
Parliament House, Canberra ACT 2600

Dear Minister,

In accordance with Section 97 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*, I submit the Annual Report of Outback Stores Pty Ltd for the year ended June 2022.

Under section 97 of the PGPA Act, the Directors of Outback Stores are responsible for producing an Annual Report that includes a Financial Report, Directors Report and Auditors Report that is required by the *Corporations Act 2001*, and other additional information or report required by the Minister for Finance orders under the PGPA Act.

All reports and Audited Financial Statements contained in this Annual Report were made in accordance with a resolution of Outback Stores Directors on the 1st September 2022.

Yours sincerely,



Dr Susan Gordon AM
Chairperson, Board of Directors



Message from the Chairperson



This year Outback Stores celebrated its 15-year anniversary, a significant milestone in its journey of assisting remote communities and maintaining food security. We are proudly serving across forty-seven locations at the end of this year and remain committed to make a positive difference for remote communities and delivering on our purpose.

One of our key objectives each year is to remove barriers to employment and provide meaningful career pathways for those living in remote communities. This year we had 313 Aboriginal and Torres Strait Islander people employed across community stores, which equates to 86% of all store staff. In addition to these employment opportunities, we remain committed to providing opportunities to local store staff to undertake a nationally accredited qualification through our training programme.

We also recognise the importance of making training accessible for everyone, particularly in remote community environments and this year for the first time our training team delivered school-based retail traineeships, providing a tangible bridge to employment upon graduation.

For our nutritional objectives on sugar reduction, we continue to exceed our benchmark expectations of 2.5% reduction in proportion of sugary drinks sold, which this year decreased by 3.76%, equating to 11 tonnes less sugar consumed. This continues an ongoing positive trend that has seen the proportion of full-sugar drinks fall by more than 30% since 2012.

Another key measure of success for nutritional objectives remains the increase of consumption of fresh fruit and vegetables, which this year came to 557 tonnes. This is an excellent outcome representing a five-fold increase in average amount sold per store compared to 2012, demonstrating Outback Stores' commitment to improving access to healthy fresh food.

As we celebrate our 15-year anniversary, a special word of thanks for the store managers, support staff and the Executive Team, who are integral in delivering on the company's purpose and maintaining food security. I applaud the resilience and effort you have demonstrated over the past 15 years.

I would also like to thank my fellow directors for their support and contribution over the past year. We have confidence that the executive and extended team are committed to deliver on the strategic direction and company's purpose well into the future.

Finally, on behalf of the board I would like to extend my thanks to the respected elders and store committees for trusting and allowing us to be the service provider for your aligned communities.

Dr Susan Gordon AM
Chairperson



Message from the CEO

Outback Stores has reached the significant milestone of 15 years of operation, and I acknowledge all those who have contributed to its success in the past, as well as our present directors and staff for their unwavering dedication.

As a Commonwealth company, we have a mandate to improve the affordability and quality of nutritious food available in remote communities. We achieve these outcomes by exceeding industry standards and previous benchmarks to ensure we are providing the highest quality retail stores in our market sector.

We continue to grow our network and finished the year with forty-seven remote community stores under management, with the business recording its highest ever combined sales turnover for stores at \$102.7 million.

Another significant achievement for the year was through extending our support to six new communities who chose to enter into a management agreement with us. This year we welcomed Hermannsburg,

Tilmouth Well Roadhouse and Beswick Club in the Northern Territory, Parnngurr in Western Australia and for the first time, two stores in New South Wales: Goodooga and Wilcannia. We look forward to a long and prosperous working relationship with these communities.

For our ongoing commitment to maintain food security, we continue to financially support a number of stores which are not financially viable due to small populations and geographical challenges. This year we provided \$1.25 million of operating funds to support twelve stores, ensuring their continuous access to a fresh, healthy and affordable food supply. A further \$513,000 was invested on capital improvements for stores that were also unable to support themselves commercially.

Over the past three years, Outback Stores has been making considerable progress towards its goal of financial self-sustainability to ensure that the business can continue to deliver its purpose and charitable objectives well into the future. We have continued to achieve efficiencies through our operations whilst increasing the number of stores we support. Managing our cash reserves responsibly and maintaining appropriate reserves is critical for our sustainability. COVID-19 continued to create challenges for our operations, but despite these challenges our adjusted cash outflow (excluding loans and fair value gains/losses) for this year was limited to \$2.45 million which was predominantly used for maintaining food security.

I thank our board of directors for their expertise, our support staff for their commitment and our store managers for their tireless contribution in delivering healthy and affordable food to remote communities.

I would also like to thank those respected community leaders for whom we work; the store directors and owners. Outback Stores looks forward to celebrating many more milestones together and would like to thank you for your contribution in guiding and trusting us over the past 15 years.

Finally, I look forward to another exciting year ahead and together with your support we will continue to deliver the best possible outcomes and offer highest quality retail store services for your aligned communities.

Michael Borg
Chief Executive Officer

Health and Nutrition

Having access to fresh and affordable fruit and vegetables is critical to enabling food security. The provision of such food is vital for encouraging consumers to meet their nutritional requirements as part of a healthy and balanced diet.



Fruit and vegetables

At Outback Stores one of our focus areas is improving affordability of healthy food including fresh fruit and vegetables by maintaining prices as close as possible to major metropolitan retailers.

Over the past four years we have made a strong commitment to increasing the sale of fruit and vegetables in remote communities by implementing a value-pricing strategy, solidifying partnerships with key suppliers, investing in new equipment and building strong relationships with communities.

Across Outback Stores' managed locations our fruit and vegetable pricing strategy significantly reduces costs for consumers. One example of this is our fresh fruit and vegetable five key lines: bananas, carrots, onions, oranges and potatoes. The prices of these lines are matched against supermarkets

in metropolitan areas every day. All other fresh fruit and vegetable lines are maintained as close as possible to mainstream retailers. Additionally, we consistently supply stores with promotional specials by working closely with our fresh fruit and vegetable suppliers where specific produce is competitively priced to closely align and, in some cases, beat mainstream supermarket prices.

Our consistent quality and seasonal range of fresh fruit and vegetables supplied to stores is a direct result of our relationships with our two major supply partners: Farmhouse Fresh and Country Pak. These suppliers are experts in the fresh produce market specifically when it comes to supplying remote communities and the mining sector. They operate directly out of Adelaide and Perth markets and have direct links to hundreds of growers around the country. Despite challenging periods

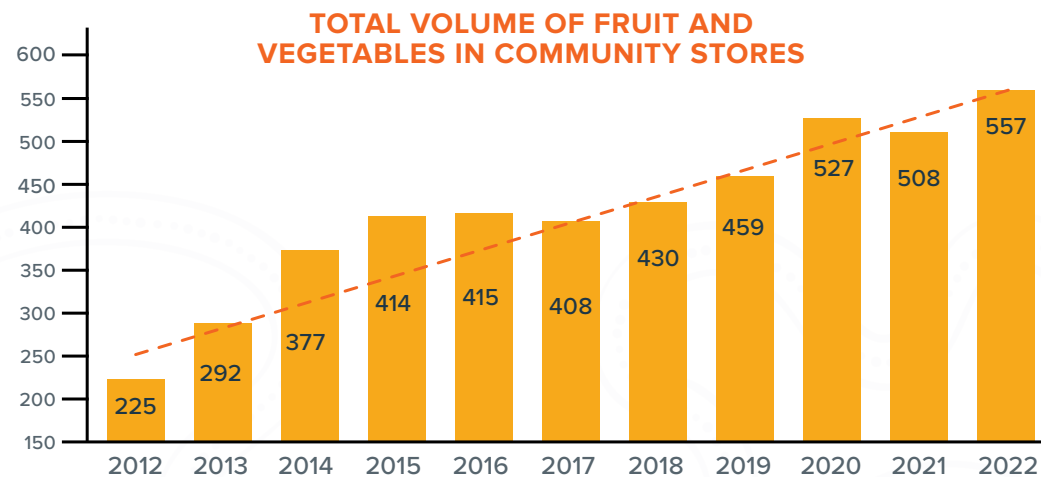


over the last financial year with major flooding and road closures, stores were still able to achieve the best result in quality, range and pricing. We look forward to maintaining and fostering these relationships to ensure a consistent supply of top-quality fresh fruit and vegetables to Outback Stores' managed locations.

Once the fruit and vegetables have arrived in store, the display of produce is just as important as the quality and range. Over the past four years we have invested in new display equipment for stores, which includes the installation of 34 new fridges and 48 new fruit and vegetable bunks across various remote community store locations. This has dramatically enhanced the presentation of our fruit and

vegetables and improved functionality with display, making fruit and vegetables the focus when entering a store. We will continue to work with stores in upgrading equipment to support the increased sales of fruit and vegetables to remote communities and highlight the fantastic produce we receive from our suppliers.

Over the past financial year, we sold a total of 557 tonnes of fresh fruit and vegetables. Given a challenging year of weather, with major flooding across delivery routes, we still saw a considerable increase in the volume of fruit and vegetables within remote communities as shown in the graph below.



The relationships we build with communities are critical in creating partnerships within the locations we operate. Outback Stores works with communities by engaging regularly with store directors and reporting on quarterly store results.

We also engage with external parties such as schools, clinics, aged care providers and external public health nutritionists. To promote the sale of healthy food, we run in-store consumer incentives and have special promotional pricing on fruit and vegetables. These strategies aim to set a new standard for fruit and vegetable volume sold across stores.



Customer incentive winner in Yungngora with store manager Katrina Jessen



Rhys Daniels at Ngukurr Store

Sugary drinks

Remote community stores are leading the way with sugar reduction for their communities.

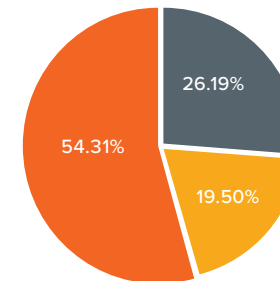
Strong leadership demonstrated by store directors has resulted in many positive health changes within the retail environment across Outback Stores' managed locations. We continue to collaborate with communities in making healthier choices easier, whilst still maintaining consumer choice. Community-led strategies that complement the Health and Nutrition Policy are key to driving positive health changes, especially with sugar reduction in remote communities. These strategies are actively supported by our pricing strategies with sugar-free drinks and water sold significantly cheaper to full-sugar carbonated drinks.

144,788 LITRES

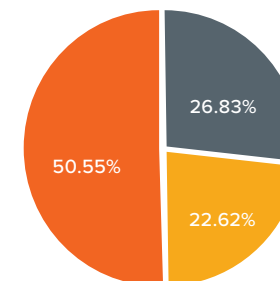
LESS SUGARY DRINKS SOLD IN REMOTE AREAS

During the last financial year, we saw a 3.76% drop in the proportion of sugary drinks sold in comparable Outback Stores on the previous year. The proportion of water sold increased by 0.63% and sugar-free drinks increased by 3.12%. The result of this is 144,788 litres less sugary drinks or approximately 11 tonnes less sugar from sugary drinks sold in the remote communities where Outback Stores operates. Over the past fifteen years Outback Stores has seen an impressive 33.90% decrease in the proportion of sugary drinks sold.

DRINKS SALES



Proportion of total drinks sales FY21



Proportion of total drinks sales FY22

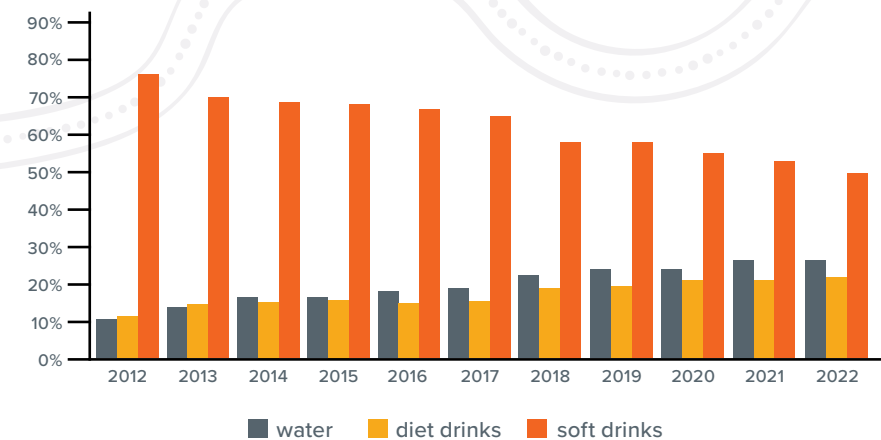
■ water ■ diet drinks ■ soft drinks

TOO MUCH SUGAR IS NO GOOD



Store poster, created in partnership with Uncle Jimmy Thumbs Up and the Arnhem Land Progress Aboriginal Corporation

MARKET SHARE DRINKS FOR ALL STORES





Partnerships

Throughout the last financial year Outback Stores has continued to strengthen its relationships with external organisations such as Monash University.

In February 2022 we hosted four Monash University students completing their Masters in Nutrition and Dietetics. Their placement involved a review of the current takeaway practice in stores and a development of a practical tool to help improve the overall community store takeaway offering.

This provided the students with a unique and varied placement experience and was a great learning opportunity for

them to increase their public health nutrition skills. The placement involved remote community visits where students were fortunate enough to travel out to a few of our managed stores in the Katherine region.

We will continue working with Monash University to provide future Nutrition and Dietetic students the opportunity to experience placement projects within the remote public health nutrition setting.

“I loved my time at Outback Stores. I found my placement to be exciting, eye-opening and inspiring. My favourite part of the placement would have to be working with different teams in the Darwin office, visiting communities and speaking with community members. I can’t thank Outback Stores enough for hosting the most rewarding placement!” - **Chloe Martin**

“My placement at Outback Stores was very valuable in solidifying my understanding of dietitians’ roles in public health. I learnt so much regarding the provision of healthy and affordable food to Remote Indigenous Communities, from contacting suppliers, managing expenses, determining what “healthy” meant in this context and planning implementation of policies and guidelines. Throughout the 7 weeks, I felt supported by all OBS staff members, which helped to make this placement a very enjoyable experience.” - **Amy Ferreira**



Monash University students with Outback Stores Health and Nutrition Manager Anna Murison (right)

“I enjoyed working collaboratively with my peers and members of Outback Stores. The team environment was very supportive and made working on this project a rewarding experience. Getting insight from store managers and community members was a highlight of the placement and valuable in the development of the Takeaway Range and Display Guidelines and Takeaway Core Range.” - **Pamodi Nandasena**

“I am so grateful to have had the opportunity to work with Outback Stores. I learnt so much over the placement, created so many memories and further developed my passion for Indigenous health. My favourite and most memorable part would have to be visiting communities and connecting with community members.” - **Kate Mason**

ABORIGINAL AND TORRES STRAIT ISLANDER

Employment and Training

Outback Stores remains committed to providing meaningful employment, career pathways, and an opportunity to complete nationally accredited training for local people whilst remaining on country.



Dorianne & Dylana receiving their Certificate II & III in Retail Services, at Ngukurr Store.

The year ended with 86% of local staff employed in community stores identifying as Aboriginal and Torres Strait Islander. This corresponds to over 313 people in remote communities engaged in real jobs.

Outback Stores continues to empower local team members in our remote community stores to have a better opportunity in retail career pathways. We had 70 students completing a nationally accredited retail qualification across our stores, including a credited unit of competency food safety training for store managers.

This year we again encountered challenges in keeping local staff engaged in work and training as we continued to be impacted by COVID-19. Staff attendance and face-to-face learning for students were affected due to the restrictions around COVID-19 mandates. Despite these challenges, 14 students completed a nationally accredited retail qualification, and 58 store managers completed a credited unit of competency in food safety training.

We continue to lead our industry in providing a relevant, interactive, and culturally appropriate learning experience for our staff and we maintain an unwavering commitment towards career progression.

This year Alma Ngalmi was appointed as the first Indigenous Training Manager. She is now leading the way for others to follow in her footsteps and is mentoring Dotty Repu from Maningrida who was

also recently promoted as the second Indigenous training officer at Outback Stores. Dotty has been an exceptional team member, working hard towards her studies and this year was formally recognised by winning the 2022 NT Training Awards – Aboriginal and Torres Strait Islander Student of the Year.

The training team continues to work closely with the NT Department of Education, as developing retail pathways for remote students in communities remains a core objective. This year we were able to deliver school-based retail traineeships for the first time in Ngukurr and Santa Teresa with great support from our store managers and their senior team members.

Our focus for the year ahead is to increase the number of school-based trainees in remote communities and to see young aspiring retailers progress through our pathways into management.

Team Members

Outback Stores strives to provide clear and obtainable career pathways for aspiring staff.



Sasha Shaw

Sasha Shaw is from the remote community of Yarralin, located 700 kilometres south-west of Katherine, along the banks of the Wickham River.

Sasha grew up speaking the Ngarinyman language of that region, as well as the widely used Kriol, spoken across many communities in the Top End.

After finishing Year 12 in Darwin at Marrara Christian College, she studied full-time for her Certificate II in Business and then worked at National Australia Bank.

Sasha first worked at Outback Stores when she was 14 years old, and after having her first child in Darwin returned to work at the store in Yarralin, running the takeaway while also studying a Certificate II in Retail Services.

Sasha credits her maternal grandmother, Joy, as a big influence in the life of her and her three sisters. Joy was a police officer for many years and now works as a schoolteacher in Yarralin.

"She taught us the importance of working and being professional on the job", says Sasha, who adds that her strict upbringing shaped her for who she is today.

"I'm really grateful to her. We weren't rich but we had everything because we were together, and we had a lot of love.



Sasha Shaw inside the Darwin Support Office

She taught us everything from cooking, gardening, and cleaning the house, to Christian teachings, as well as learning to keep our Aboriginal culture and language strong".

Sasha is currently studying a Certificate III in Accounts Administration, while also working part-time in the Darwin Support Office of Outback Stores. After starting as an intern, Sasha was soon invited to the team as a Trainee Accounting Officer, and three months later was promoted to Accounting Officer.

"Since joining the Outback Stores family Sasha has shown great enthusiasm and this, with her outgoing personality, has seen her become a valued member of our team," says Megan Baker, Finance Manager.

Having first worked in her community store, Sasha is now enjoying learning about the accounting side of the Outback Stores business.

"I've tried many different jobs and activities, but now that I've found accounting, I'm really passionate. I'm loving it," she says.



Kaitlyn Ahfat

Kaitlyn works at Nauiyu Store, situated on the banks of the Daly River, 250km north-west of Katherine.

Kaitlyn's mother's family is from the Daly River region, and her father's family is from Barunga and Katherine. Kaitlyn lives with her sister and daughter, who is four years old. She has four sisters in total and three brothers, most of whom still live in the area.

After completing high school at Kormilda College in Darwin she returned home and quickly found work at the local post office, then later moved to the community of Peppimenarti where she worked doing administration tasks at the local arts centre.

She has now worked for six years at Nauiyu Store. Since Outback Stores started operating in the community three years ago, Kaitlyn has completed a Certificate IV in Retail Management.

Kaitlyn appreciated the opportunity to attain certified training, saying "It gave me more skills and made me more interested in working in the store. It showed me different ways of doing things."

She enjoys all aspects of working at the store, particularly the company of the other staff members and the chance to talk to different people each day. She is particularly attentive to the fresh fruit and vegetable displays and making sure they look their best.

"Kaitlyn has great communication skills and is an invaluable employee. She has a lot to offer, and we hope she will gain the confidence to take on more responsibilities within Outback Stores," says Robert Niven, co-manager of Nauiyu Store.



She works at least five days a week and on her free weekends enjoys relaxing in front of Netflix or fishing for black bream, which she cooks on the coals.

Kaitlyn recently got her learner drivers licence, and she is saving to buy a car. She is now studying a Certificate IV in Business through Alana Kaye College and hopes to manage the store herself one day, when her daughter is a little older.



Michelle Young

Michelle lives in Santa Teresa, a remote community with a population of around 500 people, located 85km south-east of Alice Springs.

Michelle grew up speaking the languages of both Eastern Arrernte and English at home.

Before starting with Outback Stores she was an artist working at the local Keringke Art Centre, famous for its particularly bright and intricate style of dot paintings.

When she first started working at the store in Santa Teresa, she was keen to learn how to use the cash registers. Her favourite subject at school had always been mathematics and she thinks that it's probably why she learned the cash register so quickly.

Since working at the store, Michelle has completed the highest level of certified training that Outback Stores provides, completing her Certificate IV in Retail Management in 2021.

She enjoyed learning all aspects of the management training and was able to put those skills to use very soon afterwards when the COVID-19 virus struck the community. With both store managers ill,

Michelle and another long-term employee, Troy Turner, drew on their training to keep the community's only store operating amidst the COVID-19 pandemic.

"Michelle was willing to go above and beyond to make sure the store stayed open when the community was affected by COVID-19. She is a star employee and has a lot of potential," said Shkarra Baskott, previous co-manager of Santa Teresa store.

Michelle enjoys working and being able to support her family. "I want to be a good example for my daughter," she explains, who adds that her daughter also wants to work at the store when she grows up.

Michelle works four to five days per week and enjoys saving her money to spend on special occasions like taking her daughter to the Alice Springs Show or treating her on her birthday.

She is looking forward to maybe one day being on the store's board of directors, or even managing the store herself.

“

WE GOT TO KNOW MOST OF THE FAMILIES, EXPERIENCED LOTS OF CULTURAL EVENTS AND THE ELDERS TAUGHT US A LOT.



Hemantha Arachchige and Manjula Kalatuwage in Maningrida (NT)

Store Manager Spotlight

Originally from Sri Lanka, Hemantha and Manjula have now seen more of Australia than most Australians, thanks to the work they've done with Outback Stores since 2016.

With Hemantha's tertiary education in hospitality management and Manjula's retail experience, they found they had a perfect combination of skills to work as remote store managers.

Balgo was the first community they worked in as permanent employees, a community of around 300 people belonging to the Kukatja tribe, on the edge of the Great Sandy Desert in Western Australia.

"We got to know most of the families, experienced lots of cultural events and the elders taught us a lot," says Hemantha.

As occasional relief managers during their time at Balgo they had the chance to also visit Beagle Bay, One Arm Point and Ringer Soak. On their weekends and holidays they enjoyed camping in their roof tent and visited many beautiful areas throughout remote Western Australia, like Mitchell Falls, Shark Bay and the Gibb River Road.

Next they went to the Top End to work in Ngukurr, and developed good connections with the community and its leaders. When the time came to leave, they were touchingly farewelled with a traditional ceremonial dance.

The couple believe that the key to developing good relationships in remote communities is in trying not to make comparisons with city stores, while also trying their best to understand the lifestyle and culture of the community.

They are now working in Maningrida, located 500km east of Darwin where the Liverpool River meets the Arafura Sea. Last year they upgraded their roof tent for a camper-trailer and are looking forward to exploring Kakadu National Park on their next holidays.

"Why waste our entire lives working, only to travel when you're retired?" says Hemantha. He believes the best part about the job is exploring the country, as well as the opportunity to save money, with no rent or utility bills to pay.

The couple say they really appreciate the opportunities that come with the job and enjoy the fact that no two days are ever the same.

"When you go to the store each day it's always an adventure," says Manjula.

GOOD GOVERNANCE AND

Sustainable Retail Stores

Outback Stores provides a structured and sustainable approach to improving the local economy of remote communities, as shown by the success of Mimili Maku Store. The past 12 months has also seen Outback Stores expand to include NSW, as well as broaden its scope to include community services.

KUNAWARRITJI & PARNNGURR

Community Services in Western Australia

Outback Stores has expanded its range of services with the signing of community service agreements in the communities of Kunawarritji and Parnngurr, home of the Martu people in the Pilbara region of Western Australia.

Both have populations of around 100 people and are found in one of the most inaccessible regions of Australia. Due to these factors, the communities had experienced difficulties in ensuring food security, amongst many other challenges.

In consultation with the directors of each Aboriginal corporation, as well as the state government, Outback Stores customised a unique management agreement that ensures food security alongside municipal services, while facilitating good governance. With a view to improve social and commercial outcomes, the agreement ensures the smooth delivery of key services to these small populations, while also encouraging local skills development, career growth and ongoing sustainability.

"It is rewarding to help bring about positive change and development of a community," says Alan Krumin, Community Services Coordinator in Kunawarritji.

For the first time, Outback Stores is assisting communities not only with their local store, but also with municipal services such as rubbish removal, maintaining the airstrip and firebreaks, electricity and water supply.

Since working with Outback Stores both Kunawarritji and Parnngurr have seen

renovations to their stores - with new fridges, shelving, cash registers and operating systems - as well as a greater range of products, cheaper fruit and vegetables and increased sales.

"We get a lot of comments on how fantastic the store looks now," says Dianne McGill, Community Services Coordinator in Parnngurr.

With governance processes clearly explained by Outback Stores, the directors of the local boards are taking an active interest in making decisions for their community.

"I'm looking forward to better business for all the Martu," says 'C.J.' Christopher Johns, chairperson of Kunawarritji Aboriginal Corporation.

Parnngurr community members with Andrew Johanson from Outback Stores.



GOODOOGA & WILCANNIA



Food security in New South Wales

Goodooga's only store had been closed for sixteen years when the COVID-19 pandemic struck the small town in August 2021.

The closest grocery store or fuel-pump was a 150-kilometre round trip to Lightning Ridge - a journey made particularly problematic amidst the pandemic's travel restrictions.

To resolve this food security issue, Outback Stores acted quickly to set up a temporary store in the local town hall, stocking basic groceries such as milk, bread, meat, fruit and vegetables.

"The town was quite isolated and fearful during the COVID-19 lockdown. So the convenience of buying food locally was a great help, particularly to the elderly," says Lyall Gibbs who grew up in Goodooga and now works for the NSW Aboriginal Housing Office.

A new store has now been built in Goodooga, which opened in June 2022, on the site of the previous store.

"Feedback has been good from the community. By the time we get the fuel pump and new kitchen installed, we'll be all guns blazing," says Lyall Gibbs.



Goodooga during construction (left) and on opening day (right).



Wilcannia, on the banks of the Darling River, is even more isolated, being situated 200km from the closest town of Broken Hill.

Despite its location on a major highway, it only has one store and a handful of other local businesses to service its 550 residents, half of whom are Indigenous.

"After seeing what Outback Stores did for Goodooga, we knew that it was what Wilcannia needed," says Michael Cooper, Deputy CEO of Regional Enterprise Development Institute (REDI.E), an Indigenous organisation delivering employment and community services to the area.

After Outback Stores started operating, Michael Cooper says the community immediately noticed an improved store presentation, increased range and cheaper prices. In addition to this the store has facilitated a range of job opportunities for local people.

Wilcannia will soon receive approximately \$1.1 million in two rounds of funding from both Federal and State Governments to go towards upgrading, extending and developing the store.

There are hopes that the store upgrades will help to revitalise this once-thriving rural town. With the recent sale of the local petrol station and motel, it looks like that could well be a possibility.



REDI.E and Outback Stores employees outside Wilcannia Store (left) and inside Wilcannia store (right)

A STORY OF SUCCESS

Mimili Maku Store



Mimili is a community on the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands in remote South Australia. Located 645 km south of Alice Springs, it is home to around 200 of the Anangu people.

Mimili Maku Store Aboriginal Corporation approached Outback Stores in 2009 because many years of prior mis-management that had left the store in significant debt. Soon the store started turning a profit, with money flowing back into local projects through its Community Benefit Account (CBA).

Rex Tjami, chairperson of the corporation, explains that the community saw immediate positive outcomes. “Lots of changes happened straight away – the store looked better, there was healthy food, better fruit and vegetables and cheaper products.”

At first Rex says there were reservations in the community about the role of Outback Stores, until they realised that “Outback Stores are working for us, and it’s the corporation that owns and runs the store,” he explains.

Rex goes on to describe the difference between previous arrangements. “It’s easy and understandable working with Outback Stores. There are regular meetings and reporting. It’s all there in black and white.”

Over the past thirteen years the store has paid off its debt, sales have increased and the profits paid to the CBA have purchased:

- 28-seater bus for the football team
- 24-hour fuel pump
- New generator
- Store refurbishment
- New point-of-sale register system
- 12-seater church bus for the ladies
- 12-seater bus for ladies softball team
- Various other community initiatives eg. football carnivals, sports teams, funerals

“Mimili is a real success story. The store looks so much better, sales have increased, and it’s great to see the profits going towards activities that are important to the community,” says Nelson Tavares, Operations Manager at Outback Stores.



Rex Tjami, chairperson of Mimili Maku Store Aboriginal Corporation

“

MIMILI IS A REAL SUCCESS STORY. THE STORE LOOKS SO MUCH BETTER, SALES HAVE INCREASED, AND IT’S GREAT TO SEE THE PROFITS GOING TOWARDS ACTIVITIES THAT ARE IMPORTANT TO THE COMMUNITY



A STRONG START AT

Tilmouth Well Roadhouse

Tilmouth Well Roadhouse is located 188 km from Alice Springs along the Tanami Track, the shortest route linking the Kimberley in Western Australia to the Red Centre of the Northern Territory. The roadhouse provides fuel, groceries, meals and accommodation to tourists and truck-drivers along the Tanami Track, as well as to surrounding communities like Laramba and Yuelamu.

In 2021 the Ngurratjuta/Pmara Ntjarra Aboriginal Corporation engaged Outback Stores to assist in the management of Tilmouth Well Roadhouse. The challenges of staffing and operating a business in such a remote location had been increasing, particularly whilst COVID-19 restrictions were still having a significant impact. The corporation wanted to ensure that both surrounding communities and travellers could still enjoy a quality service at a reasonable price.

Amy Driver, Business Manager of the corporation, explains the decision to engage Outback Stores as coming down to a “good track-record, buying power and economy of scale”.

Due to Outback Stores’ extensive retail experience and supply partners, Tilmouth Well Roadhouse now offers a larger selection of fresh fruit and vegetables and grocery products. Amy says this convenience has made a big difference to the community members living nearby, as it saves the time and expense of travelling long distances.

“The store looks amazing and we’ve had awesome feedback,” says Amy Driver.

The first ten weeks of trade, post refurbishment, saw the sale of fresh produce increase tenfold. Takeaway sales have also increased with extra staff assisting in the kitchen, bar, and service areas. Sales in general have more than doubled since the refurbishment, with nearby residents making the most of the increased range and opportunity to visit on Sundays, when other community stores are closed.

Recent reviews on Facebook and Google have been positive, with one traveller saying “After a drive down the Tanami the oasis that is Tilmouth Well Roadhouse is amazing. We had the hamburger with the lot. Friendly welcome and clean facilities just topped it off. Do yourself a favour and add this as a stop if you happen to be driving past.”



Work, Health and Safety

Outback Stores continues to engage our team with key safety messages through education, consultation and implementing relevant procedures.



Outback Stores is constantly reviewing risks associated with the health, safety and well-being of our employees. A key focus over the last financial year has been the review and continuous improvement of our Safe Work Practices (SWPs), internal processes, policies and procedures. We constantly seek the engagement of our team and encourage consultation and participation regarding Work, Health and Safety (WHS), by reporting incidents, near misses and hazards to help mitigate future risk.

Our team based in stores did an exceptional job in maintaining compliance throughout the COVID-19 pandemic. In support of the Chief Health Officer's directions, COVID-19 Safety Plans for stores were implemented across all states and territories in which we operate. Store managers utilised specialised Personal Protective Equipment kits to ensure they remained safe and healthy, whilst implementing vital hygiene practices in store to create a safe environment for our customers. As a result, our stores maintained food security by remaining open throughout the pandemic.

Throughout the year, the Outback Stores Emergency Planning Committee ensured that our Emergency Response Management Plans and site induction documentation remained up to date for all stores. These administrative processes helped to safeguard our customers, employees and external contractors from preventable harm.

Outback Stores is constantly exploring new ways of enhancing and improving our food safety practices and Food Safety Programs within the stores we manage. Additionally, statistical data is gathered and monitored through the iAuditor Safety Culture App for cold chain compliance and better stock management at store level.

Management is focused on building strong relationships with our work, health

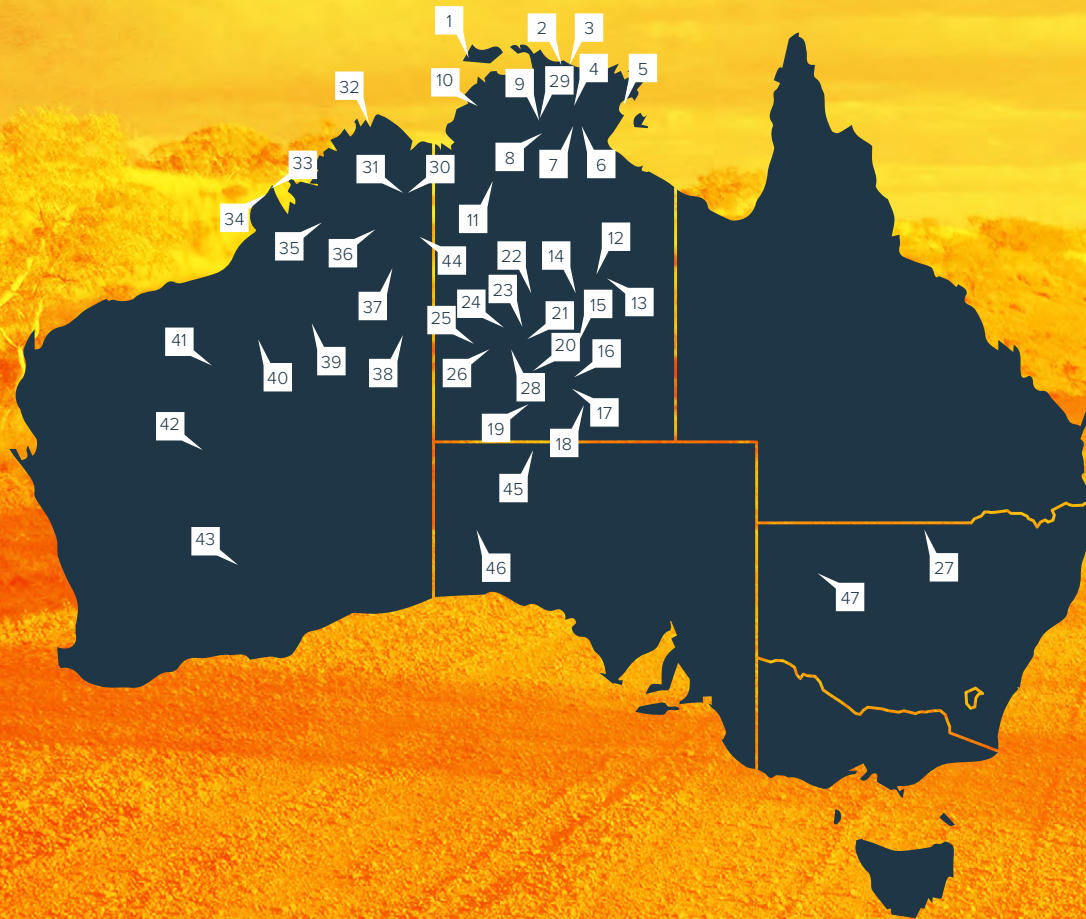
and food safety stakeholders, including environmental health, fire safety and our regulator, Comcare, which assists in achieving the best outcomes for our employees, clients and our customers.

Per the *Work Health and Safety Act 2011 Part 3*; there were no notifiable incidents reported during this period and no permanent injuries were sustained. Additionally, Outback Stores recorded no lost time injuries.



15
YEARS

Store Locations



47 LOCATIONS SERVICED BY OUTBACK STORES

NORTHERN TERRITORY

28 Stores

Ali Curung	14
Aputula	18
Beswick	29
Beswick Club	9
Bulman	4
Canteen Creek	13
Daly River	10
Engawala	15
Epenarra	12
Hermannsburg	20
Imanpa	19
Jilkminggan	8
Maningrida	3
Maningrida Wild Foods	2
Milyakburra (Bickerton Island)	5
Mt Liebig	26
Ngukurr	6
Nyirripi	25
Papunya	28
Pigeon Hole	11
Santa Teresa	16
Tilmouth Well	21
Titjikala	17
Urapunga	7
Willowra	22
Wurrumiyanga (Bathurst Island)	1
Yuelamu	23
Yuendumu	24

WESTERN AUSTRALIA

15 Stores

Beagle Bay	34
Jigalong	41
Kalumburu	32
Kiwirrkurra	38
Kunawarrtji	39
Mulan	37
Noonkanbah	35
One Arm Point	33
Parngurr	40
Ringer Soak	44
Tjuntjuntjara	43
Turkey Creek	31
Warmun	30
Wiluna	42
Yiyili	36

SOUTH AUSTRALIA

2 Stores

Mimili Maku	45
Oak Valley	46

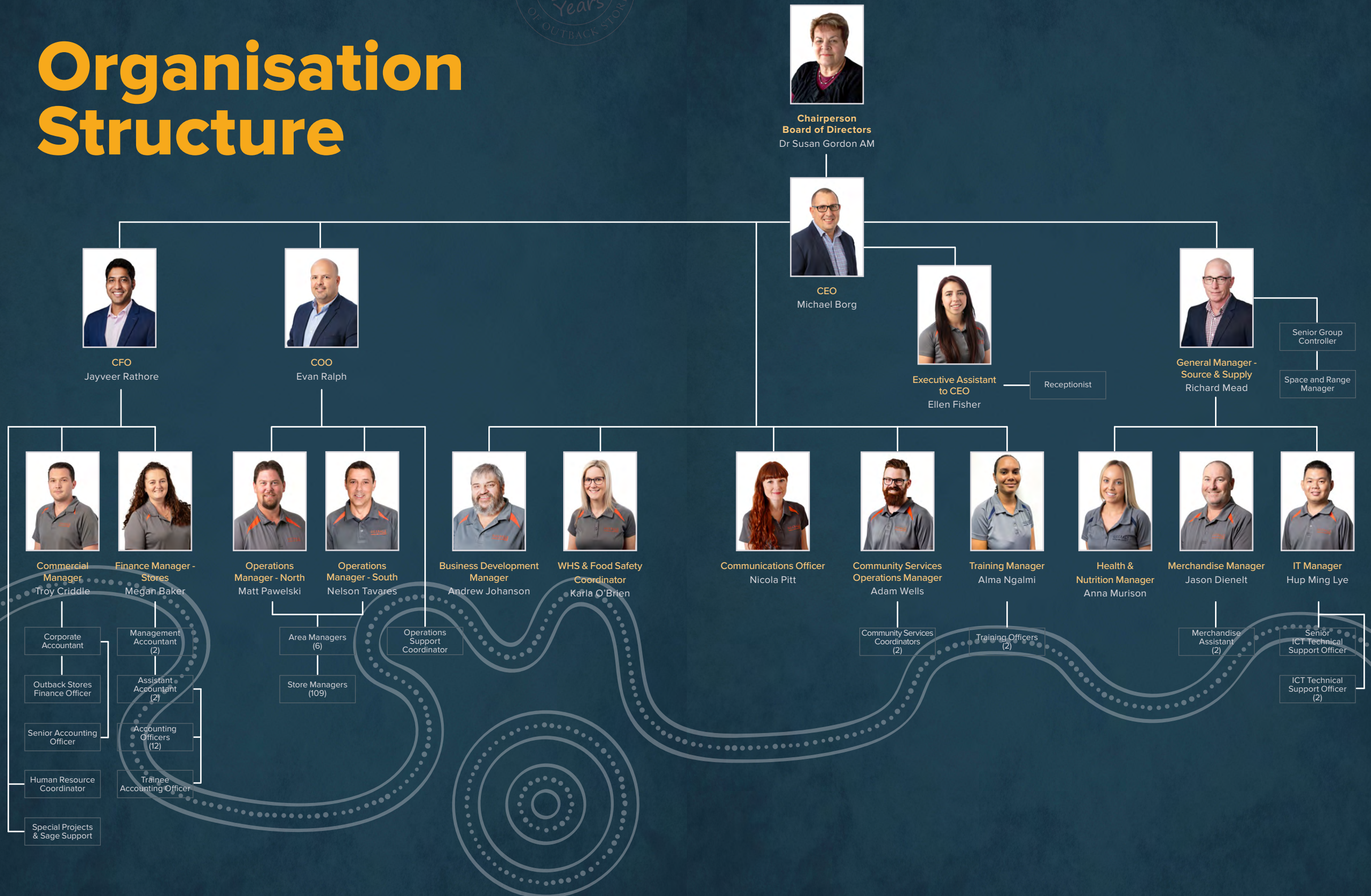
NEW SOUTH WALES

2 Stores

Goodooga	27
Wilcannia	47



Organisation Structure





Our Organisation

PURPOSE

To be a sustainable business that makes a positive difference in the health, employment and economy of remote Indigenous communities by improving food affordability and availability, nutrition and community services.

LOCATION

Outback Stores Darwin Support Office
67 Pruen Rd, Berrimah NT 0828

WORKPLACE PROFILE - SUPPORT OFFICE AND STORE MANAGERS

All Ongoing Employees Current Report Period (2021-22)

OUTBACK STORES EMPLOYEES

	Male			Female			Total
	Fulltime	Part Time	Casual	Fulltime	Part Time	Casual	
NT	60	1	-	59	1	-	121
WA	14	-	-	10	-	-	24
SA	4	-	-	3	-	-	7
NSW	2	-	-	1	-	-	3
QLD	-	-	-	1	-	-	1
Total	80	1	-	74	1	-	156

*As of 30 June 2022 Outback Stores did not employ any non-ongoing team members

Workplace Profile – Employees in 47 community stores managed by Outback Stores (2021-22)

STORE EMPLOYEES - TOTAL

	Male			Female			Total
	Full Time	Part Time	Casual	Full Time	Part Time	Casual	
NT	12	30	56	13	44	83	238
WA	3	9	38	3	6	49	108
SA	-	2	3	-	-	7	12
NSW	-	1	-	-	4	3	8
Total	15	42	97	16	54	142	366

86% of all team members employed in stores identified as Aboriginal or Torres Strait Islander

STORE EMPLOYEES - INDIGENOUS

	Male			Female			Total
	Full Time	Part Time	Casual	Full Time	Part Time	Casual	
NT	0	28	51	5	43	76	203
WA	0	8	33	0	6	43	90
SA	-	2	3	-	-	7	12
NSW	-	1	-	-	4	3	8
Total	0	39	87	5	53	129	313

STORE EMPLOYEES - NON-INDIGENOUS

	Male			Female			Total
	Full Time	Part Time	Casual	Full Time	Part Time	Casual	
NT	12	2	5	8	1	7	35
WA	3	1	5	3	-	6	18
SA	-	-	-	-	-	-	-
NSW	-	-	-	-	-	-	-
Total	15	3	10	11	1	13	53

SENIOR LEADERSHIP TEAM

The Senior Leadership Team (SLT) is led by the Chief Executive Officer. The group is responsible for leading the strategic direction of the business and ensuring key objectives are delivered. The team meets on a weekly basis to discuss progress and review performance. Further details of the SLT can be found on the organisational chart on pages 44-45.

LEARNING AND DEVELOPMENT

Outback Stores is a Registered Training Organisation (RTO) offering nationally recognised qualifications in retail services. We offer Certificate II, III and IV in Retail to all eligible store staff and store managers.

SUBSIDIARIES

Outback Stores no longer has any subsidiaries.



Outback Stores' Performance

PERFORMANCE SUMMARY

The company has been working towards achieving the following strategic priorities over the past financial year.

1. Strive to provide **best practice** in remote retail management
2. Focus on improving the **health and nutrition** outcomes for Indigenous Australians
3. Deliver positive **economic results** for remote communities
4. Deliver **employment, training and personal development** opportunities for local community members
5. Always work with **commercial principles** to support the longevity of the Outback Stores business

CORPORATE PERFORMANCE INDICATORS

In line with the organisation's Corporate Plan, our corporate performance indicators (CPIs) and measures of success relate to our broader strategic priorities and provide a clear way to remain focused on our strategy and track outcomes.

STRATEGIC PRIORITIES	OBJECTIVES	SOCIAL	CULTURAL	COMMERCIAL	CORPORATE PERFORMANCE INDICATORS	MEASURES
1. BEST PRACTICE	Continue to develop effective pricing strategies to ensure we lead the remote retail industry in affordability				Engage and assist new remote communities in retail management	Three new stores annually
	Provide a safe and secure work environment for both Outback Stores and non Outback Stores employees, as well as external stakeholders					
	Develop a culturally connected workforce within our organisation that resonates with the retail stores we support and manage				Lead pricing affordability in remote community stores	Relevant basket check

STRATEGIC PRIORITIES	OBJECTIVES	SOCIAL	CULTURAL	COMMERCIAL	CORPORATE PERFORMANCE INDICATORS	MEASURES
2. HEALTH AND NUTRITION	Ensure continuous monitoring and improvement of our existing Health and Nutrition Policy				Reduce the comparative purchase of full sugar soft drinks in community stores	2.5% reduction annually
	Increase communication of key social benefits to all stakeholders regarding health and nutrition outcomes				Reduce the comparative amount of tobacco sticks being purchased in community stores	5% reduction annually
	Partner with industry stakeholders to increase our contribution in assisting with broader health outcomes in remote communities					
3. ECONOMIC RESULTS	Work with supported and managed stores to reinvest profits from their organisations back into their businesses, in line with their objectives				Deliver financial outcomes as agreed and approved by store board/directors in community stores	85% stores
	Develop and offer financial services tailored for remote community organisations to assist with record-keeping and governance					
4. EMPLOYMENT, TRAINING AND PERSONAL DEVELOPMENT	Maintain "RTO" status with the view to expand our qualifications on scope and jurisdiction				Employment of local Indigenous team members in remote retail stores in community stores	85% of the total staffing
	Continue to provide store employees with career development opportunities, to ensure the growth of leadership potential within remote communities				Permanent Indigenous employees enrolled in accredited training programmes	60%
5. COMMERCIAL PRINCIPLES	Seek financial investment opportunities that will maximise commercial benefits for our business				Deliver budgeted outcomes	Exceed or meet operating profit/loss number
	Continually improve business processes with a further view of being more efficient to reduce operating costs					



Government Priorities

OUTBACK STORES' CONTRIBUTION

Outback Stores works towards improving the health and employment of Indigenous Australians. This directly relates to three of the Australian Government's Closing the Gap targets. These are:

► **Close the gap in life expectancy within a generation.**

Outback Stores is committed to providing access to good quality food at an affordable price, leading to better health outcomes for current and future generations. Having access to a broad range of fresh fruit and vegetables not only improves quality of life, but studies consistently show that diets plentiful in fruits and vegetables help people maintain a healthy weight and protect against cardiovascular disease. This would directly impact closing the gap in life expectancy within a generation.

► **Halve the gap in mortality rates for Indigenous children under five within a decade.**

We work with a number of stores, communities, schools, health care providers and non-government organisations to promote healthy food and drink choices at a young age. We assist in providing education to help increase community awareness and knowledge about health and nutrition, specifically to make healthy choices easier. Stores have a healthy food policy in place with the goals of reducing the sales of sugary drinks, increasing the sales of fruit and vegetables and increasing healthy takeaway options. Investing in such activities supports community members to make good informed decisions for their young families and helps young children understand healthier options in life.

► **Halve the gap in employment outcomes between Indigenous and non-Indigenous Australians.**

Our focus on providing employment opportunities for Indigenous Australians since 2006 has been one of our cornerstone objectives. At 30th of June 2022, we had 313 Indigenous staff employed in Outback Stores managed locations. Outback Stores is a Registered Training Organisation (RTO), offering nationally recognised qualifications in retail services. This opportunity allows Indigenous Australians to gain accredited qualifications and opens doors for a range of new employment opportunities.

Corporate Governance

INTRODUCTION

Outback Stores is a wholly owned Commonwealth company and is part of the Department of Prime Minister and Cabinet's portfolio. The Ministers responsible for the 2021-22 reporting period were the Hon Ken Wyatt AM MP, Minister for Indigenous Australians; and, Minister for Indigenous Australians, the Hon Linda Burney MP from 1 June 2022. Outback Stores was required to fulfil the requirements of the *Corporations Act 2001* and *Public Governance, Performance and Accountability Act 2013 (PGPA Act)* for the full financial year.

CORPORATE GOVERNANCE STATEMENT

Unless otherwise disclosed below, the company has followed the best practice guide on corporate governance principles, as published by the Australian National Audit Office, for the entire financial year ended 30th June 2022.

BOARD COMPOSITION

The skills, experience and expertise relevant to the position of each director who is in office at the date of the Annual Report and their term of office are detailed in the director's report on page 70.

Outback Stores directors are appointed by the Minister for Indigenous Australians. All directors are non-executive.

ETHICAL STANDARDS

The board acknowledges and emphasises the importance of directors and employees maintaining the highest standard of corporate governance practice and ethical conduct.

BOARD DEVELOPMENT AND REVIEW

New board members undertake a formal induction into their role, including a meeting with the Chair and other Directors. They are given an induction pack that includes the Board Governance Charter. Directors are required to pursue their own development and continuously update their knowledge to attain and maintain the levels of competence demanded of them. Directors are expected to undertake ongoing professional development that is relevant, required and commensurate with Outback Stores' requirements.

REMUNERATION

Outback Stores directors are entitled to remuneration and allowances in accordance with Remuneration Tribunal determinations. Details of directors' remuneration and interests are set out in the financial statements.

KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION INFORMATION

Public Governance, Performance and Accountability Amendment (Reporting Executive Remuneration) Rules 2019, Schedule 3—Information about executive remuneration.

Remuneration Policy

It is a requirement to agree any remuneration package and wage contract of senior management with the chairperson. Board approval is required to change the remuneration package of the Chief Executive Officer.

Key factors in determining executive remuneration are the specific skills required to perform the role and the contribution to the company's outcomes. Remuneration components are fixed.

Non-executive remuneration is in accordance with the applicable Part Time Office Bearer determination from the Remuneration Tribunal.

Information about remuneration for key management personnel

For the purposes of subsections 17CA(3) and 28EA(3), information about remuneration for key management personnel is provided.

Name	Position Title
Mr. M. Borg	CEO
Mr. J. Rathore	CFO
Mr. E. Ralph	COO
Mr. R. Mead	General Manager - Source & Supply
Dr. S Gordon	Chairperson (non-executive)
Mr. G. Cook	Director (non-executive)
Ms. S. Cleveland	Director (non-executive)
Mr. S. Bate	Director (non-executive)
Ms. S. Eades	Director (non-executive)
Ms. B. Price	Director (non-executive)
Mr. D. Evans	Director (non-executive)
Mr. D. Bouchier	Director (non-executive)
Ms. L. Nelson	Director (non-executive)
Total	



Base Salary	Short-term benefits		Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
	Bonuses	Other benefits & allowances		Long Service Leave	Other long-term benefits		
\$321,410	-	\$26,413	\$23,568	\$938	-	-	\$372,328
\$253,078	-	-	\$22,826	\$6,319	-	-	\$282,223
\$241,209	-	\$1,125	\$21,973	\$939	-	-	\$265,246
\$223,121	-	-	\$20,389	\$1,688	-	-	\$245,198
\$77,620	-	-	\$7,762	-	-	-	\$85,382
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$29,108	-	-	\$2,911	-	-	-	\$32,018
\$38,810	-	-	\$3,881	-	-	-	\$42,691
\$1,417,215	-	\$27,538	\$126,595	\$9,884	-	-	\$1,581,233

The table includes 27 fortnightly pay cycles as opposed to the regular 26 cycles

INDEMNITY AND INSURANCE

Outback Stores indemnifies current and former directors and staff members against any liability or costs incurred in connection with any claim brought against them as a result of, or in connection with, their appointment to any office or position in Outback Stores or a related entity. Outback Stores holds directors' and officers' liability insurance coverage through Comcover, the Australian

Government's self-managed fund. As part of its annual insurance renewal process, Outback Stores reviewed its insurance coverage in 2021-22 financial year to ensure it remained appropriate for its operations. The cost of directors' and officers' indemnity insurance for 2021-22 financial year was \$30,194.48.

MEETINGS HELD DURING THE YEAR AND ATTENDANCE

The board of directors meet quarterly or as required, this includes any emergency meetings that may be necessary. Further details on director's meetings can be found on page 68.

PERFORMANCE EVALUATION

The performance evaluation of the board of directors is conducted yearly. The chairperson discusses with relevant parties whether they feel the board are performing well and if any feedback is required. The chairperson then discusses the outcomes at the next board meeting to identify appropriate action to remedy any identified shortcomings, to continue to perform effectively.



AUDIT AND RISK COMMITTEE

The Audit and Risk Committee was established in 2007 and meets quarterly or as required. The Company is required to have an Audit Committee under section 45 of PGPA Act.

The committee charter is to consider any matter relating to the financial reporting, internal control structure (including director reimbursement), internal risk management systems and external audit function of Outback Stores and any of its controlled entities.

The functions of the committee include:

- a. Helping the company and its directors to comply with obligations under the *Public Governance, Performance and Accountability Act 2013* and the *Corporations Act 2001*.
- b. Providing a forum for communication between the directors, the senior management, and the external auditors of the company.

The performance evaluation of the committee is conducted yearly and follows the same process as the board evaluation.

Committee members for the reporting period:

- ▶ David Evans 1/7/2021 – 30/6/2022
- ▶ Sophie Cleveland 1/7/2021 – 30/6/2022
- ▶ Stephen Bate 1/7/2021 – 30/6/2022
- ▶ Lesley Nelson 1/7/2021 – 30/6/2022

Information detailing the qualifications, skills or experience of the committee members can be found in the director's report on pages 64-65.

There was no remuneration provided to the Audit and Risk Committee for service during the reporting period.

Further details of the Audit and Risk Committee Charter can be found on <https://outbackstores.com.au/wp-content/uploads/2022/09/OBS-Audit-Risk.pdf>

SOCIAL OUTCOMES COMMITTEE

The board established the Social Outcomes Committee in 2013 and meetings are held quarterly or as required. Its charter is to consider any matter relating to social outcomes in individual Indigenous communities, including nutrition, employment, community engagement and economic development.

The functions of the committee include:

- a. Developing strategies with management on;
 - i. Health and nutrition
 - ii. Indigenous employment
 - iii. Community engagement
 - iv. Economic development in communities
- b. Monitor and review progress against approved strategies.
- c. Review and approve formal working partnerships with other agencies in nutrition, Indigenous employment, community engagement and economic development.

STORE ASSESSMENT COMMITTEE

The Store Assessment Committee continued with the responsibilities delegated last financial year. The board established the Store Assessment Committee in 2007 and meetings are held monthly or as required. Its charter is to consider any matter relating to store management in individual Indigenous communities, including strategy, agreements, termination, expenditure, capital loans and underpinning.

The functions of the committee include:

- a. Consider management proposals for store acquisitions under management agreements, leases or purchases.
- b. Consider management proposals to discontinue management services.
- c. To authorise requested operational underpinning by management for supported stores.
- d. To authorise requested capital underpinning by management for supported stores.
- e. To authorise commercial loans to stores under company management.
- f. To ensure robust procedures are implemented and followed for the use of public funds to support remote stores under company management.

INDIGENOUS ADVISORY GROUP

In 2020 the board established a new, independent advisory group to assist Outback Stores with achieving its purpose and strategic priorities.

The Indigenous Advisory Group is classified as a non-statutory, independent, skills-based group that provides advice to Outback Stores chairperson and CEO. The group is a non-decision-making body that is not governed by legislation.

The functions of the group include:

- a. Development and maintenance of Outback Stores brand reputation and perception.
- b. Assisting with establishing management agreements with new communities.
- c. Assisting with retention of existing management agreements.
- d. Feedback mechanism to measure stakeholder satisfaction.
- e. Developing relationships with key stakeholders including community leaders and land councils.

MEETING ATTENDANCE

Further details on committee meeting attendance can be found on page 68.



Other Information

ENVIRONMENTAL PERFORMANCE AND ECOLOGICALLY SUSTAINABLE DEVELOPMENT

Section 516A of the Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act) requires Australian Government organisations including authorities such as Outback Stores to include in their Annual Report a section detailing their environmental performance and their contribution to Ecologically Sustainable Development (ESD). In doing this, Outback Stores is committed to the principles of ESD as detailed in section 3A of the EPBC Act.

The following table details Outback Stores' ESD activities in accordance with section 516A(6) of the EPBC Act 1999.

Activity	How it accords with the principles	How it furthers or advances ESD principles
Recycling plan	Integrating both long and short-term economic, environmental considerations.	Implementing and maintaining a recycling plan in the national office to reduce waste.
Store refrigeration	Recognising and considering the environmental impacts of actions and policies.	Refrigeration in stores is upgraded accordingly to reduce power consumption and swapping to more efficient refrigerant gas in new equipment.
Lighting for stores and housing	Recognising and considering the environmental impacts of actions and policies.	Remote stores and manager housing is fitted with energy-efficient lighting, where possible, to reduce power consumption.
Hot water for stores and housing	Recognising and considering the environmental impacts of actions and policies.	Solar hot water systems are installed in stores and housing, where possible.
Sale of white goods	Maintaining company competitiveness in an environmentally sound manner.	Considering all environmental impacts when purchasing all new equipment.
Purchasing new equipment	Integrating both long and short-term economic, environmental considerations.	Considering all environmental impacts when purchasing all new equipment.
Capital improvement programs	Integrating both long and short-term economic, environmental considerations.	Considering all environmental impacts as part of the process of identifying capital improvement programs.
Upgrading computers	Recognising and considering the environmental impacts of actions and policies.	Computers are upgraded accordingly.

OUTBACK STORES' APPROACH TO IMPLEMENTING ESD PRINCIPLES

Outback Stores was established to improve access to affordable healthy food in remote Indigenous communities - our primary focus is on economic and social outcomes, rather than environmental outcomes.

We have continued our efforts to reduce Outback Stores' carbon footprint through various measures such as implementing more sustainable energy practices, water management and waste management.

We are continuing the development of programs at our national office and remote stores to reduce environmental impacts and although we are yet to develop metrics to monitor our carbon footprint, we are committed to continual improvement in environmental performance management.

RISK MANAGEMENT

Outback Stores' risk management process is a structured approach to the management of risk, ensuring to establish systems for the ongoing monitoring and review of business risks.

This process also ensures that Outback Stores' approach to risk management is centred on continuous improvement in the risk management systems and processes the organisation adopts.

The business' risk register is reviewed quarterly by the Senior Leadership Team and the Audit and Risk Committee, who provide support in the assurance process to the board.

SIGNIFICANT ACTIVITIES AND CHANGES AFFECTING THE COMPANY

There were no significant activities and changes affecting the company in the 2021-2022 financial year.

DISCLOSURE REQUIREMENTS FOR GOVERNMENT BUSINESS ENTERPRISES

Outback Stores is not currently a government business enterprise and hence has no reporting requirement for this annual report relating to changes in financial conditions and community service obligations or information that is commercially prejudicial.

MINISTERIAL DIRECTIONS AND GENERAL POLICY ORDERS

There have been no Ministerial Directions, General Policies or General Policy Orders issued to Outback Stores.

JUDICIAL DECISIONS AND REVIEWS BY OUTSIDE BODIES

There were no judicial decisions or decisions of administrative tribunals that had a significant effect on Outback Stores' operations during 2021-22. The Commonwealth Ombudsman received no complaints regarding Outback Stores.



Index

The below table is a requirement for Commonwealth companies' annual reports under *Schedule 2B of the PGPA Rule. Section 28E(p).*

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT
28E	Contents of annual report		
28E(a)	Page 46	The purposes of the company as included in the company's corporate plan for the reporting period	Mandatory
28E(b)	Page 51	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)	Page 57	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)	Page 57	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)	NA	Particulars of non-compliance 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)	Page 64	Information on each director of the company during the reporting period	Mandatory
28E(g)	Page 44	An outline of the organisational structure of the company (including any subsidiaries of the company)	Mandatory
28E(ga)	Page 46	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: a. statistics on full-time employees; b. statistics on part-time employees; c. statistics on gender; d. statistics on staff location	Mandatory
28E(h)	Page 42	An outline of the location (whether or not in Australia) of major activities or facilities of the company	Mandatory
28E(i)	Page 51	Information in relation to the main corporate governance practices used by the company during the reporting period	Mandatory

28E(j), 28E(k)	NA	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)	Page 57	Any significant activities or changes that affected the operations or structure of the company during the reporting period	If applicable, mandatory
28E(m)	Page NA	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)	NA	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)	NA	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)	Page 52	Information about executive remuneration	Mandatory
28E(ob)	Page 54	Particulars 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
28F	Disclosure requirements for government business enterprises		
28F(1)(a)(i)	NA	An assessment of significant changes in the company's overall financial structure and financial conditions	If applicable, mandatory
28F(1)(a)(ii)	Page 118	An assessment of any events or risks that could cause financial information that is reported not to be indicative of future operations or financial condition	If applicable, mandatory
28F(1)(b)	NA	Information on dividends paid or recommended	If applicable, mandatory
28F(1)(c)	NA	Details of any community service obligations the government business enterprise has including: a. an outline of actions taken to fulfil those obligations; and b. an assessment of the cost of fulfilling those obligations	If applicable, mandatory
28F(2)	NA	A statement regarding the exclusion of information on the grounds that the information is commercially sensitive and would be likely to result in unreasonable commercial prejudice to the government business enterprise	If applicable, mandatory



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This document must be attributed as the Outback Stores Pty Ltd Annual Report 2021-2022.

OUTBACK
Stores
Working With Communities

FINANCIAL STATEMENTS

OUTBACK STORES PTY LTD

ABN: 63 120 661 234

**GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**



Outback Stores Pty Ltd

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Outback Stores Pty Ltd

Directors' Report

The directors of Outback Stores Pty Ltd (the Company or Outback Stores) submit herewith the annual financial statements of Outback Stores for the year ended 30 June 2022.

Information about the directors

The names and particulars of the directors of the Company during or since the end of the financial year are:

Name	Particulars
Mr. G. Cook AAM	Joined the Board on 16 September 2015 in a non-executive capacity. Mr. Cook AAM has a strong background in retail, enterprise development, consultancy, training and tourism. Mr Cook AAM has worked with both mainstream and indigenous enterprises.
Ms. S. Cleveland	Joined the Board on 1 September 2016 In a non-executive capacity. Ms. Cleveland is the partner in charge of the commercial disputes resolution team in the Darwin office of a national law firm, she is an experienced and pragmatic litigator specialising in the areas of construction, employment, and aboriginal land disputes.
Mr. S. Bate	Joined the Board on 1 September 2016 in a non-executive capacity. Mr Bate has extensive experience in retail, having worked for Woolworths for 37 years. Mr. Bate was part of the Woolworths Senior Management Team, and has experience in both buying and operations at senior executive level.
Prof. S. Eades	Joined the Board on 1 September 2016 in a non-executive capacity. Professor Eades completed her medical degree in 1990 and after working as a general practitioner began her career in health research at the Telethon Institute for Child Health Research where her focus was on the epidemiology of Indigenous child health in Australia.
Ms. B. Price	Joined the Board on 30 November 2017. Ms. Price has worked in education and training, public administration, the media, community development, interpreting, translating language, teaching and has experience in small business management. In 2008 the Northern Territory Labor Government appointed Ms. Price as Chairperson of its Indigenous Affairs Advisory Council (IAAC). She was elected as a Country Liberal Party member of the Northern Territory Legislative Assembly from 2012 to 2016, and was appointed Minister for Housing, Community Services, Parks and Wildlife, Local Government, Statehood and Women's Policy in the Northern Territory Government. Ms. Price currently works in cross-cultural awareness training, community liaison and Warlpiri language services.
Dr. S. Gordon AM	Joined the Board on 26 October 2018. Dr Gordon AM is a Ngooonooru Wadjari woman from the Yamatji people. A retired magistrate who served for 20 years on the bench of the Children's Court of Western Australia, Dr Gordon AM has had a long and distinguished career, with extensive senior leadership experience. She has worked in the area of Indigenous employment, was a member of the first board of the Aboriginal and Torres Strait Islander Commission, chaired the National Indigenous Council, and led the Gordon Inquiry and the Northern Territory Emergency Response Taskforce. She has a Bachelor of Laws Degree from the University of Western Australia (UWA), an Honorary Degree of Doctor of Letters from UWA, Order of Australia - Australia Medal, Centenary Medal, Defence Service Medal, and was named Senior Woman Lawyer of the Year 2014 by the Women's Lawyers of WA Inc.

cont.

Outback Stores Pty Ltd

Directors' Report

Mr. D. Bouchier	Joined the Board on 16 March 2019. Mr. Bouchier is a multi-award winning multi-platform journalist. He has reported across the country and around the world for close to 20 years. Mr. Bouchier has worked as a newspaper reporter, video journalist, foreign correspondent, political reporter, and social commentator. Mr. Bouchier grew up in the remote Northern Territory town of Tennant Creek, where he was mentored by elders from around the region, while coming to understand his own Indigenous heritage from his mother's side of the family in coastal and inland parts of Victoria.
Mr. D. Evans	Joined the Board on 24 September 2019. Mr Evans has over 30 years' experience in banking and finance in Australia and the Asia-Pacific and is also a consultant and facilitator for the Australian Institute of Company Directors. Mr Evans contributes in various governance roles in the public and private sectors. He is also a recipient of the Centenary Medal for his services to the health industry through the National Heart Foundation.
Ms. L. Nelson	Joined the board on 1 March 2021. Ms. Nelson is a proud Noongar woman from the Ballardong and Whadjuk clans who holds over 25 years' experience in various executive leadership roles within the Aboriginal health sector, the most recent being her current role as CEO of the South West Aboriginal Medical Service. Ms. Nelson brings a wealth of strategic governance experience to several Board director positions. Ms. Nelson bias for innovation and action is further strengthened with post graduate qualifications in Business and Epidemiology.

The above named directors held office during the whole of the financial year.

Shares options granted to directors and senior management

No share options were granted or authorised to directors and senior management.

Company secretary

Dr B. Orme continued to hold the position of company secretary of the Company.

Principal activities

The Company's principal activities are management services provided to remote Indigenous community stores across Australia and commercial loans and other financial support to unviable remote community stores through the support of the National Indigenous Australians Agency.

Changes in state of affairs

Outback Stores registered as a not-for-profit organisation with the Australian Charities and Not-for-profits Commission on 9 September 2021 with the effective registration date of the charity being 1 July 2020. Outback Stores changed its operational status effective 1 July 2021. Outback Stores is exempt from income tax under item 1.1 of subdivision 50-5 of the Income Tax Assessment Act 1997.

Other than the above, there was no other significant change in the state of affairs of the Company during the financial year.



Outback Stores Pty Ltd

Directors' Report

Review of operations

Outback Stores managed 47 stores at the end of the financial year. Combined store turnover for the financial year was over \$102.7 million.

The remote retail industry continued to face supply and logistical challenges in relation to the COVID-19 pandemic and geopolitical tensions. Outback Stores maintains its lead on the affordability of staple products and fresh produce, furthering the promotion of healthy food choices.

The business of managing retail stores in remote communities continues to be challenging, due to the ongoing high operating costs for both the stores and for the Company. Outback Stores continues to work to reduce costs to the consumer and become more efficient in the way we manage them. The Company still manages a large number of stores that are not viable due to small populations and geographical difficulties.

	2022	2021
	\$	\$
(Deficit)/surplus for the year from operations	(4,927,145)	(212,798)
Add back: Income tax (benefit)/expense*	(664,637)	(88,516)
(Deficit)/surplus before Income tax from operations	(5,591,782)	(301,314)

Less: Adjustments for non-operating surplus		
Revenue from government grants	1,767,136	1,610,541
Net gain/(loss) on disposal of assets	111,483	1,236
Store grant expenditure (underpinning)	(1,766,136)	(1,493,754)
Other grant expenditure	(1,000)	(116,789)
Total non-operating surplus	111,483	1,234

Total operating (loss)/profit	(5,703,265)	(302,548)
--------------------------------------	--------------------	-----------

*Income tax was applicable to Outback Stores in FY2021, but no longer applicable in the current financial year given the change in tax exempt status. Outback Stores was endorsed for a charity tax concession in FY2022.

Outback Stores Pty Ltd

Directors' Report

Subsequent events

There has not been any matter or circumstance occurring subsequent to the year end that has significantly affected, or may significantly affect, the operations of Outback Stores, the results of its operations, or the state of affairs of the Company other than those matters noted earlier in the Directors' Report.

Future developments

Outback Stores will continue to grow through expanding their services to other Indigenous community stores across Australia.

Indemnification of officers

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company (as named above) and all executive officers of the Company against a potential liability incurred as such a director or executive officer.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company against a potential liability incurred as such an officer or auditor.

Auditor's independence declaration

The auditor's independence declaration is included on page 72.

Remuneration report

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of the Company's directors and its senior management for the financial year ended 30 June 2022. The prescribed details for each person covered by this report are detailed below under the following headings:

- ▶ Director and senior management details
- ▶ Directors' meetings
- ▶ Remuneration policy
- ▶ Remuneration of directors and senior management
- ▶ Key terms of employment contracts

Outback Stores Pty Ltd

Directors' Report

Director and senior management details

The following persons acted as directors of the company during or since the end of the financial year:

Non-executive Directors

- ▶ Dr. S. Gordon AM (Chairperson)
- ▶ Mr. G. Cook AAM
- ▶ Mr. D. Bouchier
- ▶ Ms. S. Cleveland
- ▶ Mr. S. Bate
- ▶ Ms. L. Nelson
- ▶ Prof. S. Eades
- ▶ Ms. B. Price
- ▶ Mr. D. Evans

Executive Officers

- ▶ Mr. M. Borg (Chief Executive Officer)
- ▶ Mr. J. Rathore (Chief Financial Officer)
- ▶ Mr. E. Ralph (Chief Operating Officer)
- ▶ Mr. R. Mead (General Manager Source and Supply)

The term 'senior management' is used in this remuneration report to refer to the following persons that have the authority and responsibility for planning, directing and controlling the activities of the company. Except as noted below, the named persons held their current position for the whole of the financial year and since the end of the financial year.

Directors' meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 4 board meetings, 7 store assessment committee meetings, 4 audit and risk committee meetings, and 5 investment committee meetings were held.

Directors	Board of directors		Store Assessment		Audit and risk committee		Investment committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr. G. Cook AAM	4	4	7	7				
Ms. S. Cleveland	4	3			4	0		
Mr. S. Bate	4	4	7	7	4	4	5	5
Ms. L. Nelson	4	4			4	4		
Prof. S. Eades	4	3						
Ms. B. Price	4	4						
Dr. S. Gordon AM	4	4						
Mr. D. Bouchier	4	4	7	5			3	2
Mr. D. Evans	4	4			4	4	5	5



Outback Stores Pty Ltd

Directors' Report

Remuneration policy

It is a requirement to agree any remuneration package and wage contract of senior management with the Chairperson.

Board approval is required to change the remuneration package of the Chief Executive Officer.

Remuneration for employees is based on employment contracts that are linked to the individual's and Company performance.

The Company's earnings are reported under the Statement of profit or loss and other comprehensive income.

Remuneration of directors and senior management

Non-executive

Remuneration has been paid to non-executive directors during the financial year.

	2022	2021
	\$	\$
Short term	378,398	368,695
Post-employment	37,840	35,042
Total remuneration:	416,238	403,737

Executive officers

Short term	1,066,355	988,049
Long term employment	9,884	14,561
Post-employment	88,756	85,436
Total remuneration:	1,164,995	1,088,045



Outback Stores Pty Ltd

Directors' Report

Bonuses and share-based payments granted as compensation for the current financial year

Bonuses

Bonuses to senior management are provided for based on their individual employee contracts and are based on Company performance and at the Board's discretion. No bonuses were paid during the financial year.

Employee share option plan


None.

Key terms of employment contracts

Employment contracts are negotiated on a per person basis and include the following details. Unless noted otherwise, the termination notice required to terminate the contract is four weeks.

- ▶ Mr. M. Borg (Chief Executive Officer) - Position commencing 24 October 2016, with a required termination period of 3 months.
- ▶ Mr. J. Rathore (Chief Financial Officer) - Position commencing 1 July 2015.
- ▶ Mr. E. Ralph (Chief Operating Officer) - Position commencing 19 December 2016.
- ▶ Mr. R. Mead (General Manager Source and Supply) - Position commencing 15 January 2018.

On behalf of the Directors



Dr. S. Gordon AM
Chairperson

Darwin, Dated: 01/09/2022

Outback Stores Pty Ltd


Directors' Declaration

In the opinion of the Directors of Outback Stores Pty Ltd:

- a. The financial statements and notes of Outback Stores Pty Ltd are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*, including:
 - i. Giving a true and fair view of its financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
 - ii. Complying with Australian Accounting Standards and *Australian Charities and Not for Profits Commission Regulation 2013*; and
- b. There are reasonable grounds to believe that Outback Stores Pty Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

On behalf of the Directors



Dr. S. Gordon AM
Chairperson

Darwin, Dated: 01/09/2022



OFFICIAL: Sensitive



Dr Susan Gordon
Chair of the Board
Outback Stores Pty Ltd
PO Box 1953
Berrimah NT 0828

OUTBACK STORES PTY LTD FINANCIAL REPORT 2021-22
AUDITOR'S INDEPENDENCE DECLARATION

In relation to my audit of the financial report of the Outback Stores Pty Ltd for the year ended 30 June 2022, 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

Peter Kerr
Executive Director
Delegate of the Auditor-General
Canberra
1 September 2022

OFFICIAL: Sensitive

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



INDEPENDENT AUDITOR'S REPORT

To the members of Outback Stores Pty Ltd

Opinion

In my opinion, the financial report of Outback Stores Pty Ltd (the Company) for the year ended 30 June 2022 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 2022 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures, 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 2022 and for the year then ended:

- Directors' Declaration
- Statement of Profit and Loss and Other Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes to and forming part of the financial statements, comprising a summary of significant accounting policies and other explanatory information.

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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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



In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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, the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as 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

A handwritten signature in black ink, appearing to read "Peter Kerr".

Peter Kerr

Executive Director

Delegate of the Auditor-General

Canberra

2 September 2022



Outback Stores Pty Ltd

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME for the year ended 30 June 2022

		Consolidated	
		2022	2021
	Notes	\$	\$
Revenue			
Revenue from government grants	3.1	1,767,136	1,610,541
Rendering of services	3.2	4,357,980	4,068,911
Interest income	3.3	61,308	192,072
Investment income	3.4	1,098,347	716,325
Store recoveries and charges	3.5	8,976,963	7,900,961
Supplier income	3.6	2,276,906	2,178,008
Other revenue	3.7	1,471,616	1,303,281
Gain on disposal of assets		111,483	1,236
Fair value gain on financial instruments at fair value through profit and loss	3.8	-	1,209,241
Total Revenue		20,121,739	19,180,576
Expenses			
Consulting expenditure	4.1	174,930	469,359
Depreciation and amortisation	4.2	802,477	711,444
Employee benefits expense	4.3	14,294,275	12,732,321
Loss on disposal of fixed assets	4.4	-	235,478
Rental expenses	4.5	-	15,719
Store grant expenditure (underpinning)	4.6	1,766,136	1,493,754
Administrative expenditure	4.7	3,528,363	3,436,889
Other grant expenditure	4.8	1,000	116,789
Finance costs	4.9	105,098	93,105
Fair value loss on financial instruments at fair value through profit and loss	4.10	3,711,968	-
Total Expenses		24,384,247	19,304,858
Deficit before Income tax from continuing operations		(4,262,508)	(124,282)
Income tax benefit/(expense)	5.1	(664,637)	(88,516)
Deficit after Income tax from continuing operations		(4,927,145)	(212,798)

cont.

Outback Stores Pty Ltd

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME, CONT.

		Consolidated	
		2022	2021
	Notes	\$	\$
Total comprehensive deficit		(4,927,145)	(212,798)
Deficit for the year attributable to:			
Owners of the Company		(4,927,145)	(212,798)
Total comprehensive deficit for the year attributable to:			
Owners of the Company		(4,927,145)	(212,798)

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



Outback Stores Pty Ltd

STATEMENT OF FINANCIAL POSITION for the year ended 30 June 2022

		Consolidated	
		2022	2021
Notes		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	6.1	5,927,750	9,718,058
Trade and other receivables	6.2	2,361,324	2,069,912
Financial assets	6.3	33,508,158	35,883,107
Other current assets	6.4	137,174	66,448
Current tax assets	5.3	-	16,810
Total current assets		41,934,406	47,754,335
Non-current assets			
Housing	7.1	47,238	70,789
Furniture and fittings	7.1	83,672	27,695
Leasehold improvements	7.1	14,275	14,418
Motor vehicle and components	7.1	416,449	516,345
IT equipment	7.1	222,050	411,242
IT software	7.1	123,613	114,179
Right-of-use assets	7.3	1,955,901	2,053,433
Deferred tax assets	5.4	-	1,595,450
Financial assets	6.3	511,944	686,417
Total non-current assets		3,375,142	5,489,968
Total Assets		45,309,548	53,244,303
LIABILITIES			
Current liabilities			
Trade and other payables	8.1	1,022,309	1,433,721
Deferred revenue - Government Grants	8.2	4,298,118	6,110,511
Lease liabilities	8.3	183,035	165,770
Employee provisions	8.4	1,593,404	1,376,915
Total current liabilities		7,096,866	9,086,917

cont.

Outback Stores Pty Ltd

STATEMENT OF FINANCIAL POSITION, CONT.

		Consolidated	
		2022	2021
Notes		\$	\$
Non-current liabilities			
Lease liabilities	8.3	1,888,913	1,960,229
Employee provisions	8.4	343,741	342,361
Deferred tax liabilities	5.4	-	947,623
Total non-current liabilities		2,232,654	3,250,213
Total Liabilities		9,329,520	12,337,130
Net Assets			
		35,980,028	40,907,173
EQUITY			
Issued capital	9	40,000,001	40,000,001
Retained surplus/(Accumulated deficit)		(4,019,973)	907,172
Total Equity		35,980,028	40,907,173

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



Outback Stores Pty Ltd

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2022

	Issued Capital	Retained Surplus / (Accumulated Deficit)	Total Equity
	\$	\$	\$
Balance at 1 July 2020	40,000,001	1,119,970	41,119,971
Deficit for the year	-	(212,798)	(212,798)
Total comprehensive deficit for the year	-	(212,798)	(212,798)
Balance at 30 June 2021	40,000,001	907,172	40,907,173
Balance at 1 July 2021	40,000,001	907,172	40,907,173
Deficit for the year	-	(4,927,145)	(4,927,145)
Total comprehensive deficit for the year	-	(4,927,145)	(4,927,145)
Balance at 30 June 2022	40,000,001	(4,019,973)	35,980,028

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

STATEMENT OF CASH FLOWS for the year ended 30 June 2022

		2022	2021
	Notes	\$	\$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers		18,017,728	15,738,940
Total cash received		18,017,728	15,738,940
Cash used			
Payments to suppliers and employees		(19,545,844)	(16,271,924)
Interest payments on lease liabilities		(105,098)	(93,105)
Total cash used		(19,650,942)	(16,365,029)
Net cash used in operating activities	10.1	(1,633,214)	(626,089)

cont.

Outback Stores Pty Ltd

STATEMENT OF CASH FLOWS, CONT.

		2022	2021
	Notes	\$	\$
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		133,178	572,479
Amounts received from stores under commercial loans		164,583	101,935
Proceeds from fixed term deposits		-	9,840,000
Distributions and income received from managed investments		1,098,347	716,325
Interest received		74,383	272,225
Total cash received		1,470,491	11,502,964
Cash used			
Payments for property, plant and equipment		(363,227)	(773,831)
Investment in managed funds		(1,327,129)	(12,304,413)
Bond deposits payments		-	(3,787)
Underpinning payments for stores and other grants		(1,767,136)	(1,610,543)
Total cash used		(3,457,492)	(14,692,574)
Net cash used in investing activities		(1,987,001)	(3,189,610)

FINANCING ACTIVITIES			
Cash used			
Principal payments of lease liabilities		(170,093)	(155,840)
Total cash used		(170,093)	(155,840)
Net cash used in financing activities		(170,093)	(155,840)

Net decrease in cash and cash equivalents		(3,790,308)	(3,971,539)
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Cash and cash equivalents at the beginning of the reporting period		9,718,058	13,689,597
Cash and cash equivalents at the end of the reporting period	6.1	5,927,750	9,718,058

The statements in these tables should be read in conjunction with the accompanying notes.



Outback Stores Pty Ltd

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Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 1: General information

1. General information

Outback Stores Pty Ltd (Outback Stores or the Company) is a corporate Commonwealth entity and not-for-profit proprietary company limited by shares, incorporated and domiciled in Australia. The Company's principal activities are to provide retail management and support services to remote Indigenous community stores across Australia and provide financial support to unviable remote community stores to maintain the food security.

Outback Stores registered as a not-for-profit organisation with the *Australian Charities and Not-for-profits Commission* and changed its status effective 1 July 2021.

The Company's registered office and principal place of business are as follows:

67 Pruen Road,
Berrimah
Darwin NT 0828

Note 2: Application of new and revised accounting standards

2.1 Amendments to AASBs and the new interpretation that are mandatorily effective for the current year

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2021.

The following standards became effective from 1 July 2021, which had no impact on the Company:

Standard / Interpretation	Nature of standard and impact on the Company
AASB 1060 <i>General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i>	AASB 1060 applies to annual reporting periods beginning on or after 1 July 2021 and replaces the reduced disclosure requirements (RDR) framework. The application of AASB 1060 involves some reduction in disclosure compared to the RDR with no impact on the reported financial position, financial performance and cash flows of the entity.
AASB 2020-7 <i>Amendments to Australian Accounting Standards - COVID-19-Related Rent Concessions: Tier 2 Disclosures</i>	This Standard amends AASB 16 Leases (AASB 16) and AASB 1060 to require entities reporting under the Tier 2 - Simplified Disclosures framework that have applied the practical expedient in AASB 16 for the accounting for Covid-19 - related rent concessions to disclose that fact along with the amount recognised in the profit and loss arising from Covid-19 related rent concessions. This standard is applicable from 1 July 2021 and had no impact on the Company.
AASB 2020-8 <i>Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform - Phase 2</i>	This Standard amends AASB 7 Financial Instruments: Disclosures (AASB 7), AASB 9 Financial Instruments and other AAS to help entities to provide financial statement users with useful information about the effects of the Interest rate benchmark reform on those entities' financial statements. This standard did not impact to the Company from 1 July 2021.
AASB 2020-9 <i>Amendments to Australian Accounting Standards - Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments</i>	This Standard provides relief for entities reporting under the Tier 2 - Simplified Disclosures framework the amount of adjustment for each financial statement line item affected arising from an initial application of AASB 2020-8, there was no impact to the Company.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

2.2 Significant accounting policies

(a) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the Australian Accounting Standards - Simplified Disclosures, Australian Accounting interpretations, other authoritative pronouncements of the Australian Accounting Standards, *Australian Charities and Not-for-profits Commission Act 2012*, the *Public Governance, Performance and Accountability Act 2013*, and other requirements of the law.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards Simplified Disclosures. In the prior year the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Company as a result of the change in the basis of preparation.

Outback Stores is a not-for-profit entity for the purposes of preparing the financial statements (2021: the Company was a for-profit entity).

The financial statements for the year ended 30 June 2022 were approved and authorised for issue by the Board of Directors on 1 September 2022.

(b) Basis of preparation

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 'Inventories' or value in use in AASB 136 'Impairment of Assets'.

The principal accounting policies adopted are set out below.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- ▶ Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- ▶ Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- ▶ Level 3 inputs are unobservable inputs for the asset or liability.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(d) Cash and cash equivalents

Cash comprises cash on hand and on demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position. The Company did not have an overdraft during the financial period.

(e) Employee benefits

Short-term and long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

Termination benefit

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

(f) Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

Classification of financial assets

- i. Debt instruments that meet the following conditions are measured subsequently at amortised cost:
 - the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
 - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is recognised in profit or loss and is included in the "interest income" line item.

- ii. By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).
- iii. Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:
 - the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
 - the Company may irrevocably designate a debt investment that meets the amortised cost or fair value through other comprehensive income (FVTOCI) criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification of debt and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Movements in equity instruments in the Company during the reporting period are outlined in the statement of changes in equity and note 9.

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss. When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

(g) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST, the net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

(h) Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss as the asset is constructed or when purchased.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government assistance which does not have conditions attached specifically relating to the operating activities of the entity is recognised in accordance with the accounting policies above.

(i) Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.

A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

(j) Intangible assets

Patents, trademarks and licences

Patents, trademarks and licences are recorded at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

IT software

IT software is recorded at cost less accumulated amortisation and impairment. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Estimated useful lives are:

Class of intangible assets	2022	2021
Trademarks	10 years	10 years
IT software	3 years	3 years

(k) Taxation

Commencing 1 July 2021 Outback Stores is a registered not-for-profit entity and is exempt from income tax under item 1.1 of subdivision 50-5 of the *Income Tax Assessment Act 1997*.

Outback Stores is therefore exempt from all forms of taxation except fringe benefits tax (FBT), payroll tax and the goods and services tax (GST). Revenues, expenses and assets are recognised net of the amount of the GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables which are recognised inclusive of GST.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

2020-21 Tax obligations

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

(l) Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones).

For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

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

- Fixed lease 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 at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and initial direct costs less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in non-current assets in the statement of financial position.

The Company applies AASB 136 'Impairment of Assets' to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2(i).

(m) Property, plant and equipment

Property represents land, portable housing and fixtures in remote communities and are stated at cost less accumulated depreciation and accounting impairment losses. Land is not depreciated and recorded at cost.

Depreciation on buildings is charged to profit or loss.

Furniture and fittings, containers, leasehold improvements, motor vehicles and components and equipment under finance lease are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

Leasehold improvements and equipment under finance lease are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. Assets acquired under \$1,000 are written off immediately for financial accounting purposes.

The following depreciation rates were used for each class of asset:

Class of Property, Plant and Equipment	Consolidated	
	2022	2021
Containers	20%	20%
Furniture and Fittings	20%	20%
Housing	10%	10%
IT Equipment	25% - 66.67%	25% - 66.67%
Leasehold improvements	2.50%	2.50%
Motor vehicles and components	20% - 33.33%	20% - 33.33%



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

No changes were made in estimates for the Company.

(n) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

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

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

(o) Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue which it transfers control of a product or service to a customer. Revenue was recognised in accordance with AASB 15 or the relevant accounting standard. Outback Stores shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the Company applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, the Company shall consider whether AASB 1058 applies.

In terms of AASB 1058, the Company recognises volunteer services at fair value if those services would have been purchased if not provided voluntarily, and the fair value of those services can be measured reliably. When revenue is classified in accordance with AASB 1058, this revenue is recognised immediately in the profit or loss.

Revenue from the sale of goods is recognised when the control has been transferred to the buyer, being at the time when the customer purchases the goods at the store.

The following is a description of principal activities from which the Company generates its revenue:

Rendering of services

Revenue from a contract to provide services is recognised as performance obligation is satisfied over time.

Rental income

The Company's policy for recognition from operating leases is described in note 2(l).

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Government grants

Government grants are recognised in accordance with the accounting policy outlined in note 2(h).

Dividends received

Dividends received on investments are recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Dividends are included in the 'distributions received' line in the Statement of profit or loss and other comprehensive income.

Supplier income

Supplier income from suppliers is recognised when it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably.

Store recoveries and charges

Store recoveries and charges are recognised in accordance with AASB 15 over time as the performance obligations have been satisfied.

The transaction price is the total amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

2.3 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above and below, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 2: Application of new and revised accounting standards (cont)

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Useful lives of property, plant and equipment

As described in note 2(m), the Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. No changes were made to the useful lives for existing assets.

Employee entitlements

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave:

- future increases in wage and salaries;
- future on cost rates; and
- experience of employee departures and period of service.

The potential effect of a change in these assumptions is not expected to be material.

Intangible assets

Useful lives for trademarks are based on contractual life for trademark registrations. In determining the estimated useful lives for IT Software, management relies on guidance provided by the Australian Taxation Office. The potential effect of a change in these estimates is not expected to be material.

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Lease term

When determining the lease term of the operating lease recognised in the Statement of Financial Position and set out in note 8.3, management made the judgement that the Company would be likely to renew the lease for a further 5 years ending 31 December 2033.

Incremental borrowing rate

The operating lease recognised in the Statement of Financial Position was initially measured using the incremental borrowing rate of 5.04%. This was determined based on the Commonwealth Bank variable base rate other than the residential security as the rate implicit in the lease cannot be readily determined.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 3: Revenue

	Consolidated	
	2022	2021
	\$	\$

Note 3.1: Revenue from government grants

Grants from Australian Government entities:		
Department of Social Services - Food grant	759,380	661,241
Department of Social Services - Food security	1,007,756	834,211
National Indigenous Australians Agency - Nutrition grant	-	115,089
Total revenue from government grants	1,767,136	1,610,541
Timing of transfer of goods and services:		
Over time	-	-
Point in time	1,767,136	1,610,541
	1,767,136	1,610,541

Note 3.2: Rendering of services

Management fees	2,276,186	2,266,445
Accounting fees	2,081,794	1,802,466
Total rendering of services	4,357,980	4,068,911
Timing of transfer of goods and services:		
Over time	4,357,980	4,068,911
Point in time	-	-
	4,357,980	4,068,911

Note 3.3: Interest income

Loans to stores	45,417	87,538
Term deposits	15,891	104,534
Total interest income	61,308	192,072

Revenue from notes 3.3, 3.4, 3.8 and 3.9 are recognised in accordance with their respective accounting standard and not AASB 15.

Note 3.4: Investment income

Investment income	1,098,347	716,325
Total investment income	1,098,347	716,325



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 3: Revenue (cont)

	Consolidated	
	2022	2021
	\$	\$

Note 3.5: Store recoveries and charges

Managers services on-charged	7,964,111	6,570,857
Recoveries from managed stores	1,012,852	1,330,104
Total store recoveries and charges	8,976,963	7,900,961

Store recoveries and charges are recognised over time in accordance with AASB 15.

Note 3.6: Supplier income

Supplier income	2,276,906	2,178,008
Total supplier income	2,276,906	2,178,008

Supplier income is recognised over time in accordance with AASB 15.

Note 3.7: Other revenue

Consultancy fees	491,691	455,405
Sundry income	527,272	487,507
Training government subsidy	452,653	360,369
Total other revenue	1,471,616	1,303,281

Other revenue is recognised over time in accordance with AASB 15.

Note 3.8: Fair value gain on financial instruments at fair value through profit and loss

Change in fair value through profit or loss on investments	-	1,209,241
Total fair value gain on financial instruments	-	1,209,241

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 4: Expenses

	Consolidated	
	2022	2021
	\$	\$

Note 4.1: Consulting expenditure

Consultancy fees	133,546	149,013
Legal fees	41,384	320,346
Total consulting expenditure	174,930	469,359

Note 4.2: Depreciation and amortisation

Amortisation on intangibles	8,566	13,619
Depreciation of property, plant and equipment	580,337	505,466
	588,903	519,085
Depreciation on right-of-use assets	213,574	192,359
Total depreciation and amortisation	802,477	711,444

Note 4.3: Employee benefits expense

Wages and salaries	12,739,364	11,505,784
Travel and other allowances	125,836	125,689
Superannuation contributions - defined contribution plans	1,198,094	1,003,234
Staff incentive provision	13,112	14,550
Leave and other entitlements	217,869	83,064
Total employee benefit expense	14,294,275	12,732,321

Note 4.4: Loss on disposal of assets

Loss on disposal of fixed assets	-	235,478
Net loss on disposal	-	235,478

Note 4.5: Rental expenses

Short term / low value leases	-	15,719
Total rental expenses	-	15,719



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 4: Expenses (cont)

	Consolidated	
	2022	2021
	\$	\$

Note 4.6: Store grant expenditure (underpinning)

Alpirakina Store Aboriginal Corporation t/as Yuelamu Store	-	44,500
Ngarlan Store Indigenous Corporation t/as Beagle Bay Community Store	-	4,754
The Trustee for Jigalong Community Unit Trust t/as Illawarra Store	7,500	9,091
Canteen Creek Store Charitable Trust t/as Canteen Creek Community Store	31,816	48,945
Ntjaminya General Store Aboriginal Corporation t/as Engawala Store	27,609	24,664
Wetenngerr Aboriginal Corporation t/as Wetenngerr Store	62,034	133,509
Imanpa General Store Anangu Aboriginal Corporation t/as Imanpa General Store	157,256	171,635
Dungalan Aboriginal Corporation t/as Dungalan Store	1,265	3,235
Lagulalya Aboriginal Corporation t/as Lagulalya Store	185,264	162,428
Mulan Community Store t/as Mulan Community Store	229,323	65,210
Nitjpurru Aboriginal Corporation t/as Nitjpurru Community Store	55,093	39,000
Nyirripi Aboriginal Corporation t/as Nyirripi Community Store	-	58,901
Oak Valley (Maralinga) Aboriginal Corporation t/as Oak Valley Community Store	50,000	64,418
Kundat Djaru Community Store Aboriginal Corporation t/as Kundat Djaru Community Store	38,147	123,797
Kunawarritji Aboriginal Corporation t/as Kunawarritji Community	54,350	77,257
Titjikala Community Store Aboriginal Corporation t/as Titjikala Store	87,097	50,580
Paupiyala Tjarutja Aboriginal Corporation t/as Tjuntjuntjara Community Store	209,953	62,104
Yiyili Store Indigenous Corporation t/as Yiyili Community Store	9,090	61,736
Urapunga Aboriginal Corporation t/as Urapunga Store	157,079	287,990
Tilmouth Well Nominees Pty Ltd as trustee for Tilmouth Well Investment Trust t/as Tilmouth Well Roadhouse	53,222	-
Hermannsburg Region Aboriginal Charitable Trust t/as Ntaria Supermarket	64,960	-
Mantjiljarra Pty Ltd t/as Mantjiljarra Store	115,793	-
North West Land Corporation as Trustee for the North West Land Trust t/as Goodooga Store	27,434	-
Parngurr Aboriginal Corporation t/as Parngurr Community	141,851	-
Total store grant expenditure (underpinning)	1,766,136	1,493,754

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 4: Expenses (cont)

	Consolidated	
	2022	2021
	\$	\$

Note 4.7: Administrative expenditure

Travel and accommodation	400,690	326,517
Information technology	288,467	297,062
Recruitment costs	22,794	80,768
Insurance	469,880	467,762
Accountancy fees	31,798	48,339
Audit fees	54,850	54,850
Management fees	111,483	65,879
Motor vehicle	225,668	249,774
Fringe benefit and payroll tax	757,729	719,167
Training	317,540	271,193
Communication	34,127	48,931
Board expenses	432,361	452,000
Outsourced payroll fees	58,861	77,423
Electricity	48,057	39,696
Other expenses	274,058	237,528
Total administrative expenditure	3,528,363	3,436,889



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 4: Expenses (cont)

	Consolidated	
	2022	2021
	\$	\$

Note 4.8: Other grant expenditure

Expenditure of grants received from Australian Government entities:		
Department of Social Services - Food security	1,000	1,700
National Indigenous Australians Agency - Nutrition grant	-	115,089
Total other grant expenditure	1,000	116,789

Note 4.9: Finance costs

Interest on lease liabilities	105,098	93,105
Total finance costs	105,098	93,105

Note 4.10: Fair value loss on financial instruments at fair value through profit or loss

Fair value loss on financial instrument at fair value through profit and loss	3,711,968	-
Total fair value loss on financial instruments at fair value through profit and loss	3,711,968	-

Note 4.11: Auditors' remuneration

Amounts paid or payable in respect of the audit or review of the financial statements:		
Australian National Audit Office	54,850	54,850
Total auditors' remuneration	54,850	54,850

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 5: Income tax expense

Outback Stores is exempt from Income tax under item 1.1 of subdivision 50-5 of the Income Tax Assessment Act 1997. The endorsed date of effect being 1 July 2021. The income tax expense presented below relates to 2020-21 and the balances recorded in 2021-22 relate to the finalisation of the 30 June 2021 tax return.

	Consolidated	
	2022	2021
	\$	\$

Note 5.1: Income tax recognised in profit or loss

Tax expense comprises		
Current tax expense/(benefit) in respect of the current year - continuing operations	16,810	(206,170)
Current tax	16,810	(206,170)
Deferred tax (benefit)/expense relating to the origination and reversal of temporary differences - continuing operations	647,827	294,686
Total income tax (benefit)/expense	664,637	88,516

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense / (benefit) in the financial statements as follows:

(Loss)/profit before income tax	(4,262,508)	(124,276)
Income tax (benefit)/expense calculated at 30% (2021: 30%)	(1,278,752)	(37,283)
Effect of expenses that are not deductible in determining taxable profit	-	3,097
Derecognition of net deferred tax asset	647,827	-
Unrecognised tax loss	1,278,752	-
Franking credit benefit	-	(7,825)
Prior year adjustment	16,810	(10,939)
Derecognition of capital loss on sale of asset	-	141,466
Income tax expense in statement of comprehensive income*	664,637	88,516

*Income tax was applicable to Outback Stores in FY2021, but no longer applicable in the current financial year given the change in tax exempt status.

Note 5.2: Franking Credits

Opening balance	2,638,940	2,617,343
Credits offset**	(2,638,940)	-
Franked distribution received	-	21,597
Closing balance	-	2,638,940

**Existing franking credits are no longer applicable due to the change in tax status of the Company. In future years the Company will continue to claim its share of franking credits from franked dividends as they become available.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 5: Income tax expense (cont)

Consolidated	
2022	2021
\$	\$

Note 5.3: Current tax assets

Income tax receivable	-	16,810
Total current tax asset	-	16,810

Note 5.4: Deferred tax balances

	Opening Balance	Charged to Income	Recognised directly in profit or loss	Recognised directly in equity	Total
2021	\$	\$	\$	\$	\$
Temporary differences					
Investments	43,112	-	(367,190)	-	(324,078)
Prepayments	(4,895)	-	(48)	-	(4,943)
Property, plant & equipment and Intangible assets	11,932	-	11,570	-	23,502
Other assets	(26,145)	-	29,400	-	3,255
Accrued expenses	7,976	-	1,707	-	9,683
Employee benefits	490,864	-	24,919	-	515,783
Provision for audit fees	15,300	-	1,155	-	16,455
Fringe benefit and payroll tax	-	-	3,802	-	3,802
Total	538,144	-	(294,685)	-	243,459

Tax loss carried forward	404,368
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Presented on the statement of financial position as follows:

Deferred tax liability attributable to continuing operations	947,623
	947,623
Deferred tax asset attributable to continuing operations	1,191,082
Deferred tax asset attributable to tax loss	404,368
	1,595,450



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 6: Assets

Consolidated	
2022	2021
\$	\$

Note 6.1: Cash and cash equivalents

Cash on hand	3,927,750	6,718,058
Short term deposits	2,000,000	3,000,000
Total cash and cash equivalents	5,927,750	9,718,058

The effective interest rate on short term deposits was 1.47% (2021: 0.34%).

Note 6.2: Trade receivables

Trade and other receivables		
Goods and services receivables	2,275,431	1,979,630
Total trade and other receivables	2,275,431	1,979,630

Other receivables		
Accrued interest	-	13,075
Bonds	18,453	18,453
Sundry receivables	69,800	63,255
Total other receivables	88,253	94,783
Total trade and other receivables (gross)	2,363,684	2,074,413
Less expected credit loss allowance¹	(2,360)	(4,501)
Total trade and other receivables (net)	2,361,324	2,069,912

Trade and other receivables (net) expected to be recovered		
Not overdue	109,604	112,761
Overdue:		
30 to 60 days	2,248,237	1,945,767
60 to 90 days	3,483	11,384
More than 90 days	-	-
Total trade and other receivables (net)	2,361,324	2,069,912

Reconciliation of the expected credit loss allowance account movements in relation to Goods and services		
Opening balance	4,501	6,081
Provision decrease recognised in net surplus	(2,141)	(1,580)
Closing balance	2,360	4,501

¹ Credit terms for goods and services were within 7 days from invoice date (2021: 7 days). No interest is charged on outstanding debtor balances. An allowance has been made for irrecoverable amounts determined from liquidity review of individuals stores and management views. Debtor days is not viewed as an accurate measurement of impairment of receivables.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 6: Assets (cont)

	Consolidated	
	2022	2021
	\$	\$

Note 6.3: Financial assets

Current		
Loans to other entities ¹	686,417	851,000
Investment in managed funds ²	33,333,685	26,723,524
Fixed term deposits ³	-	8,995,000
Total financial assets	34,020,102	36,569,524

Financial assets expected to be recovered		
No more than 12 months	33,508,158	35,883,107
More than 12 months	511,944	686,417
Total financial assets	34,020,102	36,569,524

¹ Loans to other entities measured at amortised cost represents unsecured commercial loans to community stores, repayable over the loan agreement period, being between 1 to 15 years. Interest is charged between 5 - 7%.

² Investment in managed funds represents the Investment in Macquarie Investment's custodial accounts. The Company's investment in various funds is held at fair value through profit or loss.

³ Fixed term deposits measured at amortised cost represent the deposits held under the Company's investment in Macquarie Investment's custodial accounts in FY2021. The weighted average interest rate is 0.95% (FY2021).

Note 6.4: Other current assets

Prepayments	137,174	66,448
Total other current assets	137,174	66,448

Other non-financial assets expected to be recovered		
No more than 12 months	137,174	66,448
More than 12 months	-	-
Total other non-financial assets	137,174	66,448

No indicators of impairment were found for other non-financial assets.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 7: Non-financial assets

Note 7.1: Reconciliation of property, plant and equipment and intangibles for 2022.

	Housing	Containers	Furniture and fittings	Leasehold Improve-ments	Motor Vehicle and components	IT Equipment	Trademarks		IT Software	Total
	\$	\$	\$	\$	\$	\$	\$		\$	\$
As at 1 July 2021										
Gross book value	784,556	73,024	224,924	176,330	2,789,875	2,954,917	16,177		727,324	7,747,127
Accumulated depreciation, amortisation and impairment	(713,767)	(73,024)	(197,229)	(161,912)	(2,273,530)	(2,543,675)	(16,177)		(613,145)	(6,592,459)
Net book value 1 July 2021	70,789	-	27,695	14,418	516,345	411,242	-		114,179	1,154,668
Additions		-	79,470	4,100	144,011	117,646	-		18,000	363,227
Depreciation and amortisation	(23,551)	-	(23,493)	(4,243)	(223,023)	(306,027)	-		(8,566)	(588,903)
Disposals		-	-	-	(20,884)	(811)	-		-	(21,695)
Net book value 30 June 2022	47,238	-	83,672	14,275	416,449	222,050	-		123,613	907,297

Net book value at 30 June 2022 represented by:

Gross book value	662,142	57,429	156,333	98,209	2,033,225	856,082	16,177		745,324	4,624,921
Accumulated depreciation, amortisation and impairment	(614,904)	(57,429)	(72,661)	(83,934)	(1,616,776)	(634,032)	(16,177)		(621,711)	(3,717,624)
Total as at 30 June 2022	47,238	-	83,672	14,275	416,449	222,050	-		123,613	907,297

Right-of-use assets are separately disclosed in note 7.3.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 7: Non-financial assets (cont)

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 7: Non-financial assets (cont)

Note 7.2: Reconciliation of property, plant and equipment and intangibles for 2021

	Housing	Containers	Furniture and fittings	Leasehold Improvements	Motor Vehicle and components	IT Equipment	Trademarks		IT Software	Total
	\$	\$	\$	\$	\$	\$	\$		\$	\$
As at 1 July 2020										
Gross book value	1,530,523	73,024	209,716	176,330	2,261,451	2,859,613	16,177		654,419	7,781,253
Accumulated depreciation, amortisation and impairment	(682,301)	(73,024)	(179,995)	(157,975)	(2,105,318)	(2,259,058)	(16,177)		(599,526)	(6,073,374)
Net book value 1 July 2020	848,222	-	29,721	18,355	156,133	600,555	-		54,893	1,707,879
Additions	-	-	15,208	-	545,681	140,037	-		72,905	773,831
Depreciation and amortisation	(31,421)	-	(17,234)	(3,937)	(168,212)	(284,662)	-		(13,619)	(519,085)
Transfer	(45)	-	-	-	-	45	-		-	-
Disposals	(745,967)	-	-	-	(17,257)	(44,733)	-		-	(807,957)
Net book value 30 June 2021	(70,789)	-	27,695	14,418	516,345	411,242	-		114,179	1,154,668

Net book value at 30 June 2021 represented by:

Gross book value	784,556	73,024	224,924	176,330	2,789,875	2,954,917	16,177		727,324	7,747,127
Accumulated depreciation, amortisation and impairment	(713,767)	(73,024)	(197,229)	(161,912)	(2,273,530)	(2,543,675)	(16,177)		(613,145)	(6,592,459)
Total as at 30 June 2021	70,789	-	27,695	14,418	516,345	411,242	-		114,179	1,154,668

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 7: Non-financial assets (cont)

Note 7.3: Reconciliation of property, plant and equipment that are subject to leases

	Consolidated	
	2022	2021
		\$
Opening Balance		
Gross book value	2,422,319	1,291,461
Accumulated depreciation, amortisation and impairment	(368,886)	(172,195)
Net book value 1 July	2,053,433	1,119,266
Additions	116,042	1,130,858
Depreciation on right-of-use assets	(213,574)	(196,691)
Net book value 30 June	1,955,901	2,053,433

Net book value at 30 June represented by:

Gross book value	2,538,361	2,422,319
Accumulated depreciation, amortisation and impairment	(582,460)	(368,886)
Total as at 30 June	1,955,901	2,053,433

Carrying amount of right-of-use assets	1,955,901	2,053,433
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Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 8: Liabilities

	Consolidated	
	2022	2021
	\$	\$

Note 8.1: Trade and other payables

Trade payables	435,540	468,615
Goods and services tax payable	408,240	302,509
Accrued expenses	97,597	526,078
Audit fees	54,850	54,850
Fringe benefit and payroll taxes	26,082	81,669
Total trade and other payables	1,022,309	1,433,721

Trade and other payables expected to be settled		
No more than 12 months	1,022,309	1,433,721
Total trade and other payables	1,022,309	1,433,721

The average credit period on purchases of goods is 1 month. No interest is charged on the trade payables for outstanding balances. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Note 8.2: Deferred revenue - Government grants

Unexpended grants		
Indigenous Business Australia - Northern Territory Emergency Relief Funding (NTER)	504,279	263,659
Department of Social Services Food Grant	1,210,674	2,210,674
Food security funding	2,583,165	3,636,178
Total grants	4,298,118	6,110,511

Grants expected to be settled		
No more than 12 months	4,298,118	6,110,511
Total grants	4,298,118	6,110,511

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 8: Liabilities (cont)

	Consolidated	
	2022	2021
	\$	\$

Note 8.3: Lease liabilities

Operating leases	2,071,948	2,125,999
Total lease liabilities	2,071,948	2,125,999

Maturity analysis - contractual undiscounted cash flows		
Within 1 year	183,035	165,770
Between 1 to 5 years	662,127	654,843
More than 5 years	1,226,786	1,305,386
Total leases	2,071,948	2,125,999

Total cash outflow for leases for the year ended 30 June 2022 was \$275,191 (2021: \$248,945).

Outback Stores in its capacity as lessee held a lease agreement for the office located in Darwin which was entered into on 1 January 2015, with monthly lease payments increasing annually in line with CPI. The contract had a renewal option for a further 6 years on 1 January 2020 which management has determined that the Company was likely to exercise. In December 2020, a new lease for the Darwin office was entered into by Outback Stores for the same property. The lease is for a period of 8 years and contains a renewal option for a further 5 years which management has determined that the Company is likely to exercise. The incremental borrowing rate of 5.04% was used to discount the present value of the lease payments that are not paid and the lease liability was adjusted accordingly.

Note 8.4: Employee provisions

Employee benefit - Current	1,593,404	1,376,915
Employee benefit - Non-current	343,741	342,361
Total provisions	1,937,145	1,719,276

Employee provisions expected to be settled		
No more than 12 months	1,593,404	1,376,915
More than 12 months	343,741	342,361
Total provisions	1,937,145	1,719,276

Note 9: Issued capital

Authorised and issued shares:		
40,000,001 fully paid ordinary shares	40,000,001	40,000,001
Total issued capital	40,000,001	40,000,001



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 10: Cash flow reconciliation

	Consolidated	
	2022	2021
	\$	\$

Note 10.1: Cash flow

Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash flow statement	5,927,750	9,718,058
Statement of financial position	5,927,750	9,718,058
Discrepancy	-	-

Reconciliation of (deficit)/surplus to cash flows from operating activities		
Deficit for the year after income tax	(4,927,145)	(212,798)

Items classified as investing activities:		
Interest received	(61,308)	(192,072)
Distributions and income received on managed investments	(1,098,347)	(716,325)
Food security, nutrition and store expenditure grants	1,767,136	1,610,543

Non-cash flows in profit:		
Depreciation and amortisation	802,477	711,444
Net loss/(gain) on financial instrument at fair value through profit and loss	3,711,968	(1,209,241)
Loss/(gain) on disposal of assets	(111,483)	235,478

Changes in net assets and liabilities:		
(Increase)/decrease in assets:		
Trade and other receivables	(375,213)	279,339
Current tax assets	16,810	(16,875)
Deferred tax assets	1,595,450	(761,516)

Increase/(decrease) in liabilities:		
Trade and other payables	(411,412)	341,797
Deferred revenue - government grants	(1,812,393)	(1,645,766)
Employee provisions	217,869	83,062
Deferred tax liabilities	(947,623)	866,841
Net cash from operating activities	(1,633,214)	(626,089)

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 11: Related party disclosures

Related party relationships:

The immediate parent and ultimate controlling party of the Company is the National Indigenous Australians Agency (NIAA), on behalf of the Commonwealth of Australia. Other related parties are the Directors and other Key Management Personnel.

The Company did not receive Grant funding during the year from the NIAA. There was one related party transaction with a Company Director (Ms. B. Price) to the value of \$2,200 for a purchase of a painting.



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 12: Key management personnel remuneration

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) of that entity.

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	Consolidated	
	2022	2021
	\$	\$
Non-Executive Short Term Employment Benefits	378,398	368,695
Non-Executive Post Employment Benefits	37,840	35,042
Short Term Employment Benefits	1,066,355	988,049
Long Term Employment Benefits	9,884	14,561
Post Employment Benefits	88,756	85,436
Total	1,581,233	1,491,783

The total number of key management personnel that are included in the above table are 13 (2021: 13).

Details of key management personnel:

The directors and other members of key management personnel of the Company during the year were:

Mr. M. Borg	Chief Executive Officer (appointed 24 October 2016)
Mr. E. Ralph	Chief Operating Office (appointed 19 December 2016)
Mr. J. Rathore	Chief Financial Officer (appointed 1 July 2015)
Mr. R. Mead	General Manager Source and Supply (appointed 15 January 2018)
Dr. S. Gordon AM	Chairperson (appointed on 26 October 2018)
Mr. G. Cook AAM	Director (appointed 16 September 2015)
Ms. S. Cleveland	Director (appointed 1 September 2016)
Mr. S. Bate	Director (appointed 1 September 2016)
Prof. S. Eades	Director (appointed 1 September 2016)
Ms. B. Price	Director (appointed 30 November 2017)
Ms. L. Nelson	Director (appointed 1 March 2021)
Mr. D. Bouchier	Director (appointed 16 March 2019)
Mr. D. Evans	Director (appointed 24 September 2019)

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 13: Financial instruments

Note	Consolidated	
	2022	2021
	\$	\$

13.1: Categories of financial instruments

Financial assets at amortised cost			
Cash and cash equivalents	6.1	5,927,750	9,718,058
Trade and other receivables	6.2	2,361,324	2,069,912
Other financial assets - loans, bond deposits and fixed term deposits	6.3	686,417	9,846,000
Total financial assets at amortised cost		8,975,491	21,633,970

Financial assets at fair value through profit or loss			
Financial assets at fair value through profit or loss	6.3	33,333,685	26,723,524
Total financial assets at fair value through profit or loss		33,333,685	26,723,524

Total financial assets		42,309,176	48,357,494
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Financial Liabilities

Financial liabilities measured at amortised cost			
Trade and other payables		587,987	1,049,543
Deferred Revenue - Government grants		4,298,118	6,110,511
Total financial liabilities measured at amortised cost		4,886,105	7,160,054

Net gains or losses on financial instruments

Financial assets at amortised cost		
Investment income	1,098,347	716,325
Interest income	61,308	192,072
Net gains on financial assets at amortised cost	1,159,655	908,397

Financial assets at fair value through profit or loss		
Fair value (loss)/gain	(3,711,968)	1,209,241
Net gains on financial assets at fair value through profit or loss	(3,711,968)	1,209,241



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 13: Financial instruments (cont)

13.2 Financial risk management objectives

Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while meeting its social responsibility for food security through the optimisation of debt and grant funding.

The capital structure of the Company consists of issued share capital and retained surplus as disclosed in the statement of changes in equity.

The Company is not subject to externally imposed capital requirements. Operating cash flows are used to operate and expand operations.

The nature of services provided contribute to the high liquidity risk underlying the financial instruments. The Company is dependent on ongoing government support to provide food security and quality stores within remote communities.

The Company has formalised risk management processes in place. A risk register is kept updated for all risks identified for the Company. It lends money to stores that it manages on approval from the Stores Assessment Committee, which is a subcommittee of the Board of Directors. Loans are provided at a discounted rate of interest.

The Store Assessment Committee's purpose is to review the viability of new stores proposed for management agreements to evaluate required establishment and support funds. This committee assists in mitigating liquidity risk prior to entering into a new contract. In some instances, the stores are unable to repay the loans and these amounts are then funded from grant income received from the Company's immediate parent and ultimate parent entity, the Australian Government.

The capital structure of the Company consists of debt and unexpended grant funding in note 8.2.

Market Risk

Other price risk

The Company is exposed to equity price risk arising from equity investments. The Company invested in portfolio which are held for trading purpose. The management has considered the impact of the price changes on its investment to be minimal.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company only deals with stores that it manages, related parties, funding bodies or credit worthy counter parties such as Metcash. Metcash supply inventory to Outback Stores. It therefore is in a position to ensure that it minimises its exposure to credit risk. As at 30 June 2022, the Company's maximum exposure to credit risk without taking into account any collateral or other credit enhancements is equivalent to the carrying amount of the respective recognised financial assets as stated in the statement of financial position and maximum amount the entity would have to pay if the financial guarantee is called upon irrespective of the likelihood of the guarantee being exercised.

Foreign currency risk management

The Company has minimum foreign exchange exposure and does not manage any implicit risk.

Interest rate risk

The Company's activities expose it to the financial risks of changes in interest rates. The Company has a treasury function policy and interest rate risks are managed by investing in short-term interest bearing deposits, and lending to stores using varied maturity periods. Periods include up to ten years and are provided to stores at a discounted rate of interest.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 13: Financial instruments (cont)

There has been no change to the Company's exposure to market risks except for the exposure to the price risk related to the investment in financial assets at fair value through profit or loss. The manner in which the risk is measured and managed are detailed below.

Interest rate risk management

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk from term deposits and loans provided to remote community stores. Currently there is a treasury function policy and interest rate risk is managed by investing in short term interest bearing deposits and lending to stores over the period of agreed management contracts. Term deposits and trading accounts are held in pre-approved financial institutions only.

The following table illustrates the maturities for Interest bearing financial assets subject to interest rate risk.

	Weighted Average effective interest rate	Less than 1 month	Between 1 to 3 months	Between 3 months to 1 year	Between 1 to 5 years	More than 5 years	Total
	%	\$	\$	\$	\$	\$	\$
2022							
Short term deposits (fixed interest rate)	1.47%	-	2,000,000	-	-	-	2,000,000
Other cash & cash equivalents (variable interest)	0.75%	3,927,750	-	-	-	-	3,927,750
Store loans (fixed interest rate)	5.85%	14,154	28,515	131,805	511,943	-	686,417
		3,941,904	2,028,515	131,805	511,943	-	6,614,167
2021							
Short term deposits (fixed interest rate)	0.34%	3,000,000	-	-	-	-	3,000,000
Other cash & cash equivalents (variable interest)	0.15%	6,718,059	-	-	-	-	6,718,059
Store loans (fixed interest rate)	5.85%	13,352	26,898	124,333	686,417	-	851,000
		9,731,411	26,898	124,333	686,417	-	10,569,059



Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 13: Financial instruments (cont)

Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. Ultimate responsibility for liquidity risk management exists with the Board of Directors.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities (term deposits) to meet forecast cash flows taking into account maturity profiles of financial assets and liabilities.

The following table illustrates the maturities for financial liabilities attributable to liquidity risk. The tables have been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	Less than 1 month	Between 1-3 months	Between 3 months to 1 year	Between 1 to 5 years	More than 5 years	Total
	\$	\$	\$	\$	\$	\$
2022						
Trade and other payables	-	1,022,309	-	-	-	1,022,309
Deferred revenue	-	-	4,298,118	-	-	4,298,118
	-	1,022,309	4,298,118	-	-	5,320,427

Consolidated

2021						
Trade and other payables	-	1,049,543	-	-	-	1,049,543
Deferred revenue	-	-	6,110,511	-	-	6,110,511
	-	1,049,543	6,110,511	-	-	7,160,054

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022

Note 13: Financial instruments (cont)

13.3: Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

The fair value of other financial assets and liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

Unless where otherwise stated, the directors consider the financial assets and financial liability carrying amount to also be its fair value.

Fair value hierarchy as at 30 June 2022

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Financial assets at fair value through profit or loss				
Investment in managed funds	33,333,685	-	-	33,333,685
Total	33,333,685	-	-	33,333,685

Fair value hierarchy as at 30 June 2021

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Financial assets at fair value through profit or loss				
Investment in managed funds	26,723,524	-	-	26,723,524
Total	26,723,524	-	-	26,723,524

The categorisation of fair value measurements into the different levels of the fair value hierarchy depends on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement. Level 3 inputs are unobservable inputs for the asset and liability.

Outback Stores Pty Ltd

Notes to and forming part of the financial statements for the year ended 30 June 2022



Note 14: Contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets at balance date that required reporting (2021: nil).

Note 15: Subsequent events

There has not been any matter or circumstance occurring subsequent to the year-end that has significantly affected, or may significantly affect, the operations of Outback Stores, the results of its operations, or the state of affairs of the Company other than those matters noted in the Directors' Report.

Note 16: Aggregate assets and liabilities

	Consolidated	
	2022	2021
	\$	\$
Assets expected to be recovered in:		
No more than 12 months	41,934,406	47,754,335
More than 12 months	3,375,142	5,489,968
Total assets	45,309,548	53,244,303
Liabilities expected to be settled in:		
No more than 12 months	7,096,866	9,086,917
More than 12 months	2,232,654	3,250,213
Total liabilities	9,329,520	12,337,130

Notes



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