COMMUNITY HOUSING
CENTRAL AUSTRALIA

ANNUAL REPORT 2022/2023

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

ABN: 82 136 070 829 ACN: 136 070 829

Front Cover Image: CHCA staff team at Official Opening of new offices.

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ABOUT US

Community Housing Central Australia (CHCA) is an Aboriginal controlled, not-for-profit, Tier 2 registered community housing provider.

3,199+
RESIDENTS

457
HOMES

90%+
ABORIGINAL TENANTS

OUR VISION AND PURPOSE

Our purpose is to help vulnerable people in central Australia access safe, affordable and high-quality housing to improve their quality of life. We work with government, community and industry to advise on and facilitate the delivery of high standard tenancy and property services.

OUR VISON IS

Better lives, happy homes and stronger communities through safe and affordable housing.

OUR STRATEGIC PILLARS

1. **Customers and Communities**
   Empower and support our customers and communities to thrive.
2. **Growth and Security**
   Grow the supply of social and affordable housing.
3. **Business Excellence**
   Ensure the financial sustainability of our business.
4. **Sustainability**
   Deliver a high performing and inclusive team culture.
5. **Leadership**
   Communicate with influence and impact.

NATIONAL REGULATORY SYSTEM COMMUNITY HOUSING REGISTERED PROVIDER

CHCA is a registered Tier 2 Provider through the National Regulatory System for Community Housing (NRSCH).

CHAIRPERSON'S REPORT

The year presented its own suite of challenges, as happens every year. All have been adroitly handled by CEO Frances Paterson-Fleider and our small management team. In addition to CHCA's ongoing management of a large and diverse housing and tenancy portfolio, this year much work has been put into advancing the Community Housing Model for Alice Springs Town Camps, and into a management transfer proposal for CHCA to take up management of some of the public housing in Alice Springs.

These projects are challenging both in their internal complexity as well as maintaining the engagement of external stakeholders. Both factors mean they have not progressed as quickly as we would like, which in turn requires that management must ensure that transitional arrangements are sufficiently flexible to ensure ongoing tenancy management is adequately supported.

I am reminded how year after year I am impressed at the number of complex engagements CHCA has with government and other stakeholders all with the purpose of serving CHCA's vision and purpose. CHCA is not alone in meeting the needs of community housing and Town Camp residents, and I extend appreciation to all the other service providers for their co-operation with CHCA.

The board has identified the importance of expanding the company's membership in central Australia and I flag it as a significant matter to be achieved by CHCA next year. This may require that the board's membership be expanded, subject to the approval of a General Meeting.

The board's functions have been greatly assisted and enhanced by the consistently high standard of board papers produced by the CEO and management team. On behalf of the board I thank all of them for their commitment, as I also thank all of our team (although I would like some to stay with us longer). And I thank my fellow board members for their respective contributions.

DAVID AVERY
Chairperson

CEO'S REPORT

WELCOME TO OUR ANNUAL REPORT FOR 2022/23

In 2021/2022 we were reporting on the impacts of COVID and while we have turned that corner, this year we entered another perfect storm of downturn in the global economy, rising interest rates and in turn unaffordable rents in the private rental market. This was coupled with housing supply shortages and many construction firms closing their doors due to the price escalation of materials and supply chain delays.

This perfect storm has resulted in the housing system and housing policy in Australia undergoing significant reform. Several major commitments at a national level aim to increase access to safe, secure and affordable housing. A focus of the reform is to improve access to housing, increase housing affordability and reduce homelessness. Increasing housing supply is a key response to current housing affordability challenges.

This housing shortage and affordability crisis is keenly felt here in the Northern Territory and in particular, Alice Springs. The 2021 census reported 13,104 people who were experiencing homeless in the NT. 75.6% of Territorians experiencing homelessness live in severely overcrowded conditions. 97.6% of these are Aboriginal people.

Demand for social housing in Alice Springs outstrips available supply. Conservatively, it is estimated there are 1,200 people on the Northern Territory public housing waiting list for Alice Springs as at 30 June 2023. With only 34 allocations for the period 1st July 2022 to 30th June 2023, people can often wait long periods for housing – anywhere from 6 to 8 years.

CHCA therefore welcomes this housing reform and commitment of significant investment into social and affordable housing. CHCA stands ready to secure opportunities with both the Northern Territory Government and Federal Government to ensure that a proportion of this investment comes to Alice Springs to grow our social and affordable housing portfolio.

During the year, we were delighted to host the Housing Minster, the Hon. Selena Uibo at the opening of our new offices on Hartley Street. Our new premises positions the organisation in the heart of the town with space to grow our staff team. Finding an office that had ease of access for our customers was very important to us and given the increase in visitors to our office, I think we have hit the mark.

We also embarked on an independent Tenant Satisfaction Survey during the year and were delighted by the results with 94% of our tenants being satisfied by the overall services provided by CHCA. However, we also welcome constructive feedback on how we can continue to improve our services.

CHCA has a long and proud history of working with the residents and communities of the 16 Alice Springs Town Camps and this year, we continued to stride forward on the transition to a community control housing model for the Town Camps with our partners Tangentyere Council and Tangentyere Constructions in line with the Local Decision Making.

Following the launch of the Northern Territory's Department of Territory Families, Housing and Communities, Growth Strategy 2022-2032 for Community Housing, we continue to negotiate and advocate for social and affordable housing investment and opportunities into Alice Springs.

The organisation has again reported a solid financial position but it will be important to identify opportunities to diversify our business model and funding streams into the future. This remains a focus of the Board and management team in line with our new Strategic Plan. The housing system reform opens up many new opportunities for CHCA to achieve this.

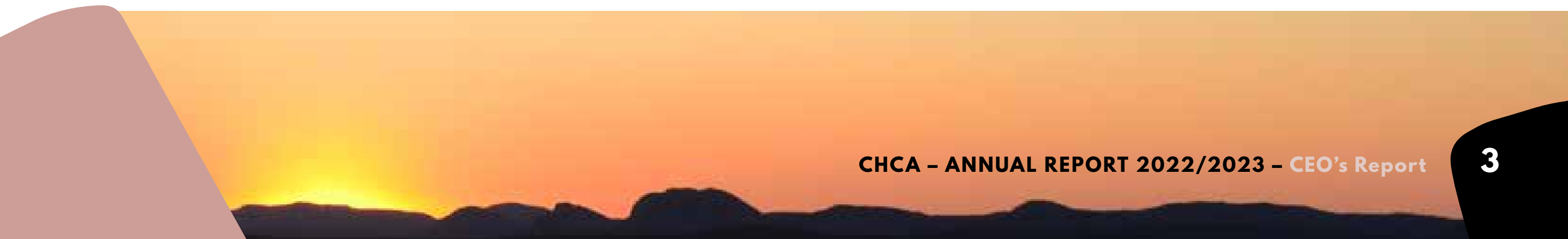
As we look forward to 2023-2024, CHCA is optimistic of securing new business and investment into social and affordable housing in Alice Springs given the political will to change the trajectory for many households that are struggling to find good quality affordable housing. As we know, housing is a basic human right and only from this solid foundation, can people flourish, grow and contribute to their community.

In closing, I remain grateful to the Board of Directors for their unwavering support of our mission and their strong leadership provided to me as CEO and to our management team.

I also wish to acknowledge the CHCA staff who are a resourceful and resilient team, working hard to make a positive difference in the lives of our tenants and communities, often in difficult and challenging circumstances.

I also wish to thank our many partners who walk alongside CHCA in our endeavours to bring opportunity and hope to Alice Springs and continue to support our success as an Aboriginal controlled community housing organisation.

FRANCES PATERSON-FLEIDER
Chief Executive Officer



DIRECTORS

DAVID AVERY (Chairperson)

David is long term resident of Alice Springs since 1986. He has been practising as a Barrister and Solicitor since 1971 in the Northern Territory. After a short period at the Bar, David joined the Central Land Council (CLC) as Manager of its Legal Services in 1986. David was involved in the development of CLC policies and responses to proposed legislative initiatives and has spent decades working with Traditional Owners to access their own land.

MAXINE CARLTON

Maxine is an Indigenous woman and is a NAATI Accredited Walpiri Interpreter. Maxine has worked within the legal system while at CAALAS for almost 20 years, assisting people who are going through the court system with understanding legal issues. Whilst at NAAJA, Maxine was awarded the NT Human Rights Award and is a previous recipient of the Trevor Christian Award. Maxine is heavily involved with the Town Camps of Alice Springs and is the president of Anthelk-Ewlpaye (Charles Creek) Town Camp and is a member of the Board of Directors of Tangentyere Council, and a current Director with Centrecorp, AHNT and CHCA. Maxine is passionate about speaking out for rights, specifically for the rights of families, mothers and children and wants to help with every day issues and problems and in turn, involvement in Local Decision Making.

PETER MARIN

Peter has over 20 years experience working with Aboriginal people, previously working for the Indigenous Land Corporation assisting groups in developing enterprises on their lands. With experience in business planning, Peter joined MLCS Corporate in 2008 and is currently a Director of MLCS and Independent Director for a number of Aboriginal Corporations. Peter currently consults across a broad range of industries including agriculture, retail, construction, tourism and mining.

BARB MCKENNA

Barb brings 35 years of experience in social housing in both government and not for profit sectors. Throughout her career, Barb has worked in a range of frontline services, project management, program development and policy roles including coordinating the handover of properties from government to the community housing sector. Barb's most recent role was as the General Manager, Customer and Communities at SGCH, a Sydney base CHP that manages over 6,000 housing assets.

DAVID DONALD

David is an architect working in a private practice based in Newcastle NSW. He formerly managed the Housing Division of Tangentyere Council prior to it being transformed into CHCA. David works with Healthabitat and NSW Health managing 'Housing for Health' programs for Local Aboriginal Land Councils across NSW. David is currently the Program Manager for Healthabitat overseas, managing housing, water and sanitation projects in Nepal and South Africa.

ROZ MARDEN

Roz worked at the Tangentyere Council for 23 years as accountant and Chief Financial Officer. Prior to that, Roz gained experience in a number of bookkeeping roles and teaching in business management. In addition to her Commerce degree, Roz has qualifications in Education and Business Systems Design and Management. Roz is now enjoying her retirement in Queensland.

PATRICK MCDONALD

Patrick is an accountant who trained at the University of Adelaide where he completed a Bachelor of Economics with Honours and a Bachelor of Commerce. He has spent the last 15 years working for Tangentyere Council in senior positions including two years as Chief Financial Officer and four years as Chief Operating Officer. Patrick is a Certified Practicing Accountant (CPA) and a Member of the Australian Institute of Company Directors.

EILEEN HOOSAN

Eileen is a descendant of the Yankunytjatjara / Luritja people NT and Ganggalida people of Burketown Qld and was raised by an Arrernte family in Alice Springs. Eileen is a Traditional Owner of Uluru Traditional Owners Association, Yankunytjatjara Kutu.

Eileen is a member of the Executive of the Tangentyere Council and has served on the Board of Congress and is a current Director of Centrecorp, AHNT and CHCA. Eileen also served as a local ATSIC Councillor and was the Chairperson of the Alice Springs Regional Council from 1998 through to 2001.

Eileen is a long-term resident of Mt Nancy Town Camp in Alice Springs and is a strong advocate for Women's issues, serving on the NT Women's Advisory Council and the Tangentyere Women's Council.

A YEAR IN REVIEW

OFFICIAL OFFICE OPENING - 1/78 HARTLEY STREET, ALICE SPRINGS

CHCA was delighted to host the Hon Selena Uibo Minister for Housing and Homelands and Minister for Aboriginal Affairs, to officially open our new office at 1/78 Hartley Street, Alice Springs.

The event was a celebration of the history and journey of CHCA and we were joined by many stakeholders and partner agencies.

Our new office is in a prime location making it easy for customers to visit. The office allows for collaboration with NT Shelter and Aboriginal Housing Northern Territory (AHNT) who now share this space. Our new premises are flexible enough to accommodate more staff as CHCA continues to grow, securing more housing options and making a positive impact in central Australia.

Welcome to Country from Benedict Stevens


David Avery, Chairperson of CHCA


Stakeholders, Staff and Guests at Official Opening.

Frances Paterson-Fleider, CEO


Minister Uibo and Frances Paterson-Fleider, CEO cutting the cake for the opening.


David Avery (Chairperson), Frances Paterson-Fleider (CEO), Minister Uibo and Patrick McDonald (Director)

TENANT SATISFACTION SURVEY

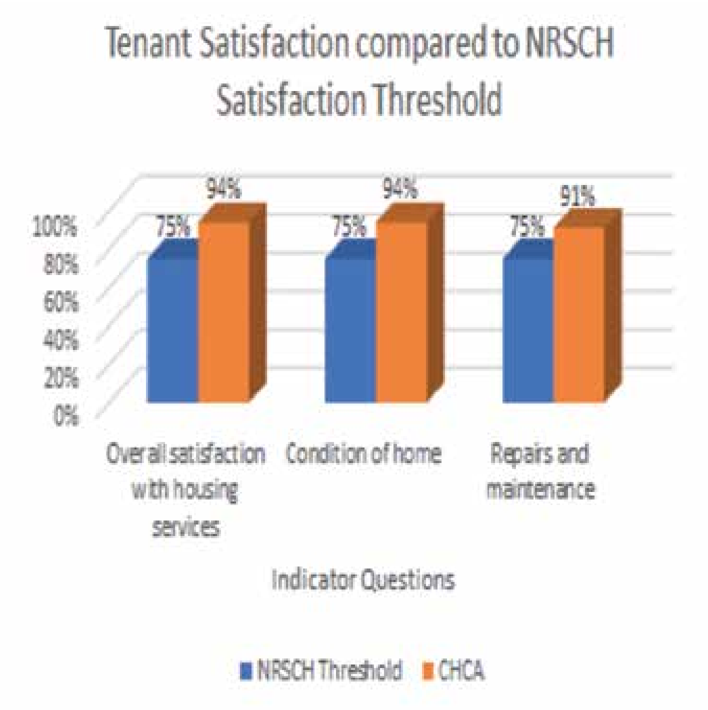
During the year, CHCA contracted CHIA NSW as an independent organisation to undertake the Tenant Satisfaction Survey of CHCA tenants. CHCA was delighted with the feedback that demonstrated overall, tenants were satisfied with CHCA as their landlord.

The findings of the survey highlighted that, in comparison to the National thresholds from the National Regulatory System for Community Housing (NRSCH), CHCA comfortably out performed all three thresholds; overall satisfaction by 19% points (94% satisfied this year); repairs and maintenance by 16% points (91% satisfied this year), and condition of home by 19% points (94% satisfied this year).

The feedback also provides an opportunity for CHCA to look at ways to improve service delivery and provides an important benchmark to measure satisfaction levels in the future.

Tenants had the option of entering a prize draw following the completion of their survey and winners were selected at random.

Bradley Turner, another satisfied tenant receiving his voucher from Chief Financial & Corporate Services Manager Terry Furphy



APMERE URLTE - SOUTH TERRACE TRANSITIONAL HOUSING PROGRAM

Gabriel is a Waramungu traditional man who has been the sole carer for his 5-year-old son, since his partner passed away in 2019. His son, Thompson, who was 2 years old at the time, has quite significant special needs.

Gabriel was referred to the South Terrace Transitional Housing Program via the Alice Springs Hospital and Department of Territory Families, Housing and Communities due to being homeless and couch surfing between family in overcrowded conditions.

The situation that Gabriel and his son found themselves in at the time was severely impacting the health of Thompson and placing both under stress. Gabriel and his son received limited support from services at the time of their application due to Gabriel's transient living situation.

Gabriel and Thompson were allocated a unit at South Terrace in November 2020. During this time, CHCA staff assisted Gabriel and Thompson to access a range of services to support their ongoing needs. Medical assessments and NDIS support were sought and implemented to assist with Thompson's needs and he now attends school at Acacia Hill. Further supports were wrapped around Gabriel and Thompson to assist them in sustaining their tenancy at South Terrace which was integral to the ongoing care required for Thompson.

Earlier this year, Gabriel and Thompson successfully transitioned out of South Terrace after been allocated a public housing property through Territory Families, Housing and Communities. CHCA staff and other agencies collaborated to ensure that the move to their new tenancy was a success with brokerage funding secured through the peak body NT Shelter to assist Gabriel and Thompson with the cost of moving. CHCA staff continue to offer outreach support to Gabriel and Thompson in their new home.

Gabriel, Thompson and friend.

COMMUNITY HOUSING – WELCOME HOME FOR A LOCAL FAMILY

When CHCA staff were first introduced to Tmyka and her son Benno, they were living in a tent near Wiggley's Waterhole having lost their accommodation when Benno's work status changed two years earlier. Many conversations took place between Tmyka and Benno with CHCA staff to map out a plan to secure long term housing.

During this process, CHCA staff continued to check in with both Benno and Tmyka and to follow up with any available vacancies at short-term accommodation as an interim solution. With assistance from the CHCA team, financial counselling services were accessed through Anglicare NT and Lutheran Care to undertake a financial health check to assist Tmyka and Benno in managing their finances. The CHCA team explored family connections, previous housing and other factors that were impacting their living situation. Tmyka and Benno provided further information to assist in identifying which direction to take with supporting them in the longer term and to find appropriate accommodation. CHCA also assisted in updating their Housing Application to ensure this reflected their household status, thereby increasing the number of housing programs that they were eligible for.

Benno was in casual employment while Tmyka was very open about her mental health and aspects that can exacerbate her condition. These were important when exploring further housing options such as having her pet dogs being able to live with her. Tmyka's connection to her dogs were important to her mental health and sense of safety.

Tmyka feels that with stable and secure housing, she will be able to manage her medical condition better and begin to work towards part-time employment in the future.

CHCA were delighted to offer Tmyka and Benno a suitable vacancy and they have now settled into their new home. Looking to the future, working towards home ownership is a long-term goal. Based on the dedication and consistency that Benno has shown through his employment history and Tmyka's desire to secure part-time employment, this is an attainable goal.

Benno and Tmyka at their new home.

HOMEBUILD NT: NEW HOUSES ON TOWN CAMPS

As part of the Northern Territory Government's HomeBuild program, 24 new properties and 36 replacement houses were built during the year on the Tangentyere Town Camps in Alice Springs. These welcome additions helped address the backlog of community housing applications. As well as many older legacy properties being replaced.

Initially these new builds were predominately larger houses, but CHCA and Tangentyere were able to negotiate for smaller duplex properties to be constructed, meeting both the NTG new bedroom construction target and the preference of residents for smaller dwellings less prone to overcrowding and suitable for older people and younger small families.

While not all Town Camps had new buildings in this round of funding (some don't have empty lots for new properties), it is hoped that after the success of this program additional replacement and new properties will be constructed across all camps in the future.

TANGENTYERE TOWN CAMP - COMMUNITY HOUSING MODEL

Progressing towards the realisation of the Tangentyere Town Camp Community Housing Model (TTC-CHM) was a key project for CHCA in 2022-23 and Stage II of the project on Asset Management concluded in May this year. Working closely with and supported by Tangentyere Council Aboriginal Corporation (TCAC), CHCA seconded a full-time staff member to develop Stage III of the project.

A major piece of work was the development of a proposed new rent model, designed to cater for the range of household income types on the Town Camps. This rent

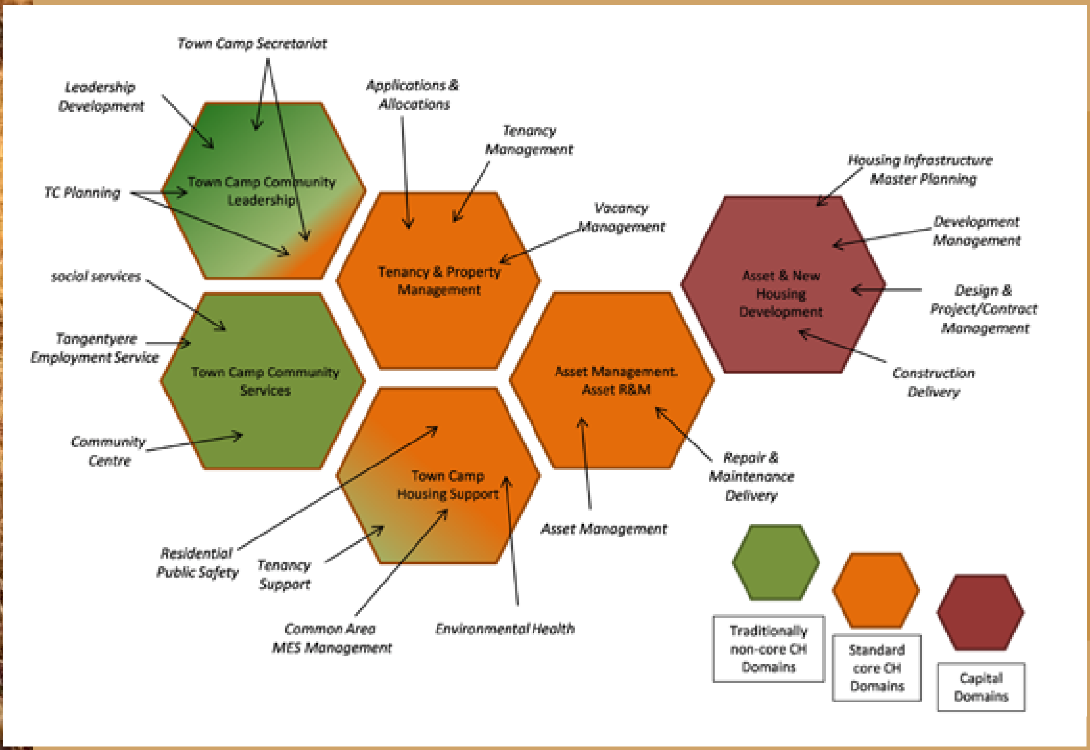
Photo credit: Chris Tucker, University of Newcastle system will balance both affordability and sustainability for rent generation when we transition to community control.

During the process of developing a new global budget for the TTC-CHM a number of complex financial and regulatory issues became apparent. Meanwhile the original deadline for transfer to community-control was 30th June 2023, and after consideration by all stakehodlers, TCAC agreed to extend the negotiations by a further 12 months.

External to our process to implement the TTC-CHM the overarching Commonwealth/Territory National Partnership for Remote Housing Agreement was also being extended by 12 months.

This coupled with the increasingly complex array of issues that CHCA and TCAC were finding in discussions with various arms of government, especially around water, insurance, rates and other service provision into the future, meant that the extension of the existing Housing Management Agreement into a Tripartite Transitional Housing Management Agreement between the Office of Township Leasing (OTL), the NTG Territories Families Housing and Communities and Tangentyere Council was an important interim step to negotiate.

CHCA remains committed to ensuring that the new TTC-CHM is robust and well supported so better resourced services are provided on the Town Camps when the model is implemented. Spending the time during the transition stage to ensure that the consortium partners (TCAC, CHCA and Tangentyere Constructions) and Town Campers aren't left with any unplanned for costs or surprises is an essential part of the work undertaken during the year and that will continue for the next 12 months.



The innovative TTC-CHM is conceptualised in six domains with a range of component functions. These encompass a holistic approach to the unique requirements of Aboriginal Community Housing incorporating community leadership, community development programs, coordinated tenancy support as well as the core elements of community housing- tenancy and asset management.

CHCA AND FUTURE GROWTH STRATEGY

CHCA was delighted to host Minister Uibo at the CHCA offices in Alice Springs in November 2022, to discuss the housing challenges facing central Australia and progress against the Community Housing Growth Strategy.

CHCA continues to work closely with the Department of Territory Families, Housing and Communities to consider innovative housing solutions for Alice Springs. The CHCA leadership team are poised and ready for growth, both in terms of the transfer of public housing management to community control to CHCA and to new build development projects accessing both Northern Territory Government funding and Federal Government funding in line with the commitment to Housing reform for social and affordable housing.

Minister Uibo with Frances Paterson-Fleider, CEO and Annie Taylor, NT Shelter.

CHCA BOARD STRATEGY DAY

The Directors of CHCA met in November 2022 to discuss the 2023-2026 Strategic Plan and the associated Growth Strategy. This is the first time many Directors have met face to face due to COVID but was very worthwhile as great discussions and ideas were generated on the day.

The vision of the Board to empower our communities through quality housing solutions that make a difference; places where people feel safe, secure, and can thrive through having a place to call home, is threaded through the five pillars within the new Strategic Plan.

CHCA Directors

CELEBRATING THE SUCCESS OF OUR TEAM

Accredited training provides an important basis for the professional development of our staff. To achieve this, CHCA ensures staff have access to a broad range of training opportunities with specialist providers covering topics such as mental health first aid, counselling, case management, report writing, domestic, family and sexual violence awareness to name but a few, along with specific training in community housing. These courses are delivered by a range of expert trainers which are beneficial for both staff and the organisation safe in the knowledge that we have experienced staff delivering our essential front-line services.

We all recognise how difficult it can be balancing full-time work, family and community commitments with study, so it is with great pleasure that CHCA congratulates Lisa Capewell and Naomi Chandler on being awarded their Certificate IV in Community Housing.

Lisa has worked in the housing industry for several years finding homes for those in need, but it wasn't until she completed her studies at Queensland Tafe that she realized that private renting is so very different to community housing. Now that she has completed her studies, she has so much more understanding and has acquired the knowledge needed to be able to support and re-evaluate her client's situation. This may require a recommendation for a more holistic approach with specialist agencies. Lisa gains personal satisfaction knowing that she has empowered her clients with the tools they need to live a better quality of life.

Naomi was previously working within an all-girls school, which she enjoyed. However, she felt that she had more to offer and could cope with working, studying and family life when she enrolled to complete her Certificate. It was personally satisfying and important for her to gain further education and qualifications. Naomi graduated with her Certificate IV in Community Service at Queensland Tafe. With the knowledge from her Community Service training and experience of working in housing she is now able to give her clients the support they desperately need. Apart from accommodation issues, her clients struggle daily with multiple factors from mental health to budgeting. Recognising these challenges is important, as is being able to refer them to external agencies for assistance

In support of our new and emerging leaders, several of the CHCA staff team were delighted to attend the 2022 Aboriginal Leadership and Governance Forum held in Alice Springs. The team were inspired by the key note presentation of Eddie Betts.

Lisa Capewell and Naomi Chandler

This forum is an important opportunity to showcase and recognise Aboriginal leadership and governance in the Northern Territory, with over 300 Aboriginal leaders and delegates from across the Northern Territory and interstate, gathering to hear and learn from some of our inspiring Aboriginal leaders.

We also recognise our leaders who have inspired our staff from within CHCA and one such inspirational colleague is Ian Hunter who retired after 5 years of loyal service as the Business Manager. Ian was an avid cyclist and rode to work each day.

He was always very approachable and eager to assist, having time to help or advise staff. As the Business Manager, Ian had a wide range of knowledge and skills and is now happily retired in South Australia.

During the year, we also said farewell to two of our women in leadership from CHCA. Tully McIntyre who was the driving force behind the success of our transitional housing program at 34 South Terrace and Cathryn McKissock who led the development and growth of the Community and Affordable Housing programs.

The positive contribution and impact to the work of CHCA of our former leaders will continue for many years to come.

Tully McIntyre

Cathryn McKissock

WELCOME TO OUR EXPANDED MANAGEMENT TEAM

Throughout the year, following a successful recruitment campaign, CHCA were delighted to expand the Management Team, bringing on experienced and qualified housing professionals to support and prepare CHCA for future growth.

Terry Furphy, Chief Financial and Corporate Services Manager; Frances Paterson-Fleider, CEO; Andy Denniss, Chief Operations Officer; Clive Rosewarne, Strategic Projects Manager

THANK YOU TO OUR PARTNERS AND FUNDERS

PARTNERSHIPS, NETWORKING AND CONNECTING

Overall, 2023 has been another successful year for CHCA.

At CHCA, we want to be known as an exceptional Community Housing Provider but also as an excellent partner organisation. We seek out opportunities to work together with organisations whose values are aligned to that of CHCA, to have a greater collective impact, share resources and work smarter to deliver more outcomes for our residents and communities.

Strong Partnerships with like organisations are the future, as we recognise that the challenges and opportunities can be complex, often with limited resources, so we need to come together and utilise the strengths that each partner brings to the table.

As part of this strong partnership approach, CHCA CEO, Frances Paterson-Fleider was delighted to meet with the Salvation Army Leadership Team to explore new business and other opportunities for delivering youth housing in Alice Springs.

CEO pictured here with the Salvation Army leadership and Annie Taylor, NT Shelter Regional Co-ordinator.

REMOTE HOUSING AND HOMELANDS CONFERENCE

CHCA CEO, Frances Paterson-Fleider and Directors, Eileen Hoosan and Maxine Carlton were delighted to attend the Remote Housing and Homelands Conference held in Darwin during April 2023. The Conference brought together housing experts from across the country to discuss working together to improve housing outcomes for Aboriginal peoples.

The Remote Housing and Homelands Conference in Darwin was also another opportunity for Directors and CEOs to come together to learn from the success of each organisation.

Photo of Eileen Hoosan (CHCA Director), Frances Paterson-Fleider (CEO), Maxine Carlton (CHCA Director) and Skye Thompson (CEO of AHNT)

Photo of LT (Director with Julalikari in Tennant Creek), Mary Doctor (CEO of Umpi Korumba in Qld) and Eileen Hoosan (CHCA Director)

CHCA staff with John Bateup, NEMA

We would like to once again thank our partner organisations, whether informal or formal, that enable us to deliver solutions and positive outcomes for our customers. These partnerships have contributed to improving the well-being of our customers so we want to say "Thank You".

CHCA would also like to acknowledge two key funders, the Northern Territory Government and the National Indigenous Australians Agency, for their continued support in funding innovative programs like Apmere Urlte, My Place and the Bloomfield Project. Their support for CHCA and our goal of creating more affordable housing opportunities for vulnerable people is much appreciated.

FINANCIAL STATEMENTS

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ABN 82 136 070 829

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2023

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

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General Information

The financial report covers Central Australian Affordable Housing Company Limited (the Company) as an individual entity. The financial report is presented in Australian dollars, which is the functional and presentation currency of the Company.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

The Company is a not-for-profit unlisted Public Company Limited by Guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Unit 1, 78 Hartley Street
Alice Springs NT 0870

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial report.

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT

The Directors submit herewith the annual financial statements for the financial year ended 30 June 2023.

DIRECTORS
The names of the Directors of the Company during or since the end of the financial year are:

Name	Particulars	Meetings Attended	Date Appointed
David Avery	BA, LLB	6 of 6	Appointed 11/11/2013
Eileen Hoosan	Executive Member of Tangentyere Council	4 of 6	Appointed 10/07/2013
Rosalind M Marden	CPA (Retired) B Comm, Grad Dip Ed	6 of 6	Appointed 14/11/2014
Shirleen Campbell	President of Lhenpe Artnwe Housing Association	0 of 2	Resigned 25/11/2022
David Donald	Architect	6 of 6	Appointed 13/09/2013
Patrick McDonald	CPA, MAICD, Bec (Hons), Bcomm	6 of 6	Appointed 15/05/2014
Peter Marin	B App. Sc. GAICD, Director of MLCS	4 of 6	Appointed 16/11/2018
Barbara McKenna	Community Housing	6 of 6	Appointed 28/05/2021
Maxine Carlton	Vice President of Tangentyere Council	2 of 4	Appointed 25/11/2022

PRINCIPAL ACTIVITIES
The Company's principal activity in the course of the financial period was to provide tenancy and property management services.

The Directors are satisfied that the Company activities directly support the Company objectives: by providing tenancy and property management services the availability of affordable accommodation for low income earners is increased.

SHORT AND LONG TERM OBJECTIVES
The objective of the Company over the coming year is to increase the availability of affordable accommodation to low income earners, with the Indigenous population of Central Australia the priority.

The Company seeks to relieve poverty, sickness, destitution, suffering, distress, misfortune and helplessness through the provision of affordable housing, giving priority to addressing the serious housing problems faced by many Aboriginal people in the Northern Territory of Australia.

MEASUREMENT OF PERFORMANCE
The entity measures its performance based on revenue and the total revenue for the period amounted to $3,824,400 (2022: $3,554,168).

SIGNIFICANT CHANGES FROM PREVIOUS YEAR
The lease of property units from the Anglican Diocese of the Northern Territory was retired 31st December 2022, which stemmed significant losses to the company.

Funding from the Northern Territory Government in respect of the South Terrace and My Place programs, which had not been fully utilised at the previous year-end was subject to claw back with some funds remaining to be spent on other aspects of the programs in the current and future years.

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (cont.)

COMPANY SECRETARY
Frances Paterson-Fleider was appointed Company Secretary on 25 October 2021.

WINDING UP
The amount that each member of the Company is liable to contribute if the Company is wound up is $10. The Company has 4 members.

AUDITOR'S INDEPENDENCE DECLARATION
A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* is set out on page 4.

On behalf of the Directors:

Director

Director

Dated: 27th October 2023

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

DECLARATION OF INDEPENDENCE
BY ANDREW TICKLE
TO THE DIRECTORS OF CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED

As lead auditor of Central Australian Affordable Housing Company Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Andrew Tickle
Director

BDO Audit Pty Ltd

Adelaide, 27 October 2023

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
INCOME			
Grant Income	3	1,223,179	1,003,785
Management Fees		1,105,771	955,678
Rental Income		1,305,633	1,412,462
Recovery of Expenses		132,364	181,899
Interest Received		16,590	344
Other Income		40,863	
TOTAL INCOME		**3,824,400**	**3,554,168**
EXPENDITURE			
Depreciation		443,198	422,719
Finance Charges		19,796	17,823
Employee Benefits	4	1,608,981	1,353,317
Office Expenses		150,874	87,340
Other Expenses		475,506	430,799
Property Related Expenses		1,278,362	1,283,474
TOTAL EXPENDITURE		**3,976,717**	**3,595,472**
NET (DEFICIT)/SURPLUS FOR THE YEAR		**(152,317)**	**(41,304)**
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		**(152,317)**	**(41,304)**

The accompanying notes form part of these financial statements

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 $	2022 $
CURRENT ASSETS			
Cash & Cash Equivalents	6	2,582,539	2,050,366
Trade & Other Receivables	7	138,582	252,691
Other Assets	8	107,449	88,488
TOTAL CURRENT ASSETS		**2,828,570**	**2,391,545**
NON-CURRENT ASSETS			
Intangible Assets	9	8,658	9,865
Property, Plant & Equipment	10	41,559	153,278
Investment Property	11	9,916,648	10,109,416
Right-of-use Assets	12	454,784	195,904
TOTAL NON-CURRENT ASSETS		**10,421,649**	**10,468,463**
TOTAL ASSETS		**13,250,219**	**12,860,008**
CURRENT LIABILITIES			
Trade & Other Payables	13	549,794	404,166
Provisions	14	55,945	69,191
Other Liabilities	15	1,065,323	912,332
Lease Liabilities	17	129,447	71,367
TOTAL CURRENT LIABILITIES		**1,800,509**	**1,457,056**
NON-CURRENT LIABILITIES			
Provisions	14	6,384	6,384
Lease Liabilities	17	331,457	132,382
TOTAL NON-CURRENT LIBILITIES		**337,841**	**138,766**
TOTAL LIABILITIES		**2,138,350**	**1,595,822**
NET ASSETS		**11,111,869**	**11,264,186**
EQUITY		**11,111,869**	**11,264,186**

The accompanying notes form part of these financial statements

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2023

	Note	Accumulated Surplus $	Reserves $	Total $
BALANCE AT 1 JULY 2021		**11,300,389**	**5,101**	**11,305,490**
Net Surplus/(Deficit) for the Year		(41,304)		(41,304)
Transfer to Reserve		716	(716)	
Other Comprehensive Income		-	-	-
BALANCE AT 30 JUNE 2022		**11,259,801**	**4,385**	**11,264,186**
BALANCE AT 1 JULY 2022		**11,259,801**	**4,385**	**11,264,186**
Net Surplus/(Deficit) for the Year		(152,317)		(152,317)
Transfer to Reserve		(33,022)	33,022	-
Other Comprehensive Income		-	-	-
BALANCE AT 30 JUNE 2023	16	**11,074,462**	**37,407**	**11,111,869**

The accompanying notes form part of these financial statements

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts From:			
Government Grants and Contracts		2,142,615	2,148,285
Tenants		2,379,720	1,579,336
Interest Received		16,590	409
Other		40,863	35,041
Payments to Suppliers and Employees		(3,874,248)	(3,040,366)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**705,540**	**722,704**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Investment Property		(4,483)	(144,154)
Proceeds from Disposal of Assets		5,455	
NET CASH FLOWS FROM INVESTING ACTIVITIES		**972**	**(144,154)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Lease Liabilities		(154,543)	(191,358)
Interest on Lease Liabilities		(19,796)	(17,823)
NET CASH FLOWS FROM FINANCING ACTIVITIES		**(174,339)**	**(209,181)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS		**532,173**	**369,368**
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		2,050,366	1,680,998
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	6	**2,582,539**	**2,050,366**

The accompanying notes form part of these financial statements

1. CORPORATE INFORMATION

The financial statements of Central Australian Affordable Housing Company Limited (Company) for the year ended 30 June 2023 were approved and authorised for issue in accordance with a resolution of the Directors on 27 October 2023.

The Company is a not-for-profit unlisted Public Company Limited by Guarantee and is incorporated and domiciled in Australia.

The principal activity of the Company is to provide tenancy and property management services.

COVID-19

As a provider of housing to vulnerable members of the Alice Springs community, the Company was impacted by the risks of COVID-19. Mitigation measures have assisted to protect our residents, employees and sub-contractors of the Company from infection of COVID-19.

In terms of the financial impacts of COVID-19, the Company has had no material loss of income from rent payments or Government funding, nor large increases in key expenses such as staffing or property maintenance although doubling in the costs of cleaning was incurred in the current financial year. As community transmission of COVID-19 commenced in Central Australia during the previous financial year, the Company was well placed to manage this risk through the Company's strong financial position.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

The financial statements have been prepared on an accruals basis and is based on historical costs and do not take into account changing money values, except for long service leave provision that takes into account the changing value of money.

The financial statements are presented in Australian dollars which is the functional and presentation currency of the Company.

b) First time adoption of Australian Accounting Standards

The Company adopted AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities during the previous financial year. The transition has not impacted the accounting policies applied by the Company and have not affected any reported amounts.

c) Significant Accounting Judgement, Estimates & Assumptions

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates that could have a material impact on the financial statements relate to the useful life of buildings.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

d) Income Tax

The Company is exempt from income tax pursuant to the *Income Tax Assessment Act 1997*. Accordingly, Australian Accounting Standard AASB 112 has not been applied and no provision for income tax has been included in the financial reports.

e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

f) Revenue

Revenue arises from grants, rental income and tenancy management fees.

All revenue is stated net of the amount of goods and services tax (GST).

Rental Income

Rental income is recognised over the period of the lease. Rental income is determined in accordance with an annual review conducted for all tenants. The performance obligation is defined as unrestricted access to a residential property for a prescribed period in accordance with the underlying agreement. Rental income is recognised once this unrestricted access have been provided to the tenant, which is invoiced either weekly, fortnightly or monthly depending on the terms of the agreement.

Rendering of Services

The Company is contracted by the government and other clients to provide tenancy management services for residential properties. The Company receives management fees as well as contract income for these services. The performance obligation is defined as specific tenancy related services which are to be provided to the tenants on an on-going basis, in accordance with the tenancy management service agreements. The income is earned and received on a monthly basis and are either defined on a per property basis or a singular fee for the management of multiple properties.

Grant Revenue

Government and other grants are recognised as follows:

- a grant that does not impose specific future performance obligations on the Company is recognised as revenue the earlier of when the grant proceeds are received or receivable;
- a grant that imposes specific future performance obligations on the Company is recognised as revenue only when the performance obligations are met; and
- a grant received before the revenue recognition criteria are satisfied, is recognised as a liability.

These principles are applied to the grant revenue recognised by the Company as follows:

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

f) Revenue (cont.)

Grant Revenue (cont.)

Transitional Housing

The Company receives funding for the provision of transitional housing. The performance obligations include entering into lease agreements with lessors and subletting the properties to tenants who meet prescribed requirements, as well as providing ongoing tenancy services to the tenants in accordance with the underlying agreement. The funding received in advance is recognised as income once the performance obligations are met, which usually coincide with incurring the costs associated with providing the services.

Construction of Asset

The Company receives funding for the construction of residential properties, which become the property of the Company. The Company is required to let these properties to tenants meeting prescribed criteria. The funding is received in advance and is recorded as income over time coinciding with when the related construction costs are incurred.

Refurbishment

The Company receives funding for the refurbishment of properties for which the Company is contracted to provide tenancy management services. The funding is received in advance and is recorded as income over time coinciding with when the related refurbishment costs are incurred.

The Company recognises liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position.

g) Cash & Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less where the investment is convertible to known amounts of cash and is subject to insignificant risk of changes in value. For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, plus term deposits with maturity dates of less than 12 months from balance date net of any outstanding bank overdrafts.

h) Intangible Assets

Intangible assets are measured using the cost model. Accordingly, intangible assets is carried at its cost less any accumulated amortisation and any impairment losses.

Amortisation

The depreciable amount of all intangible assets are depreciated on a straight-line basis so as to write off the net cost of each asset over its expected useful life to the Company commencing from the time the asset is held ready for use. The useful lives of the intangible assets are finite.

The amortisation rate used for each class of intangible asset are as follow:

Intangible Asset Class	Amortisation rate
Logo & Copyright	10%

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

i) Plant & Equipment

Plant and equipment are measured using the cost model. Accordingly, plant and equipment is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset where applicable.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight-line basis so as to write off the net cost of each asset over its expected useful life to the Company commencing from the time the asset is held ready for use.

The depreciation rate used for each class of depreciable asset are as follow:

Fixed Asset Class	Depreciation rate
Furnishings, Fittings & Equipment	15% to 33.3 %
Motor Vehicles	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an asset is disposed of, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Derecognition & Disposal

An item of plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the Company or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss in the year the asset is derecognised.

j) Impairment Testing of Plant & Equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Company's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

j) Impairment Testing of Plant & Equipment (cont.)

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its' carrying amount.

k) Investment Property

Investment property is held by the Company to earn rental income and is measured at cost.
Investment property is depreciated on a straight-line basis over 40 years to its expected residual value.

l) Financial Instruments

Recognition and Derecognition

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Initial Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through other comprehensive income (FVOCI); or
- fair value through profit or loss (FVTPL).

In the periods presented the Company does not have any financial assets categorised as FVTPL or FVOCI.
The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

l) Financial Instruments (cont.)

Subsequent Measurement of Financial Assets

Financial Assets at Amortised Cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and) are not designated as FVTPL:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's term deposits, cash and cash equivalents, as well as trade and most other receivables fall into this category of financial instruments.

Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In the periods presented the Company does not have any financial assets categorised as FVOCI.

Financial Assets at Fair Value Through Profit or Loss (FVTPL)

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit and loss.

In the periods presented the Company does not have any financial assets categorised as FVTPL.

Derecognition of Financial Assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset (i.e. has no practical ability to make unilateral decision to sell the asset to a third party).

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.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the Company elected to classify under the fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

l) Financial Instruments (cont.)

Impairment

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the general approach to impairment.

General Approach

This approach is applicable to trade receivables.

Under the general approach, at each reporting period, the Company assesses whether the financial instruments are credit-impaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Company measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there is no significant increase in credit risk since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Recognition of Expected Credit Losses in Financial Statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

Classification and Measurement of Financial Liabilities

Financial liabilities consist of trade and other payables which are initially measured at fair value, and, where applicable, adjusted for transaction costs, and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

Derecognition of Financial Liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

m) Leased Assets

The Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

1. The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
2. The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
3. The Company has the right to direct the use of the identified asset throughout the period of use, assessing whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and Recognition of Leases as a Lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which consists of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date, net of any incentives received.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available, or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments.

Subsequent to initial measurement, the liability is reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification.

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

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

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

n) Employee Entitlements

Short-term Employee Benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Long-term Employee Benefits

The Company's liability for long service leave is included in long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

Defined Contribution Plans

The Company provides post-employment benefits through defined contribution plans. The amount charged as an expense in respect of superannuation represents the fixed contributions made or payable by the company to the superannuation funds of employees. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions.

o) Deferred Income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

p) Economic Dependency

The Company is dependent on government contracts and grants for the majority of its income.

q) Provisions, Contingent Liabilities & Contingent Assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

	2023	2022
	$	$
3. GRANT INCOME		
Transitional Housing	1,022,653	786,662
Construction of Asset	110	-
Refurbishment	-	105,729
Other	200,416	111,394
	1,223,179	**1,003,785**

Unexpended grants as at 1 July 2022 of $878,495 (1 July 2021: $458,288) were recognised as grant funding during the financial year, following confirmation that performance obligations were met. The liabilities recognised for unexpended grants as at 30 June 2023 are reported in note 15.

4. EMPLOYEE BENEFITS

Expenses recognised for employee benefits are analysed as follow:

	2023	2022
Salaries	1,396,989	1,208,930
Workers Compensation Insurance	6,212	5,962
Superannuation	149,835	118,812
Employee Benefit Provisions	55,945	19,613
	1,608,981	**1,353,317**

The liabilities recognised for employee benefits are reported in note 14.

5. AUDITOR'S REMUNERATION

	2023	2022
Audit Fees Paid & Payable	**22,180**	**12,300**

Apart from the annual audit, the auditor does not provide any other services to the Company.

6. CASH & CASH EQUIVALENTS

	2023	2022
Cash at Bank	**2,582,539**	**2,050,366**

Included in cash at bank is tenant bonds held, totalling $169,974 (2022: $172,717), which are not available for use by the Company.

7. TRADE & OTHER RECEIVABLES

	2023	2022
Trade Receivables	150,472	252,664
Provision for Bad Debts	(11,890)	-
Other Receivables	-	27
	138,582	**252,691**

8. OTHER ASSETS

	2023	2022
Prepayments	61,002	56,718
Bonds Paid	46,447	31,770
	107,449	**88,488**

9. INTANGIBLE ASSETS

Logo and Copyright

	2023	2022
At Cost	12,075	12,075
Accumulated Amortisation	(3,417)	(2,210)
	8,658	**9,865**

	2023	2022
	$	$

9. INTANGIBLE ASSETS (cont.)

Reconciliation of movements in the carrying amounts of intangible assets:

	2023	2022
Opening Balance	9,865	11,073
Additions		-
Amortisation	(1,207)	(1,208)
Closing Balance	**8,658**	**9,865**

Included as expenses under profit and loss is amortisation totalling $1,207 (2022: $1,208) relating to intangible assets.

10. PROPERTY, PLANT & EQUIPMENT

	2023	2022
Furnishings, Fittings & Equipment		
At Cost	57,140	91,601
Accumulated Depreciation	(42,915)	(70,609)
	14,225	**20,992**
Motor Vehicles		
At Cost		15,435
Accumulated Depreciation		(15,430)
	-	5
Leasehold Improvements		
At Cost	85,974	172,701
Accumulated Depreciation	(58,640)	(40,420)
	27,334	**132,281**
Total Property, Plant & Equipment	**41,559**	**153,278**

Reconciliation of movements in the carrying amounts of property, plant & equipment:

	2023	2022
Opening Balance	153,278	191,868
Additions		-
Disposals	(80,107)	-
Depreciation & Amortisation	(31,612)	(38,590)
Closing Balance	**41,559**	**153,278**

11. INVESTMENT PROPERTY

	2023	2022
Land & Buildings		
At Cost	11,010,432	11,005,949
Accumulated Depreciation	(1,093,784)	(896,533)
	9,916,648	**10,109,416**

Reconciliation of movements in the carrying amounts of investment property:

	2023	2022
Opening Balance	10,109,416	10,160,199
Additions	4,482	144,154
Depreciation	(197,250)	(194,937)
Closing Balance	**9,916,648**	**10,109,416**

The Directors of the Company believes the carrying value of the investment property approximates its fair value.

11. INVESTMENT PROPERTY (cont.)

The acquisition and development costs of the investment properties known as Bloomfield Street and Renal Development, were financed by funding received from local and federal government.

The respective funding agreements placed the following restrictions upon the nature of use of the investment properties:

Bloomfield Street – Affordable Housing Development 1 & 2:

- The Company may not mortgage, lease or dispose of the land and buildings, without the prior written consent of the Commonwealth; and
- The use of the land and buildings are restricted to the designated purpose of affordable housing for Aboriginal people as follows:
  Development 1 (2014) – for a period of 12 years which ends in May 2026; and
  Development 2 (2021) – for a period of 10 years which ends in February 2031.

Renal Housing Development 1 & 2:

- The Company must manage the land and buildings under the original agreement for the designated use of housing for end-stage renal patients as follows:
  Agreement 1 (2016) – for a period of 10 years which ends in April 2026; and
  Agreement 2 (2021) – for a period of 10 years which ends in February 2031
- The Company may not mortgage, lease or dispose of the land and buildings, without the prior written consent of the Department of Local Government and Housing: Territory Housing.

	2023 $	2022 $
12. RIGHT-OF-USE ASSETS		
Land & Buildings		
At Cost	525,593	285,107
Accumulated Depreciation	(100,234)	(100,853)
	425,359	**184,254**
Motor Vehicles		
At Cost	84,466	67,022
Accumulated Depreciation	(55,041)	(55,372)
	29,425	**11,650**
Total Right-of-use Assets	**454,784**	**195,904**

Included as expenses under profit and loss is depreciation totalling $133,020 (2022: $187,984) relating to right-of-use assets.

	2023 $	2022 $
13. TRADE & OTHER PAYABLES		
GST Payable	32,143	8,585
Trade Creditors & Accruals	350,404	222,804
Funds Held in Trust	167,247	172,777
	549,794	**404,166**

	2023	2022
	$	$
14. PROVISIONS		
Current		
Provisions include the following liabilities recognised for employee benefits:		
Provision for Annual Leave	**55,945**	**69,191**
Non-Current		
Long Service Leave	**6,384**	**6,384**
15. OTHER LIABILITIES		
Current		
Unexpended Grants		
Transitional Housing	435,027	663,951
Construction of Asset	194,434	194,544
Other	390,000	20,000
	1,019,461	**878,495**
Rental Income Received in Advance	43,587	28,765
Other Income Received in Advance	2,275	5,072
Total Current Other Liabilities	**1,065,323**	**912,332**

Renal Accommodation Project

Funding amounting to $6,922,262 was received from the Department of Territory Families, Housing and Communities during previous financial periods for the provision of affordable long-term accommodation for end stage renal patients.

	2023	2022
Total Funding Received	6,922,262	6,922,262
Total Funds Expended	(6,727,828)	(6,727,718)
Unexpended Grant Funds at Year End	**194,434**	**194,544**

The unexpended grant funds relating to the Renal Accommodation Project are included in the construction of asset unexpended grants balance at year end.

	2023	2022
16. RESERVES		
Restricted Funds Reserve	**37,407**	**4,385**

The Company is party to lease & tenancy management agreements that require the Company to sublet the properties leased to the Company under these agreements, as well as provide tenancy management services to the tenants. The rent received under these arrangements are restricted for the purposes of being expended on costs associated with prescribed properties, in accordance with the underlying lease & tenancy management agreement.

The rent received in excess of the costs associated with the prescribed properties are transferred to the restricted funds reserve.

	2023	2022
	$	$

17. LEASE LIABILITIES

The Company has leases for residential properties, its head office and some motor vehicles. With the exception of its short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

	2023	2022
Lease liabilities are presented in the statement of financial position as follows:		
Current	129,447	71,367
Non-Current	331,457	132,382
Minimum Future Lease Payments:		
- no later than 12 months	509,290	304,099
- between 12 months and 5 years	359,388	15,165
	868,678	**319,264**

All leases incur termination fees for early exit from the leases. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For the leased office building and residential properties, the Company must keep these properties in a good state of repair and return the properties to their original condition at the end of the lease.

The Company is a lessee to 4 peppercorn leases that gives the Company access to residential properties for the purpose of subletting the properties to designated groups. The Company has applied the optional exemption from the requirement to fair value the right-of-use asset arising from these leases and accordingly the fair value dollar equivalent for these lease arrangements are not reported in the statement of financial position. The lease terms range from between 4 and 10 years and the option to renew these leases are at the full discretion of the lessor.

Total cash outflows for leases during the financial period were $608,820 (2022: $634,914). Included in office expenses and property related expenses are short-term leases expensed totalling $457,939 (2022: $425,733).

The leases, where the Company is the lessor of investment properties, are considered cancellable.

18. FAIR VALUE MEASUREMENT

There are no financial instruments or non-financial instruments that are carried at fair value as at 30 June 2023.

19. RELATED PARTY TRANSACTIONS

The Company's related parties comprise its key management personnel.

Transactions with Key Management Personnel

The key management of the Company consists of the Directors of the Company, the Chief Executive Officer, the Chief Financial and Corporate Services Manager and the former Finance and Business Managers.

	2023	2022
	$	$
Total Key Management Personnel Remuneration	**457,087**	**324,570**

The Directors receive a fee for attending board meetings as well as reimbursement of expenses incurred in relation to their capacity as directors.

20. CONTINGENT LIABILTIES

If the designated use restriction clause placed on the Bloomfield Street properties is breached prior to May 2026, the Company may be required to repay the full amount of funding received, totalling $4,374,443. Any breaches following this date may require a pro-rata repayment. Refer note 11.

Except for the matter referred to above, there are no contingent liabilities that have been incurred by the Company in relation to 2023 or 2022.

21. CAPITAL COMMITMENTS

As at the reporting date, the Company has committed $63,232 towards the replacement of the water lines in to the Bloomfield property expected to be undertaken in the 2023-24 financial year.

22. POST-REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

23. MEMBERS GUARANTEE

The Company is incorporated under the *Corporations Act 2001* and is a Company Limited by Guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum $10 each towards meeting any outstanding obligations of the entity. At 30 June 2023, the total amount that members of the Company are liable to contribute if the Company wound up is $40 (2022: $40).

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' DECLARATION

In the Directors' opinion:

1) the attached financial statements and notes thereto comply with AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013;*

2) the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year then ended; and

3) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a Resolution of Directors made pursuant to section 60.15 (2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*;

DAVID AVERY
Director

Signature

Patrick McDonald
Director

Signature

27th OCTOBER 2023
Dated:

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Central Australian Affordable Housing Company Limited (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Central Australian Affordable Housing Company Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO

BDO Audit Pty Ltd

Andrew Tickle
Director

Adelaide, 27 October 2023

COMMUNITY HOUSING
CENTRAL AUSTRALIA

A MEMBER OF ...

NTShelter

Community Housing
INDUSTRY ASSOCIATION

AHNT
Aboriginal Housing Northern Territory
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CENTRAL AUSTRALIA

CONTACTS

1/78 Hartley Street
Alice Springs / Mparntwe 0870
PHONE: 08 8952 1266
EMAIL: info@chca.org.au

WWW.CHCA.ORG.AU

ABN: 82 136 070 829