COMMUNITY HOUSING CENTRAL AUSTRALIA

ANNUAL REPORT 2023/2024

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

ABN: 82 136 070 829 ACN: 136 070 829

Front Cover Image: Sonia Scrutton and Grandson.

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ABOUT US

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

We help vulnerable people in central Australia access safe, affordable and high-quality housing solutions to improve their quality of life.

We work with government, community and industry stakeholders to advise and facilitate the delivery of high standard tenancy and property management services.

3,325+ RESIDENTS

475 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

First, I commend this Annual Report. Please set aside some time to read it and appreciate the important work of CHCA.

In last year's Report I mentioned that one of our goals was to expand the company's membership. I am pleased to report that this year members welcomed Purple House as the company's newest member. The constitution was amended to expand the number of directors and we also welcomed Sarah Brown AM to the board on the nomination of Purple House.

In preparing my Report I have had the benefit of reading the CEO's report recording a year of impressive achievements and progress by CHCA. One thing it obviously has not recorded is the skill and effort of the CEO and her management team that has brought it all about.

It is 15 years since CHCA was established and it has repeatedly demonstrated its resilience and commitment to its goals. Much of the work this year has been towards establishing the company's long-term viability by growing its affordable housing portfolio towards a self-sustaining model. The fruit of these initiatives will be obvious in the next few years as new housing is constructed and owned by CHCA.

The services provided by CHCA contribute substantially to the Alice Springs and central Australian community in a societal sense, but also to the local economy by accessing Commonwealth programmes funding affordable housing.

CHCA cannot achieve its objects in isolation, and I express my appreciation to our members and partners, government and non-government, who have engaged so positively with the company this year to assist and enable it to maximise affordable housing opportunities and superior tenancy management services.

And of course, I thank my fellow directors for their ongoing commitment to CHCA, to maintaining its high standards of governance and for their support of the management and staff of the company.

DAVID AVERY
Chairperson

CEO'S REPORT

WELCOME TO OUR ANNUAL REPORT FOR 2023/24

This is my fourth annual report and I continue to be proud to lead such a culturally diverse and resilient team and organisation that positively changes the lives of our tenants and community through the provision of healthy, safe and affordable housing solutions.

During the past four years we have created a solid foundation for future growth. This has been achieved through investment in our leadership team, supporting staff development and refining our systems and business practices.

The ongoing housing and cost of living crisis continues to affect people living in the Northern Territory, particularly in Alice Springs, where private rental affordability is a significant barrier for lower income household to find a place to call home. Never before has the range of housing programs delivered by CHCA been more important. CHCA are therefore keen to secure the future of these government funded programs and where funding allows, expand these beyond their current reach. Within this report, you will read incredible stories from our tenants and how these housing programs have given them and their families a strong foundation for the future. We continue to work closely with the Northern Territory Government who are a significant partner for CHCA.

Through the Northern Territory Government's support for growing community housing providers, CHCA are excited to enter into an agreement for the management transfer of 100 public housing properties in Alice Springs to come into effect in October 2024. The formal signing of the Agreements features later in this Annual Report.

Tenants are at the heart of everything we do. Under the public housing transfer, CHCA staff will deliver a tenant focused and sustainable housing service, that will transform the quality of service delivery for these tenants and bring positive uplift to the wider community.

The Federal Government's suite of housing reforms is starting to roll out and CHCA are excited to secure capital funding through the Northern Territory Government for new housing in Alice Springs. During 2024-2025, nine new affordable housing properties will be developed by CHCA.

The first round of the Housing Australia Future Fund was also released during the year and CHCA is hopeful for a positive outcome that will see more housing delivered by us in Alice Springs across 2025-2026.

CHCA has a long and proud history of working with the residents and communities of the 16 Alice Springs Town Camps and we continue to stride forward on the transition to a community control housing model for the Town Camps with our partners Tangentyere Council Aboriginal Corporation and Tangentyere Constructions.

Every day, I stand in awe of our staff who are a resourceful and resilient team, going above and beyond to make a positive difference in the lives of our tenants and communities, often in difficult and challenging circumstances.

It is also a privilege to be part of an organisation with such strong leadership and guidance from the Board of Directors who are unwavering in support of our mission and to me as CEO.

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

I look forward to what we can achieve together over the coming 12 months.

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.

SARAH BROWN

Sarah Brown AM is the Chief Executive Officer of Purple House and has been helping the Indigenous Directors to run the organisation since its inception more than twenty years ago.

In 2017 she was HESTA Australia's Nurse of the Year. In 2018 she made it to the BOSS magazine's 'True Leaders' list.

Sarah holds a Master of Nursing, a Graduate Diploma in Aboriginal Education and a Graduate Diploma in Health Service Management. Prior to joining Purple House, she was a remote area nurse, youth worker and university lecturer. She loves a good Sunday arvo snooze!

A YEAR IN REVIEW

TRANSFORMING PUBLIC HOUSING IN ALICE SPRINGS

CHCA are delighted to have concluded negotiations for the management transfer of 100 public housing properties in Alice Springs in line with the Northern Territory Government's support for growing the community housing sector.

The transfer will take place in October 2024 following a period of tenant engagement to discuss the transfer arrangements and what tenants can expect from CHCA as their new landlord. Tenants are at the heart of what we do and the CHCA staff look forward to meeting and working with the new tenants to deliver our tenant focused and sustainable housing model. As a supportive landlord, the aim of CHCA is for all tenants to thrive in healthy, safe, affordable and liveable homes.

CEO, Frances Paterson-Fleider and Director, Eileen Hoosan, signing the transfer agreement.

CHCA Director, Eileen Hoosan, speaks at the signing event.

Northern Territory Government signing Agreement with CHCA.

CHCA celebrate signing the transfer agreement with Northern Territory Government officials.

CHCA HOST AND WELCOME GUESTS

CHCA were delighted to host the South Australian Minister for Human Services, Nat Cook, along with senior staff from the S.A. Department of Human Services at our offices in October.

During the visit we shared learning and best practice regarding a number of similar housing services provided by CHCA and those in South Australia.

CHCA meet the South Australian Minister for Human Services and Senior staff.

Sonia Scrutton and Grandson.

APMERE URLTE – SOUTH TERRACE TRANSITIONAL HOUSING PROGRAM

Sonia Scrutton and her grandson moved to South Terrace in February from the Visitor's Park. Her grandson is diagnosed with Autism and ADHD. CHCA staff are supporting Sonia to obtain specialist support from the NDIS and with enrolling her grandson at Acacia School. Sonia is a very caring grandmother and takes pride in keeping and supporting her family unit. They are very happy and comfortable living at South Terrace. Sonia is very thankful to CHCA staff for supporting her and has expressed her gratitude and appreciation to CHCA for giving her the opportunity of being housed.

LEADING INNOVATIVE HOUSING – MY PLACE

A PRIVATE RENTAL TRANSITIONAL HOUSING PROGRAM

Sabella Turner is a Central Arrernte woman working as Congress' Cultural Lead. Sabella and her own family grew up in Santa Teresa, Alice Springs and surrounding areas. She trained as an Aboriginal Health Worker at Santa Teresa. She has worked with Tangentyere's Night Patrol and Child Care, CAAMA, IAD language in schools and CLC.

Sabella believes strongly that Arrurlenge Arntanta-areme (ARRA) is the way to make sure that culture is a part of the history taught to children from an early age and she particularly likes that men and women are in equal place on the ARRA, working together to document the stories for future generations.

Arrurlenge Arntanta-areme is a group of Aboriginal Congress staff who watch over and look after the Congress Arrurlenge (History Project) by providing cultural safety advice. Sabella has also been an outspoken voice on the issue of youth detention in her role with the Alice Springs based Grandmothers Group.

Sabella thought she had found her forever home with Community Housing until the passing of her partner forced her from their accommodation for cultural reasons. There followed a period of homelessness and Sabella is grateful to CHCA who have helped her through the crisis. She now enjoys a quiet and peaceful home provided by Centrecorp in the 'My Place' transitional housing program. She is looking to the future with hopes of being assisted to purchase her own home when she is ready to transition out of the program.

Sabella Turner – My Place.

A PLACE TO CALL HOME

Lazarus Gallagher has been a tenant in the My Place transitional housing program since January 2021. Lazarus recalls that he was very pleased the day he was contacted and approved for a property. Over the past few years Lazarus has got to know his neighbors and made some life-long friends. Lazarus works for the Central Land Council. He has developed a range of skills giving him confidence to take the next step in his housing journey, which is to apply for a long-term affordable rental property after he successfully transitions out of the My Place program. Lazarus has thanked CHCA for giving him the opportunity and providing him with a place to call home.

Lazarus Gallagher – My Place.

FROM TODD RIVER TO FOREVER HOME

CHCA Town Camp Community Housing Officer, Kyendrah Dodd, was able to help Brenton Forrest and his partner Joanne Cooley to get a brand new 3-bedroom house after living in the Todd River in a tent for 12 months.

The couple were very happy when they received the keys to their new house because a week after moving in, Alice Springs got some heavy rain and the Todd River flooded. Their old tent they had lived in was washed away. The couple were glad to finally have a house to call their forever home.

Kyendrah Dodd, Town Camp Community Housing Officer with Brenton Forrest and Joanne Cooley.

TANGENTYERE TOWN CAMP - COMMUNITY HOUSING MODEL

The transition to Community-Control for the Tangentyere Town Camps is an ongoing project for CHCA.

New Tripartite Transitional Housing Management Agreements were signed at a special Tangentyere Council Aboriginal Corporation Executive meeting held just before Christmas 2023, by the Tangentyere Town Camp Presidents and representatives. These new agreements commit the Commonwealth Office of Township Leasing (OTL) and the NTG Dept of Territory Families, Housing and Communities (TFHC) to the return

Tangentyere Council

TANGENTYERE CONSTRUCTIONS
CONSTRUCTION AND PROJECT MANAGEMENT

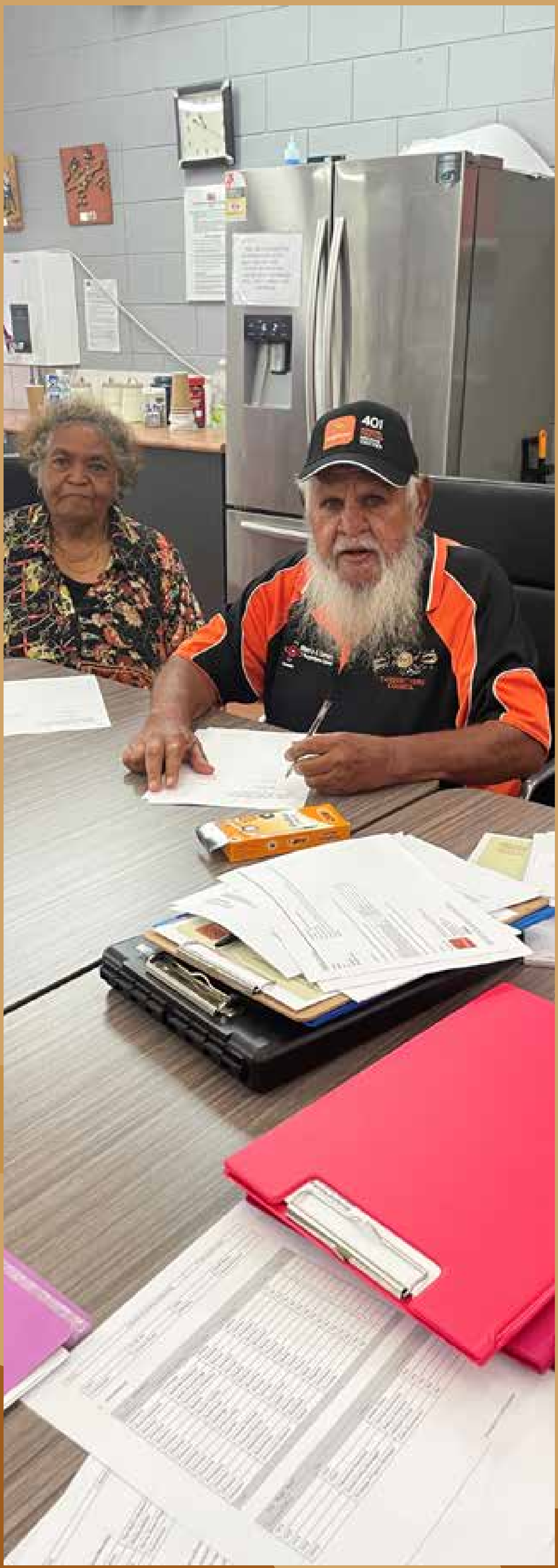
COMMUNITY HOUSING CENTRAL AUSTRALIA

Photo credit: Chris Tucker, University of Newcastle of all Town Camp Housing Management to community control.

These agreements outline the commitments of each of the levels of government to negotiate in good faith to bring about the community-control model that we have been working towards. These agreements took six months to negotiate and identified that TCAC would engage a NRSCH registered Community Housing Provider to manage the Town Camp tenancies and assets.

Following the signing of these agreements, a new Program Control Group comprising all stakeholders was established to have oversight of the project along with a Transfer Working Group. Action Plans and an implementation program as an active document has been implemented. In June 2024 the TCAC Board committed to having the implementation of the transfer by the end of June 2025 as the target date for the transfer to go live.

CHCA continues to work with all partners and stakeholders to help realize this aim.



Geoffrey Shaw from Tangentyere signing new Housing Management Agreement.

CHCA AND FUTURE GROWTH STRATEGY

CHCA was delighted to host the Hon Ngaree Ah Kit, Housing Minister at the CHCA offices in Alice Springs in December 2023 to discuss the housing challenges facing central Australia and make progress against the Community Housing Growth Strategy.

CHCA continues to work closely with the Northern Territory Government and other stakeholders to identify 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 with CHCA, and to new build development projects accessing both Northern Territory Government funding and Federal Government funding, in line with commitments to Housing reform for social and affordable housing.

CEO, Frances Paterson-Fleider with Minister Ah Kit.

CHCA BOARD STRATEGY DAY

The Directors of CHCA and Executive staff met in November 2023 to discuss progress against the 2023-2026 Strategic Plan. A number of external guests also attended to present on housing and homelessness in the Northern Territory, as well as future growth opportunities.

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 have a healthy affordable home, underpins the five pillars within the Strategic Plan.

CHCA Directors and Executive Staff.

CELEBRATING THE SUCCESS OF OUR TEAM

CHCA continues to invest in the professional development of staff by providing access to a broad range of training opportunities delivered by expert trainers. These are beneficial for both staff and the organisation, safe in the knowledge that we have experienced staff delivering our essential front-line services.

To support the development of our new staff, Kyendrah Dodd, Town Camp Community Housing Officer, undertook an Australasian Housing Institute program on Tenancy Management in Community Housing. The program contained seven modules of learning, exploring the skills required to perform primary tenancy management functions in a community housing setting.

Kyendrah shared that the Tenancy Management in Community Housing training program has provided the knowledge and skills needed to strengthen her career in Housing.

Kyendrah Dodd, Community Housing Officer.

Delegates attending the National Housing Conference in Brisbane.

LEADING VOICE IN COMMUNITY HOUSING FOR CENTRAL AUSTRALIA

CHCA Directors and Staff are recognised for their expertise in Community Housing issues and solutions within central Australia. As a result, they are often invited to present at a range of housing conferences.

During the year, CHCA presented at the CHIA Affordable Housing Summit in Melbourne, the AHURI National Housing Conference in Brisbane and the Aboriginal Housing and Homelands Conference in Alice Springs. CHCA staff were also twice invited to be key speakers on the National Regulatory System for Community Housing Providers from an Aboriginal community controlled organisation perspective.

Frances Paterson-Fleider, CEO presenting at the Affordable Housing Summit.

CHCA and Tangentyere Leaders presenting at the Aboriginal Housing and Homelands Conference.

THANK YOU TO OUR PARTNERS, FUNDERS AND COLLEAGUES

PARTNERSHIPS, NETWORKING AND CONNECTING

We are delighted to report that 2024 has been another productive year for CHCA and 2025 is shaping up to be even more so as our growth strategy starts to take shape.

Strong Partnerships with like organisations are part of our future growth strategy. We recognise that the challenges and opportunities in our sector can be complex, often with limited resources, so we need to come together and utilise the strengths that each partner brings to the table.

At CHCA, we want to be known as an excellent partner organisation. We continue to seek out opportunities to work together with organisations whose values are aligned to that of CHCA. Together, we can have a greater impact and work smarter to deliver more outcomes for our residents and communities.

As part of this strong partnership approach, the CHCA CEO, Frances Paterson-Fleider was delighted to meet with Queensland Shelter colleagues to promote their “because home matters” campaign.

CHCA CEO, Frances Paterson-Fleider networking with QShelter colleague, Floyd Stephens.


CHCA Networking with delegates at the National Housing Conference.


Salvation Army staff supporting the CHCA Festive Celebrations at South Terrace.

CHCA CEO as President of NT Shelter, at Strategic Planning Day with Board members and NT Shelter Staff.

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 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.

We would also like to acknowledge Centrecorp Aboriginal Investment Corporation for their support of CHCA’s headleasing programs and to StreetSmart for the grant funding received to support tenants to sustain their tenancy.

CHCA Tenancy Support Officer, Courtney Walsh with Edson Chigaba from MHACA partnering to deliver services at South Terrace.

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 2024

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

CONTENTS

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 2024.

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	5 of 6	Appointed 10/07/2013
Rosalind M Marden	CPA (Retired) B Comm, Grad Dip Ed	6 of 6	Appointed 14/11/2014
David Donald	Architect	5 of 6	Appointed 13/09/2013
Patrick McDonald	CPA, MAICD, Bec (Hons), B Com	6 of 6	Appointed 15/05/2014
Peter Marin	B App. Sc. GAICD, Director of MLCS	3 of 6	Appointed 16/11/2018
Bronte McKenna	Community Housing	6 of 6	Appointed 28/05/2021
Maxine Carlton	Vice President of Tangentyere Council	2 of 6	Appointed 25/11/2022
Sarah Brown	CEO Purple House	3 of 4	Appointed 24/11/2023

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 $4,612,528 (2023: $3,824,400).

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 5 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: 25th October 2024

Elna Dry
Trading as Elna Dry Audit
A.B.N. 40 604 646 245

P O Box 304
Alice Springs, NT
0871

Tel: 0400 727 762

The Directors
1/78 Hartley Street
ALICE SPRING/MPARNTWE
Northern Territory
0870

25 October 2024

Dear Board Members

Auditor's Independence Declaration to Central Australian Affordable Housing Limited

In accordance with section 60-40 of the *Australian Charities and Not-for profits Commission Act 2012 (Cth)*, I am pleased to provide the following declaration of independence to the directors Central Australian Affordable Housing Limited.

As external auditor for the audit of the financial statements of Central Australian Affordable Housing Limited for the financial period ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* in relation to the audit; and
b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

EDry

Elna Dry
Registered Company Auditor

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 2024

	Note	2024 $	2023 $
INCOME			
Grant Income	3	1,705,546	1,223,179
Management Fees		1,227,150	1,105,771
Rental Income		1,455,932	1,305,633
Recovery of Expenses		142,355	132,364
Interest Received		36,358	16,590
Other Income		45,597	40,863
TOTAL INCOME		**4,612,938**	**3,824,400**
EXPENDITURE			
Depreciation		376,835	443,198
Finance Charges		28,942	19,796
Employee Benefits	4	1,913,018	1,608,981
Office Expenses		121,120	150,874
Other Expenses		513,107	475,506
Property Related Expenses		1,447,250	1,278,362
TOTAL EXPENDITURE		**4,400,273**	**3,976,717**
NET SURPLUS/(DEFICIT) FOR THE YEAR		**212,665**	**(152,317)**
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**212,665**	**(152,317)**

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 2024

	Note	2024 $	2023 $
CURRENT ASSETS			
Cash & Cash Equivalents	6	3,322,041	2,582,539
Trade & Other Receivables	7	190,209	138,582
Other Assets	8	105,995	107,449
TOTAL CURRENT ASSETS		**3,618,245**	**2,828,570**
NON-CURRENT ASSETS			
Intangible Assets	9	7,450	8,658
Property, Plant & Equipment	10	14,571	41,559
Investment Property	11	9,743,602	9,916,648
Right-of-use Assets	12	444,420	454,784
TOTAL NON-CURRENT ASSETS		**10,210,043**	**10,421,649**
TOTAL ASSETS		**13,828,288**	**13,250,219**
CURRENT LIABILITIES			
Trade & Other Payables	13	599,874	549,794
Provisions	14	132,305	55,945
Other Liabilities	15	1,296,686	1,065,323
Lease Liabilities	17	123,167	129,447
TOTAL CURRENT LIABILITIES		**2,152,032**	**1,800,509**
NON-CURRENT LIABILITIES			
Provisions	14	15,306	6,384
Lease Liabilities	17	336,416	331,457
TOTAL NON-CURRENT LIBILITIES		**351,722**	**337,841**
TOTAL LIABILITIES		**2,503,754**	**2,138,350**
NET ASSETS		**11,324,534**	**11,111,869**
EQUITY		**11,324,534**	**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 CHANGES IN EQUITY
AS AT 30 June 2024

	Note	Accumulated Surplus	Reserves	Total
		$	$	$
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		**11,074,462**	**37,407**	**11,111,869**
BALANCE AT 1 JULY 2023		**11,074,462**	**37,407**	**11,111,869**
Net Surplus/(Deficit) for the Year		212,665	-	212,665
Transfer to Reserve		(67,271)	67,271	-
Other Comprehensive Income		-	-	-
BALANCE AT 30 June 2024	16	**11,219,856**	**104,678**	**11,324,534**

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 2024

	Note	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts From:			
Government Grants and Contracts		3,108,268	2,142,615
Tenants		2,581,882	2,379,720
Interest Received		36,358	16,590
Other		45,597	40,863
Payments to Suppliers and Employees		(4,829,676)	(3,874,248)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**942,429**	**705,540**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Investment Property		(24,295)	(4,483)
Proceeds from Disposal of Assets		-	5,455
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(24,295)**	**972**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Lease Liabilities		(149,690)	(154,543)
Interest on Lease Liabilities		(28,942)	(19,796)
NET CASH FLOWS FROM FINANCING ACTIVITIES		**(178,632)**	**(174,339)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS		**739,502**	**532,173**
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		2,582,539	2,050,366
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	6	**3,322,041**	**2,582,539**

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 2024 were approved and authorised for issue in accordance with a resolution of the Directors on 25 October 2024.

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 both the current and previous financial year. As community transmission of COVID-19 commenced in Central Australia during the 2021/22 year, the Company was well placed to manage this risk through the Company's strong financial position.

2. STATEMENT OF MATERIAL 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

Nil.

c) Material 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 material 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 MATERIAL 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 MATERIAL 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 MATERIAL 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.

All 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 MATERIAL 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 is charged pro rata to the other assets in the cash-generating unit. 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 MATERIAL 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 MATERIAL 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 MATERIAL 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 MATERIAL 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.

		2024	2023
		$	$
3.	**GRANT INCOME**		
	Transitional Housing	1,316,686	1,022,653
	Construction of Asset	-	110
	Project management and implementation	122,926	-
	Other	265,934	200,416
		1,705,546	**1,223,179**

Unexpended grants as at 1 July 2023 of $1,223,179 (1 July 2022: $878,495) 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 2024 are reported in note 15.

		2024	2023
4.	**EMPLOYEE BENEFITS**		
	Expenses recognised for employee benefits are analysed as follow:		
	Salaries	1,640,131	1,396,989
	Workers Compensation Insurance	9,125	6,212
	Superannuation	178,480	149,835
	Employee Benefit Provisions	85,282	55,945
		1,913,018	**1,608,981**

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

		2024	2023
5.	**AUDITOR'S REMUNERATION**		
	Audit Fees Paid & Payable	**14,250**	**22,180**

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

		2024	2023
6.	**CASH & CASH EQUIVALENTS**		
	Cash at Bank	**3,322,041**	**2,582,539**

Included in cash at bank are tenant bonds held, totaling $182,406 (2023: $169,974), which are not available for use by the Company.

		2024	2023
7.	**TRADE & OTHER RECEIVABLES**		
	Trade Receivables	273,773	150,472
	Expected Credit Losses (Provision for Bad Debts)	(83,564)	(11,890)
	Other Receivables	-	-
		190,209	**138,582**
8.	**OTHER ASSETS**		
	Prepayments	63,366	61,002
	Bonds Paid	42,629	46,447
		105,995	**107,449**
9.	**INTANGIBLE ASSETS**		
	Logo and Copyright		
	At Cost	12,075	12,075
	Accumulated Amortisation	(4,625)	(3,417)
		7,450	**8,658**

		2024	2023
		$	$
9.	**INTANGIBLE ASSETS (cont.)**		
	Reconciliation of movements in the carrying amounts of intangible assets:		
	Opening Balance	8,658	9,865
	Additions	-	-
	Amortisation	(1,208)	(1,207)
	Closing Balance	**7,450**	**8,658**

Included as expenses under profit and loss is amortisation totaling $1,208 (2023: $1,207) relating to intangible assets.

		2024	2023
10.	**PROPERTY, PLANT & EQUIPMENT**		
	Furnishings, Fittings & Equipment		
	At Cost	57,140	57,140
	Accumulated Depreciation	(47,067)	(42,915)
		10,073	**14,225**
	Leasehold Improvements		
	At Cost	85,974	85,974
	Accumulated Depreciation	(81,476)	(58,640)
		4,498	**27,334**
	Total Property, Plant & Equipment	**14,571**	**41,559**

Included as expenses under profit and loss is depreciation totaling $30,939 (2023: $35,475) relating to furnishings, fittings and equipment assets.

	2024	2023
Reconciliation of movements in the carrying amounts of property, plant & equipment:		
Opening Balance	41,559	153,278
Additions	-	-
Disposals	-	(80,107)
Depreciation & Amortisation	(26,988)	(31,612)
Closing Balance	**14,571**	**41,559**

		2024	2023
11.	**INVESTMENT PROPERTY**		
	Land & Buildings		
	At Cost	11,034,727	11,010,432
	Accumulated Depreciation	(1,291,125)	(1,093,784)
		9,743,602	**9,916,648**

Included as expenses under profit and loss is depreciation totaling $214,076 (2023: $193,389) relating to investment property assets.

	2024	2023
Reconciliation of movements in the carrying amounts of investment property:		
Opening Balance	9,916,648	10,109,416
Additions	24,295	4,482
Depreciation	(197,341)	(197,250)
Closing Balance	**9,743,602**	**9,916,648**

11. INVESTMENT PROPERTY (cont.)

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

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.

12. RIGHT-OF-USE ASSETS

	2024	2023
	$	$
Land & Buildings		
At Cost	481,116	525,593
Accumulated Depreciation	(174,233)	(100,234)
	306,883	**425,359**
Motor Vehicles		
At Cost	185,331	84,466
Accumulated Depreciation	(47,794)	(55,041)
	137,537	**29,425**
Total Right-of-use Assets	**444,420**	**454,784**

Included as expenses under profit and loss is depreciation totaling $130,612 (2023: $133,020) relating to right-of-use assets.

		2024	2023
		$	$
13.	**TRADE & OTHER PAYABLES**		
	GST Payable	41,113	32,143
	Trade Creditors & Accruals	376,255	350,404
	Funds Held in Trust	182,506	167,247
		599,874	**549,794**
14.	**PROVISIONS**		
	Current		
	Provisions include the following liabilities recognised for employee benefits:		
	Provision for Annual Leave	**132,305**	**55,945**
	Non-Current		
	Long Service Leave	**15,306**	**6,384**
15.	**OTHER LIABILITIES**		
	Current		
	Unexpended Grants		
	Transitional Housing	799,570	435,027
	Construction of Asset	194,434	194,434
	Other	223,255	390,000
		1,217,259	**1,019,461**
	Rental Income Received in Advance	78,221	43,587
	Other Income Received in Advance	1,206	2,275
	Total Current Other Liabilities	**1,296,686**	**1,065,323**

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.

	2024	2023
Total Funding Received	6,922,262	6,922,262
Total Funds Expended	(6,727,828)	(6,727,828)
Unexpended Grant Funds at Year End	**194,434**	**194,434**

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

		2024	2023
16.	**RESERVES**		
	Restricted Funds Reserve	**104,678**	**37,407**

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.

	2024	2023
	$	$

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.

	2024	2023
Lease liabilities are presented in the statement of financial position as follows:		
Current	123,167	129,447
Non-Current	336,416	331,457
Minimum Future Lease Payments:		
- no later than 12 months	123,167	509,290
- between 12 months and 5 years	336,416	359,388
	459,578	**868,678**

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 $801,254 (2023: $608,820). Included in office expenses and property related expenses are short-term leases expensed totaling $746,870 (2023: $457,939).

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 2024**.**

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, for 2023, the former Finance and Business Managers.

	2024	2023
	$	$
Total Key Management Personnel Remuneration	**384,318**	**457,087**

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 2024 or 2023.

21. CAPITAL COMMITMENTS

As at the reporting date, the Company has no commitments to capital expenditure (2023: $63,232 was committed 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 events have occurred between the reporting date and the date of authorisation. The following significant non-adjusting event has occurred between the reporting date and the date of authorisation:

- An agreement for the transfer of the management of 100 Social Housing properties was signed in July 2024 and scheduled to take effect from 21st October 2024. The properties are subject to a lease agreement with the Northern Territory Government for a period of 10 years and subject to renewal for a further period of 10 years. This transfer will add 100 properties to the Company's portfolio of 187 properties for which the Company has responsibility to manage.

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 2024, the total amount that members of the Company are liable to contribute if the Company wound up is $50 (2023: $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 2022;*

2) the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2024 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 2022*;

PATRICK McDONALD
Director

Signature

EILEEN HOOSAN
Director

Eileen Hoosan
Signature

25/10/2024
Dated:

Elna Dry
Trading as Elna Dry Audit
A.B.N. 40 604 646 245

P O Box 304
Alice Springs, NT
0871

Tel: 0400 727 762

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL AUSTRALIAN AFFORDABLE HOUSING LIMITED

Report on the Audit of the Financial Report

Opinion

I have audited the financial report, being a general purpose financial report, of Central Australian Affordable Housing Limited (the "Entity") which comprises the statement of financial position as at 30 June 2024, 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 statements, including a summary of material accounting policies and other explanatory information, and the directors' declaration, as set out on pages 5 to 24.

In my opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

(i) giving a true and fair view of the Entity's financial position as at 30 June 2024 and its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

I conducted my audit in accordance with 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 Entity in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and the Directors for the Financial Report

Management of the Entity is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation and accounting policies described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the Members. Management's responsibility also includes such internal control as management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL AUSTRALIAN AFFORDABLE HOUSING LIMITED (continued)

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

The Directors are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

ELNA DRY AUDIT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL AUSTRALIAN AFFORDABLE HOUSING LIMITED (continued)

- 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 management and 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.

E Dry
Registered Company Auditor

Alice Springs, 25 / 10 / 2024.

COMMUNITY HOUSING
CENTRAL AUSTRALIA

A MEMBER OF ...

NTShelter

Community Housing
INDUSTRY ASSOCIATION

Aboriginal Housing
Northern Territory

ACCREDITED BY ...

REGISTERED CHARITY
acnc.gov.au/charityregister

NATIONAL REGULATORY SYSTEM
COMMUNITY HOUSING
REGISTERED PROVIDER

COMMUNITY HOUSING
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