

CENTRAL AUSTRALIAN AFFORDABLE HOUSING



Annual Report **18/19**

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ABOUT CAAH

Established in 2009 by Tangentyere Council, the Central Australian Affordable Housing Company Ltd (CAAH) is an Aboriginal controlled, not-for-profit community housing provider, registered as a Tier 2 provider under the National Regulatory System for Community Housing.

2,800+

RESIDENTS

357

HOMES

90%

**ABORIGINAL
TENANTS**

60%

**ABORIGINAL
STAFF**

OUR VISION AND PURPOSE

Our vision is *Better lives, happy homes and stronger communities, through safe and affordable housing.*

OUR VALUES

Integrity

We empower and encourage honesty and have the courage to speak up when needed. We take pride in our work and organisation.

Respect & Culture

We treat each other in a fair, open and honest way. We make every effort to respect and understand Aboriginal culture and the diversity of our team to work better together.

Support

We support our customers, each other and organisation to achieve its goals.

Accountability

We keep our word, deliver on our promises and commitments and own our actions and decisions. We are responsible to our customers, the team and the organisation.

Celebration

We celebrate and honour the effort and achievements of individuals and the team and invest time in cultivating a fun and supportive working culture.

Opportunity & Innovation

We look for innovative ways and new opportunities to deliver on purpose.

CHAIRPERSONS REPORT



In some respects 2018/2019 has been a year of consolidation to ensure the company meets the high standards expected in the regulatory environment, and the expectations of its stakeholders whether they be government or residents in the housing managed by the company. I won't set out details of the 'behind the scenes' work involved to but the board takes the commitment to best practice mandated in particular by its NRS Community Housing registration seriously, as being fundamental to the future success of the company.

The operations of the company include delivery of housing services across a number of different programmes in addition to management of tenancies in the town camps in Alice Springs, including a taking up a number of leases under the My Place Programme. I should also mention two particular initiatives during the year –

- Development of a proposal to construct 4 further units on the company's Bloomfield Street property, two of which will allocated for renal patients; and
- The decision by the company to formally implement in 2019/2020 the programme known as Maintaining Homes for Better Health in housing it manages.

The year to 30 June 2019 marked the first full year of service of John McBryde as the company's Chief Executive Officer and in my observation he has fully met the board's expectations and hopes in appointing him. Another milestone during the year was the retirement of Paul Case as a director after completing the maximum term of 9 years allowed for in the company's constitution. Upon his retirement company member MLCS nominated Peter Marin who has now joined the board. I thank Paul for his service and for his very valuable contribution to the board and the company.

As always I recognise and appreciate our staff as the people who enable the company to perform and succeed, I thank our stakeholders for their support, and I thank my fellow board members for their respective contributions.

David Avery

CEO'S REPORT

Welcome to our Annual Report for 2018/19!

My first full year as CEO has been one of listening, learning and planning. In November 2019, the board of directors and I developed the CAAH Strategic Plan 2019, setting our path of priorities over the next three years. The three pillars of our plan are:

- 1. Growth and Security** – We will secure our long term future by growing our management portfolio, developing and constructing new housing and diversifying our housing services.
- 2. Business Excellence** – We are a high performing organisation in every aspect – governance, risk management, financial management and service delivery.
- 3. Happy customers and communities** – We have highly satisfied customers and engaged communities in the places we work.

With this in place, the CAAH team has a clear vision and plan and is already on course to achieving some of these goals. Some of the highlights for 2018/19 include:

- Securing five years funding for the My Place Program from 2019 to 2024, increasing the number of private market rental subsidy properties from 15 to 30.
- Successfully negotiating a total of \$2.124 million grant funding for the development of four new affordable housing units at 6a Bloomfield St, Gillen.
- Receiving a Tenant Satisfaction Score of 95% across our community housing tenants.
- Embedding new management operating systems and investing in staff development and learning through the SGCH and CAAH Exchange Program.

Over the financial year, the organisations financial position has remained relatively strong and in line with expectations. Risk management has been a focus of the board over the past year, resulting the development of a new Risk and Audit Committee and the organisation successfully achieving NRSCH compliance for its third year.

I wish to acknowledge and thank our Board of Directors for providing great support to me and the team during the year. Their expertise, practical knowledge and cultural support guide the organisation in achieving its mission.

I am extremely proud of the work of our team, who show a great deal of care for our customers and each other. The work for our front line staff is not easy.



Homelessness in the NT is 12 times the national average, with a disproportionately number of Aboriginal people experiencing homeless. Yet despite this confronting reality, the CAAH team embody a culture of positivity, care, commitment and fun. I give thanks to their constant efforts and achievements over the last 12 month.

Looking forward to 2020, we have much more to be excited about. The development of four new two bedroom units at 6a Bloomfield St is something the organisation has been attempting to do since 2015. In 2020 the project will be delivered offering working Aboriginal families and those receiving end stage renal treatment a place to call home.

With a strong focus on tenants and health, CAAH will also be kicking off a new *Maintaining Houses for Better Health* project across 60 properties in our community housing portfolio. This project will be one of the first of its kind, applying Healthhabitat's *Housing for Health* model across urban community housing and engaging our tenants and residents in a new way.

I am heartened by the Northern Territory Government's commitment to the Town Camps of Alice Springs through the historic signing of the Local Decision Making agreement with our founding member, Tangentyere Council. Community control of housing is key to the residents of the Town Camps and we look forward to working with Tangentyere and communities in developing a new community controlled housing model for the future.

**Thank you for the opportunity to share our successes.
I look forward to sharing more in 2020,**

John McBryde

DIRECTORS

DAVID AVERY (CHAIRPERSON)

David is long term resident of Alice Springs since 1986. He has been practising as a Barrister & Solicitor since 1971 in the Northern Territory. After a short period at the Bar, David joined the Central Land Council 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 and use their land.



SHIRLEEN CAMPBELL

Shirleen is a proud Warlpiri and Arrernte woman and a third generation resident of Hoppy's Town Camp in Alice Springs. Shirleen is also the Co-Coordinator of the Tangentyere Women's Family Safety Group and was recently awarded the NT Local Hero's award for her work in the Alice Springs community.

PETER MARIN

Peter has over 20 years experience working with Aboriginal people, previously working for the Indigenous Land Corporation assisted 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.



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 CAAH. 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 OS, managing housing, water and sanitation projects in Nepal and South Africa.



EILEEN HOOSAN

Eileen is a long term resident of Mt Nancy Town Camp in Alice Springs. She is a member of the Executive of the Tangentyere Council and has been a member of the Tangentyere Women's Council for many years.

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 Chartered Practicing Accountant (CPA) and a Member of the Australian Institute of Company Directors. Patrick joined the Board following the retirement of Roz Marden as one of the Tangentyere nominated Directors of the Company.

A YEAR IN REVIEW



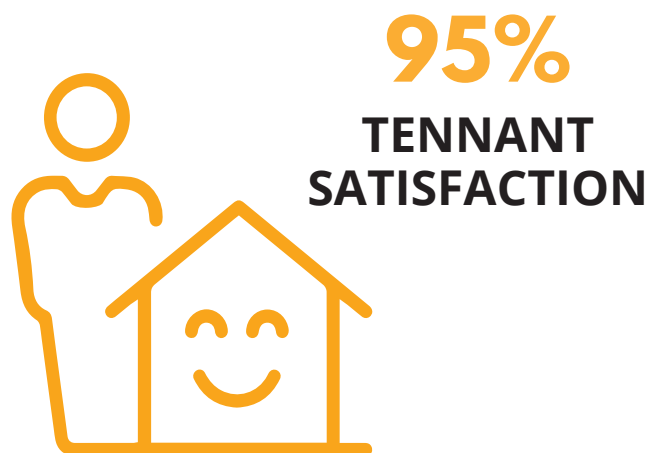
HAPPY TENANTS

In December 2018, we conducted a survey of all community housing tenants across 75 varied households.

Respondents spoke loud and clear about our service which resulted in an overall tenant satisfaction rate of 95%! Most respondents described our communication, responsiveness, management of repairs and maintenance and understanding as 'Very good' or 'Good'.

Tenants were also very pleased with the quality, location and suitability of housing with 90% saying their home was 'Very good' or 'Good' overall.

Tenants described our staff as 'helpful', 'professional' and always quick to respond. One tenants said 'Staff care about tenants, always showing empathy and understanding'.



MY PLACE FOR THE LONG TERM

In 2017 the My Place program was established as a 2-year pilot program through the NT Government's Homelessness Innovation Fund. The program helps vulnerable people access safe and secure housing through the private rental market.

Following a review of the program by the Department of Local Government, Housing and Community Development, the NT Government decided to fund the program for five years from 1 July 2019 to 30 June 2023!

So far the program has provided subsidised housing support to over 25 Alice Springs families through partnering with the private rental market and local support services.

At 30 June 2019, 14 households had exited the program into secure housing in the private rental market or other social housing with a 92% success rate.

The support offered by the My Place program has enabled Vienna to move into her own unit and live independently.

Vienna moved to Alice Springs in 2018 and had been staying with family members as without rental references she was having difficulty getting into the private market.

"I wanted my own place as I had started work and needed to set myself up properly.

Family told me about CAAH and I went along and they told me about My Place. They helped set up viewings, supported dealing with real estate agencies, assisted with budgeting and now I've been in my lovely unit for nearly 12 months."



"My Place has given me confidence to go into the private rental market myself when I need to."

A YEAR IN REVIEW

BLOOMFIELD STAGE 2 DEVELOPMENT PROJECT

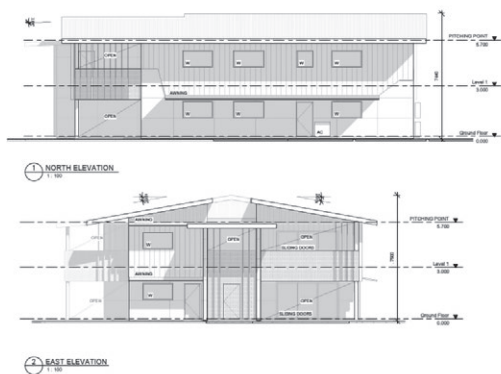
CAAH is excited for the Bloomfield Stage 2 Development Project happening at 6a Bloomfield St.

In December 2018, CAAH was successful in its bid for \$1.034 Million dollars from the Aboriginal Benefits Account for the Project. Concurrently CAAH negotiated a funding contribution from the NT Government of \$1.124 Million delivering a budget of \$2.158 million for the project.

The housing will be offered as affordable housing to both working Aboriginal families and Aboriginal end stage renal patients relocating from community.

The Development Application has been submitted with council and the construction is expected to commence early 2020.

We look forward to reporting more next year!



EXCHANGE PARTNERSHIP

In 2018 CAAH initiated a staff exchange program with SGCH, as Tier 1, Sydney based community housing provider that manages over 6,000 homes.

The partnership has seen teams from both organisations visit Alice and Sydney to participate in the exchange to learn about housing in a different context.

SGCH first visited Alice Springs in October 2018. One of the participants said “We got a real insight into Central Australia, its culture and history, and some of the housing challenges faced by Aboriginal people living in overcrowded conditions. It has really been eye opening, challenging and rewarding”

The CAAH team returned the visit in June 2019.

Of the visit, one participant said “It really took me out of my comfort zone to experience a much larger organisation. I’ve come back with some great ideas I’m looking forward to initiating them here to benefit our customers and the team”

We thank SGCH for their ongoing support of the exchange and look forward to developing the partnership in the future.



A YEAR IN REVIEW

AWARD WINNING STUFF

CAAH recently received two awards from the Australasian Housing Institute (AHI).

The 2019 Leading Innovation Award in the NT was awarded for the CAAH and SGCH Exchange Partnership and the 2019 Inspirational Team Member Award was awarded to our longest serving staff member, Kylie Preece.

Kylie was nominated for her exceptional care and service to customers and support and dedication to the CAAH team. "I really love my job and am fortunate to have had great leaders who have always shown belief in me. My job is diverse, dealing with everyone from tenants to tradies. What I really enjoy is working with everyone to make sure our tenants are able to stay in their homes.

Congrats to Kylie and the CAAH Team.



TOWN CAMPS LOOKING TO THE FUTURE

Our work on the Town Camps is funded through the National Partnership in Remote Indigenous Housing Agreement (NPA) between the NTG and Commonwealth. Despite some delays CAAH was pleased that the NPA was finalised in May 2018 and we received a one year extension to manage housing on the Town Camps to 30 June 2020.



During the year, CAAH and Tangentyere participated in the external reference group for the Town Camps Futures Unit, which sits within the Department of Local Government, Housing and Community Development.

It is encouraging to see the NTG support the concept of a community controlled housing model through the Town Camps Reform Framework 2019 to 2024 and the signing of a Local Decision Making agreement with Tangentyere. CAAH and Tangentyere have strongly advocated for a community controlled housing model on Town Camps and we look forward to developing this model over the next year.

COMPLIANCE TICK!

During 2017/18 CAAH underwent a compliance check for registration as a Tier 2 provided under the National Regulatory System for Community Housing (NRSCH).

Fortunately CAAH passed the compliance with flying colours! CAAH's next compliance round will be undertaken in February 2019.

A YEAR IN REVIEW

THANK YOUS AND FAREWELLS

It was a big year for the team taking on new projects and adapting to the rapid growth of the organisation. Thank you to all our wonderful staff for doing the hard yards and contributing to our many successes this year.



Farewell Paul Case

Paul first joined the CAAH Board as one of its directors all the way back in 2009!



Paul was always a strong advocate of CAAH and supporter of our mission to create more affordable housing for Aboriginal people. Paul's experience in financial management and governance is hard to match, and he always offered prudent strategic advice and support the management team.

After serving eight years on the CAAH board, Paul stepped down as Director at our AGM in November 2018. We wish Paul the very best in the future and hope to work again together some day.

CAAH would also like to thank two key funders, the Northern Territory Government and the National Indigenous Australians Agency, for their continued support in funding innovative programs like My Place and the Bloomfield Stage 2 Development Project. Their support for CAAH and our goal of creating more affordable housing opportunities for vulnerable people is much appreciated.

Farewell

CAAH also said goodbye to some of its staff including Murray Liddle, Mandy Armstrong, Erica Lowah and Billie O'Keefe. We wish them the best in the future and thank them for their efforts at CAAH!

FINANCIAL REPORT

**CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD
(A COMPANY LIMITED BY GUARANTEE)
FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

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General Information

The financial report covers Central Australian Affordable Housing Company Ltd (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 3, 21 Gregory Terrace
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.

FINANCIAL REPORT

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

The Directors submit herewith the annual financial statements for the financial year ended 30 June 2019.

DIRECTORS

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

Name	Particulars	Meetings Attended	Date Resigned/Appointed
David Avery	BA, LLB, NT Barrister and Solicitor	5 of 6	Appointed 11/11/13
Eileen Hoosan	Executive Member of Tangentyere Council,	5 of 6	Appointed 10/07/13
Rosalind M Marden	CPA (Retired) B Comm, Grad Dip Ed	5 of 6	Appointed 14/11/14
Shirleen Campbell	President of Lhenpe Artnwe Housing Association	3 of 6	Appointed 10/07/13
David Donald	Architect	5 of 6	Appointed 13/09/13
Patrick McDonald	CPA, MAICD, Bec (Hons), Bcomm	6 of 6	Appointed 15/05/14
Peter Marin	B App. Sc. GAICD, Director of MLCS	2 of 2	Appointed 16/11/18
Paul J. Case	B. Ec (University of Adelaide), Director of MLCS	4 of 4	Resigned 16/11/18

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, because by providing tenancy and property management services the availability of affordable accommodation for low income earners would be 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 grant, rental, contract, and management fee income for the period amounted to \$2,697,617 (2018: \$3,353,261).

SIGNIFICANT CHANGES FROM PREVIOUS YEAR

In June 2019, the Company received confirmation of a five year funding agreement for the My Place Program. This program will now include 30 rental subsidy properties and a rental brokerage program to commence in 2019/20. In June 2019, the Company received \$1.24 Million capital funding from the NT Department of Local Government, Housing and Community Development for a second Renal Development Project to take place on land owned by the Company at 6a Bloomfield St, Gillen.

FINANCIAL REPORT

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

COMPANY SECRETARY

John McBryde is the appointed Company Secretary.


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:



Company Secretary

Director

18 October 2019

Dated: 

FINANCIAL REPORT



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AUSTRALIA

DECLARATION OF INDEPENDENCE BY GEOFF EDWARDS TO THE MEMBERS OF CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

As lead auditor of Central Australian Affordable Housing Company Ltd for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements 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.

A handwritten signature in blue ink, appearing to read 'G Edwards', is written over a light blue circular stamp.

G K Edwards
Director

BDO Audit (SA) Pty Ltd

Adelaide, 23 October 2019

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FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
INCOME			
Grant Income		432,632	1,158,708
Management Fees		941,687	960,355
Rental Income & Utilities		1,077,811	970,243
Recovery of Expenses		284,446	246,385
Interest Received		3,830	2,884
Other Income		8,932	15,045
TOTAL INCOME		<u>2,749,338</u>	<u>3,353,621</u>
EXPENDITURE			
Depreciation		169,745	152,472
Employee Benefits	3	942,841	1,087,993
Office Expenses		160,405	159,189
Other Expenses		266,617	301,489
Property Related Expenses		1,301,886	1,121,535
TOTAL EXPENDITURE		<u>2,841,494</u>	<u>2,822,677</u>
NET SURPLUS/(DEFICIT) FOR THE YEAR		<u>(92,156)</u>	<u>530,944</u>
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>(92,156)</u>	<u>530,944</u>

The accompanying notes form part of these financial statements

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash & Cash Equivalents	4	2,325,042	2,009,408
Trade & Other Receivables	5	152,859	240,722
Other Assets	6	<u>103,620</u>	<u>76,661</u>
TOTAL CURRENT ASSETS		<u>2,581,521</u>	<u>2,326,791</u>
NON-CURRENT ASSETS			
Plant & Equipment	7	26,742	44,726
Investment Property	8	8,683,598	8,824,196
Assets Under Construction	9	<u>4,940</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>8,715,280</u>	<u>8,868,922</u>
TOTAL ASSETS		<u>11,296,801</u>	<u>11,195,713</u>
CURRENT LIABILITIES			
Trade & Other Payables	10	252,852	356,159
Provisions	11	45,830	34,321
Other Liabilities	12	<u>1,784,402</u>	<u>1,515,805</u>
TOTAL CURRENT LIABILITIES		<u>2,083,084</u>	<u>1,906,285</u>
NON-CURRENT LIABILITIES			
Other Liabilities		62,613	48,630
Provisions	11	<u>3,389</u>	<u>927</u>
TOTAL NON-CURRENT LIABILITIES		<u>66,002</u>	<u>49,557</u>
TOTAL LIABILITIES		<u>2,149,086</u>	<u>1,955,842</u>
NET ASSETS		<u>9,147,715</u>	<u>9,239,871</u>
EQUITY		<u>9,147,715</u>	<u>9,239,871</u>

The accompanying notes form part of these financial statements

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2019

	Accumulated Surplus \$
BALANCE AT 1 JULY 2017	8,708,927
Net Surplus/(Deficit) for the Year	530,944
Other Comprehensive Income	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u>530,944</u>
BALANCE AT 30 JUNE 2018	<u><u>9,239,871</u></u>
BALANCE AT 1 JULY 2018	9,239,871
Net Surplus/(Deficit) for the Year	(92,156)
Other Comprehensive Income	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u>(92,156)</u>
BALANCE AT 30 JUNE 2019	<u><u>9,147,715</u></u>

The accompanying notes form part of these financial statements

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts From:			
Government Grants & Contracts		1,630,141	1,979,334
Tenants		1,066,438	978,108
Interest Received		3,830	2,884
Other		210,575	3,015
Payments to Suppliers & Employees		<u>(2,579,247)</u>	<u>(2,108,626)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES		331,737	854,715
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Property, Plant & Equipment		<u>(16,103)</u>	<u>(627,207)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		(16,103)	(627,207)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS		315,634	227,508
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		2,009,408	1,781,900
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	4	<u><u>2,325,042</u></u>	<u><u>2,009,408</u></u>

The accompanying notes form part of these financial statements

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

1. CORPORATE INFORMATION

The financial statements of Central Australian Affordable Housing Company Limited for the year ended 30 June 2019 were approved and authorised for issue in accordance with a resolution of the Directors on 18 October 2019.

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

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012*. The Company is a not-for-profit entity for the purpose of preparing the financial statements.

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.

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

b) 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.

c) New Accounting Standards for Application in Future Periods

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 16 Leases will be applicable to the Company for the annual reporting period ending 30 June 2020. It is anticipated that the adoption of these new standards may have an impact on the Company's annual financial statements. Accordingly, the Company have commenced an assessment of the impact of these new standards, but have not yet determined a conclusion or quantified the impact of the new standards.

d) Changes in Accounting Policies

For the reporting period ended 30 June 2019, AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

The adoption of AASB 9 has not required any reclassification or adjustments in relation to the classification and measurement of the financial assets of the Company.

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

e) 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.

f) Revenue

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Grant Revenue

Grant revenue is recognised as revenue when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When a grant is received whereby the entity have to satisfy conditions attached to the grant, recognition of the grant as revenue is recognised in the Statement of Financial Position as a liability until those conditions are satisfied.

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.

Rendering Of Services

Management fees is recognised as income in accordance with the underlying agreements.

g) 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.

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

h) Leases

Operating Leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

i) Goods & 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.

j) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

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

Classification and subsequent measurement of financial assets

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

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- Amortised cost

- Fair value through profit or loss (FVPL)²

- Equity instruments at fair value through other comprehensive income (FVOCI)

Classifications are determined by both:

- The entities business model for managing the financial asset

- The contractual cash flow characteristics of the financial assets

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.

The Company's financial assets include cash & cash equivalents, trade & other receivables and term deposits, which fall into the Amortised Cost category. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. The Company's trade receivables fall within the scope of the new requirements.

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

j) Financial Instruments (cont.)

Impairment of Financial assets (cont.)

In applying this forward-looking approach, a distinction is made between:

Stage 1

Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk.

Stage 2

Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low.

Stage 3

Financial instruments that have objective evidence of impairment at the reporting date.

12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade & Other Receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Company assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless the company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Accounting policies applicable to comparative period (30 June 2018)

Recognition, Initial Measurement & Derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are initially measured at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

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

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

j) Financial Instruments (cont.)

Accounting policies applicable to comparative period (30 June 2018) (cont.)

Classification & Subsequent Measurement

Trade & Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in company's, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified Company.

k) 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.

l) 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 50 years to its expected residual value.

m) 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, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

m) Plant & Equipment (cont.)

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.

n) 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.

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 reorganisations 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.

o) Assets Under Construction

Development costs incurred on assets where the development has not been completed at year end are classified as assets under construction. Once the development is completed the costs will be transferred to the relevant asset classification.

p) 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.

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

p) Provisions, Contingent Liabilities & Contingent Assets

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.

q) Economic Dependency

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

	2019	2018
	\$	\$
3. EMPLOYEE BENEFITS		
Expenses recognised for employee benefits are analysed as follow:		
Salaries	844,350	982,235
Workers Compensation Insurance	6,234	2,132
Superannuation	78,285	89,891
Employee Benefit Provisions	13,972	13,735
	<u>942,841</u>	<u>1,087,993</u>

The liabilities recognised for employee benefits are reported in note 11.

4. CASH & CASH EQUIVALENTS

Cash at Bank	<u>2,325,042</u>	<u>2,009,408</u>
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Included in cash at bank is tenant bonds held, totalling \$81,019, which are not available for use by the Company.

5. TRADE & OTHER RECEIVABLES

Trade Receivables	174,176	217,231
Provision for Bad Debts	(21,317)	-
Other Receivables	-	23,491
	<u>152,859</u>	<u>240,722</u>

6. OTHER ASSETS

Prepayments	71,493	45,874
Bonds Paid	32,127	30,787
	<u>103,620</u>	<u>76,661</u>

7. PLANT & EQUIPMENT

Furnishings, Fittings & Equipment

At Cost	56,443	53,878
Accumulated Depreciation	(37,498)	(20,771)
	<u>18,945</u>	<u>33,107</u>

Motor Vehicles

At Cost	15,435	15,435
Accumulated Depreciation	(7,638)	(3,817)
	<u>7,797</u>	<u>11,619</u>

Total Plant & Equipment	<u>26,742</u>	<u>44,726</u>
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FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
8. INVESTMENT PROPERTY		
Land & Building		
At Cost	9,079,216	9,070,617
Accumulated Depreciation	<u>(395,618)</u>	<u>(246,421)</u>
	<u>8,683,598</u>	<u>8,824,196</u>

The Directors of the Company believes 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:

- 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 to 2026 . Refer note 15.

Renal Development:

- The Company must manage the land and buildings as per the original Development and Funding Agreement, for a period of 10 years, for end stage renal patients, which ends in April 2026; and
- 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.

9. ASSETS UNDER CONSTRUCTION

At Cost	<u>4,940</u>	<u>-</u>
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10. TRADE & OTHER PAYABLES

GST Payable	66,093	58,628
Trade Creditors & Accruals	105,740	223,927
Funds Held in Trust	<u>81,019</u>	<u>73,604</u>
	<u>252,852</u>	<u>356,159</u>

11. PROVISIONS

Provisions include the following liabilities recognised for employee benefits:

Current

Provision for Annual Leave	<u>45,830</u>	<u>34,321</u>
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Non-Current

Provision for Long Service Leave	<u>3,389</u>	<u>927</u>
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FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
12. OTHER LIABILITIES		
Current		
Unexpended Grants		
My Place - DHCD	300,819	628,397
Renal Accommodation Project	1,123,975	517,659
Capital Works - DHCD	273,875	318,182
Other Unexpended Grants	<u>50,452</u>	<u>7,518</u>
	1,749,121	1,471,756
 Rental Income Received in Advance	 35,281	 44,049
 Total Current Other Liabilities	 <u><u>1,784,402</u></u>	 <u><u>1,515,805</u></u>
 Renal Accommodation Project		
Funding amounting to \$6,922,262 was received from the Department of Local Government and Housing: Territory Housing during previous financial periods for the provision of affordable long-term accommodation for end stage renal patients.		
 Total Funding Received	 6,922,262	 6,300,000
Total Funds Expended	<u>(5,798,287)</u>	<u>(5,782,341)</u>
Unexpended Grant Funds at Year End	<u><u>1,123,975</u></u>	<u><u>517,659</u></u>

13. RELATED PARTY TRANSACTIONS

The Company's related parties is 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 and the Business Manager. Key management personnel remuneration includes the following

Total Key Management Personnel Remuneration	<u>241,871</u>	<u>284,652</u>
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The Directors receive a fee for attending board meetings as well as reimbursement of expenses incurred in relation to their capacity as directors.

14. FAIR VALUE MEASUREMENT

There are no financial instruments or non-financial instruments that are carried at fair value as at 30 June 2019.

15. CONTINGENT LIABILITIES

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 8.

Except for the matter referred to above, there are no contingent liabilities that have been incurred by the Company in relation to 2019 or 2018.

FINANCIAL REPORT

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (cont.)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
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16. CAPITAL COMMITMENTS

As at the reporting date the Company did not commit any funds towards assets expected to be received on a future date.

17. OPERATING LEASES

Lease commitments showing commitments within 1 year, commitments within 2 to 5 years and commitments over 5 years (if applicable).

- not later than 1 year	65,670	140,011
- later than 1 year but not later than 5 years	-	41,123
	<u>65,670</u>	<u>181,134</u>

The property and vehicle lease commitments are non-cancellable operating leases with lease terms of between one and five years. All current lease agreements expire within twelve months following the year end.

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

18. AUDITOR'S REMUNERATION

Audit Fees Paid & Payable	<u>7,000</u>	<u>6,200</u>
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Apart from the annual audit, the auditor does not provide any other services to the Company.

19. POST-REPORTING DATE EVENTS

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

20. 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 2019, the total amount that members of the Company are liable to contribute if the Company wound up is \$40 (2018: \$40).

FINANCIAL REPORT

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

In the directors' opinion:

- 1) the attached financial statements and notes thereto comply with the Australian Accounting Standards - Reduced Disclosure Requirements, 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 2019 and of its performance for the financial year ended 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

18 October 2019

Dated:

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Central Australian Affordable Housing Company Ltd, which comprises the statement of financial position as at 30 June 2019, the statement of profit and 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 Ltd, 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 2019 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 *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* (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 comprises the information in the registered entity's annual report for the year ended 30 June 2019, 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, 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 the responsible entities' for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the 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 directors either intend 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_files/ar3.pdf.

This description forms part of our auditor's report.



BDO Audit (SA) Pty Ltd



G K Edwards
Director

Adelaide, 23 October 2019

CENTRAL AUSTRALIAN AFFORDABLE HOUSING COMPANY LTD

A MEMBER OF ...



ACCREDITED BY ...



*Central Australian Affordable Housing
Annual Report 2018/2019*

For more information on CAAH please see our new webpage at www.affordablehousingcompany.com.au