

YWCA Housing

ACN 133 272 116

Annual Financial Report
For the year ended 30 June 2021

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DIRECTORS' REPORT

The directors present their report together with the financial report of YWCA Housing ('the Company') for the year ended 30 June 2021 and the auditor's report thereon.

Director details

The names of the directors in office at any time during or since the end of the year are:

- Helen Conway (Chair from 9 April 2020)
- Julia Goodall (Deputy Chair)
- Juliana Nkrumah AM
- Molly George
- Freya Mulvey
- Kirsty Rourke
- Lina Tchung
- Rebecca Thomas
- Renée Wirth Appointed 1 July 2021
- Georgina Morphett Appointed 19 November 2020
- Yasmin Poole Appointed 19 November 2020
- Khayshie Tilak Ramesh Appointed 19 November 2020
- Nicole Freeman Resigned 19 November 2020
- Cara Gleeson Appointed 24 July 2020, resigned 19 November 2020
- Lauren Tanner Resigned 3 August 2020

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

Company Secretary

Kate O'Donohue holds a Masters of Corporate Governance, a Bachelor of Arts, is a fellow of the Governance Institute of Australia and of the Institute of Chartered Secretaries and Administrators (UK) and is a Graduate of the Australian Institute of Company Directors.

Results

The surplus of the Company for the year amounted to \$5,253 (2020: surplus \$256,145).

Review of operations

The Company continued to engage in its principal activities, the results of which are disclosed in the attached financial statements.

Objectives

The objectives of the Company are:

- to transform the lives of disadvantaged women by providing lasting, sustainable solutions for people who are poor, unskilled, unemployed, homeless, disabled, elderly or otherwise disadvantaged;
- to engage with the community through support networks and by empowering women to move from dependence to independence; and
- to create opportunities for women to develop as leaders in their communities, and agents of positive change.

Strategies for achieving the objectives

The Company will:

- provide housing and services that strengthens women's engagement within their communities;
- lead and support staff wellbeing through change;

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- commence a national growth strategy;
- explore mergers and acquisitions;
- work with its group entities in developing research and advocacy and policy platform for housing nationally and implementing an organisational impact framework;
- investigate engagement programs for tenants; and
- integrate housing operating systems across all jurisdictions.

Performance measures

The Company measures its performance by meeting the objectives established in the Strategic Plan and budget. Key performance indicators are also established and monitored both internally and as a comparison to external benchmarks.

Principal activities

During the year, the principal activities of the Company consisted of the provision of accommodation to disadvantaged women in the community. Such activities included management of leased, government owned and independently owned accommodation.

There have been no significant changes in the nature of these activities during the year.

Board of directors

The directors of the Company hold common membership on the boards of YWCA Australia and YWCA National Housing.

Helen Conway

Non-executive director and Chair

Qualifications	BA, B. Laws, FAICD
Experience	<p>Helen is an experienced director, senior executive and lawyer who has worked in a range of organisations in commercial, public and not-for-profit sectors including in the insurance, transport, energy, retailing, education, health and construction industries. She is a governance expert, able to manage particularly sensitive regulatory issues, and an experienced spokesperson.</p> <p>With an established track record in undertaking volunteer work in the not-for-profit sector, Helen is passionate about giving back to the community. She has a long-standing commitment to women's rights and gender equality including through many pro-bono committee and volunteer roles focusing on women's issues and is a member of Chief Executive Women.</p> <p>Helen is particularly passionate about leading and undertaking transformational change in organisations, something she did in her role as CEO of the Australian Government's Workplace Gender Equality Agency from 2011 and 2015.</p>

Molly George

Non-executive director

Member of the Finance, Audit and Risk Committee

Qualifications	BA (Fine Arts), GC Social Impact (In Progress)
Experience	<p>Molly is a creative, curious and perceptive Social Impact professional. She has contributed extensively to the not-for-profit sector in both paid and voluntary capacities. Molly currently works as a Program Advisor at the Alannah and Madeline Foundation, and has previously worked at SYN Media in various positions. She was Youth Representative at the Community Broadcasting Association of Australia (CBAA) from 2018-19, and a 2019 Foundation for Young Australians (FYA) 'Young Social Pioneer' for her proposal to improve governance diversity and inclusion policies</p>

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and practices. She is also a coach and mentor for the Community Media Training Organisation and People of Purpose.

Molly has been a non-executive Director at YWCA Australia from 2019, and a non-executive director at YWCA Housing and YWCA National Housing since 2020. She currently sits on the Finance, Audit and Risk Committee and previously on the People, Culture and Governance Committee.

Julia Goodall

Non-executive director and Deputy Chair
Member of the Young Women’s Council

Qualifications BSc – Animal Science

Experience Julia designs social impact initiatives with people-centred approaches, curiosity and optimism. Julia is the Strategy and Impact Manager of Humanitech, a think+do tank which seeks to harness the power of technology for good. Julia has previously project managed Red Cross’s humanitarian response to COVID-19, led Red Cross SA Emergency Services team and launched youth resilience co-design projects into the South Australian Emergency Management sector.

In a voluntary capacity, Julia led the transition of Big Week Out, a community service organisation to become sustainably 100% youth led.

Julia has served as a Director of YWCA Australia since 2018, a member of the Young Women’s Council since 2019 and a Director of YWCA Housing and YWCA National Housing since 2020, having previously collaborated with YWCA Adelaide on youth resilience and leadership projects. Julia’s governance experience includes committee service for women’s leadership organisation Spence Club, Lockington Horse Trials, the Pony Club Association of SA and in Ex. Officio capacity for the Red Cross South Australian Youth Advisory Committee.

Georgina Morphet

Non-executive director (appointed 19 November 2020)
Member of the Finance, Audit and Risk Committee

Qualifications B Law, B Arts (Politics and International Studies), Master of Law (in progress)

Experience Georgina is an experienced board director with nine years’ experience across non-executive directorships and government advisory roles, including as a chairperson.

Georgina was raised in a rural farming community and believes strongly that no woman should be disadvantaged by her location, particularly in relation to access to services. She brings a rural and gendered lens to decision-making and has a specific interest in women’s policy, and women’s involvement in governance.

Georgina was elected as an inaugural member of the YWCA Australia Young Women’s Council in 2018 and was previously a member of the YWCA Adelaide Nominations Committee.

Georgina currently works in the Australian Public Service and has experience in litigation, in-house legal, program management and service delivery. She is currently also a director on the board of Global Voices and the board of Youth Law Australia.

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Freya Mulvey

Non-executive director
Member of the Nominations Committee

Qualifications B Media, B Law

Experience Freya is a commercial lawyer from Darwin in the Northern Territory, and a passionate advocate for gender equality.

Her proudest girl power moment came when she shared Amy Cuddy's messaging on body language and power posing with her colleagues from West Timor and started a safe and constructive discussion about gender inequality in the workplace and changing the power dynamics in their professional lives.

In 2018, Freya was voted in as an inaugural member of YWCA Australia's Young Women's Council, contributing to the YWCA movement and vision of a better future for Australian women, young women and girls. Freya believes that through the collective agency of YWCA's member base, we will continue to accelerate the advancement of gender equality and empowerment of women.

Juliana Nkrumah AM

Non-executive director

Qualifications MSc. Sociology; BSc Hons Sociology and Social Anthropology, Diploma in Management - Police Women's Leadership Program

Experience Juliana Nkrumah AM is the Domestic Violence Project Manager at Settlement Services International. She was the leader on programs to Stop the practice of Female Genital Mutilation in NSW and influenced similar work across Australia. She also coordinated the Multicultural Community Liaison Officer Program in the NSW Police Force for over a decade.

Juliana founded African Women Australia and has served on several Boards to improve the status of women, including the Board of YWCA NSW, Australian National Committee on Refugee Women, Act for Peace, African Ministerial Committee, Harmony Alliance and the Eminent Australians Committee to review the Australian Citizenship Test. She is also a highly recognised inspirational public speaker.

Juliana was awarded Membership of the Order of Australia for her work in the community and was the winner of Woman of the West from University of Western Sydney in 2007.

Yasmin Poole

Non-executive director (appointed 19 November 2020)

Qualifications B Law, B International Relations (in progress)

Experience Yasmin is an award-winning speaker, writer and youth advocate. She is Plan International's National Ambassador and champions the importance of young women being heard in Australia's political conversations. She has also been a commentator on national television programs such as Q+A, The Drum and The Project.

Yasmin has established herself as a leading youth voice. She is the Non-Executive Board Director of OzHarvest, Australia's leading food rescue charity, and formerly the Chair of the Victorian Government's Youth Congress, representing over a million young Australians.

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In 2019, Yasmin was the youngest member of the Australian Financial Review 100 Women of Influence and Top 40 Under 40 Most Influential Asian Australians. She was also named the 2021 Youth Influencer of the Year by Martin Luther King Jr Center.

Yasmin is currently undertaking a Bachelor of Laws/International Relations at the Australian National University.

Khayshie Tilak Ramesh

Non-executive director (appointed 19 November 2020)
Member of the Nominations Committee

Qualifications B Law (Hons), GDLP, Certificate of Mediation Accreditation

Experience Khayshie is passionate advocate for youth, multiculturalism and diverse representation at influential decision-making tables. She is an experienced board director, youth mentor, accredited lawyer and is the Multicultural Youth Commissioner of Victoria.

Khayshie's expertise in governance, risk and strategy, alongside her lived experience has created value within a number of organisations including Ambulance Victoria, ARCJustice, Inaugural City of Greater Bendigo Youth Council and various State government appointments. As a pioneer of youth leadership within the community, her long standing dedication has been recognised through accolades including Young Citizen of the Year, Law Student of the Year 2019, Premier's Volunteer Champion 2019 and being named in the top 100 future leaders of Australia.

Kirsty Rourke

Non-executive director
Member of the Finance, Audit and Risk Committee

Qualifications LLB (Hons), B Com, GDLP, Grad Dip Property Valuation and Development, GAICD

Experience Kirsty Rourke is the CEO of the City of Brisbane Investment Corporation Pty Ltd, Brisbane City Council's Urban Wealth Fund. Kirsty has significant property investment expertise and was formerly a property lawyer at Holding Redlich. In her role as CEO, Kirsty is focused on targeting environmentally sustainable, socially beneficial investments that will deliver profit back to Brisbane.

Kirsty was appointed as a Young Woman Director of YWCA Queensland in 2014 and YWCA Australia in 2015 and continued to serve on those Boards until the merger in May 2018. Subsequently, in June 2018, Kirsty was appointed to the YWCA National Housing Board and YWCA Housing Board and in 2020 was reappointed to the YWCA Australia Board. Kirsty is passionate about young women's leadership and providing women and families with access to long term, stable accommodation.

Lina Tchung

Non-executive director
Member of the Finance, Audit and Risk Committee

Qualifications CA, B. Business (Management)/Commerce

Experience Lina is a Chartered Accountant, working as an auditor with a broad background in finance, audit, risk and governance.

Lina joined Macquarie Group in 2019 as a Division Director in Internal Audit. She previously worked as a Director at EY in the financial services assurance practice. Having spent 17 years at EY, Lina specialised as an external auditor in wealth and asset management and worked in both Sydney and San Francisco.

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Lina was appointed as an U30 Director of YWCA NSW in 2009 and continued to serve on the Board, Finance, Risk and Compliance Committee and later as a strong advocate on the NSW Merger Committee until the organisations integrated on 1 June 2018. Lina is also the treasurer of Immigration Advice & Rights Centre.

Rebecca Thomas

Non-executive director
Member of the Finance, Audit and Risk Committee

Qualifications B. Sc (Hons.), Investment Management Certificate

Experience Rebecca is a banking and funds management professional with deep experience in debt and equity financing, having led large scale investments across both Europe and Australia over the last 15 years. In her current role of Executive Director, Impact Investing at Social Ventures Australia, Rebecca is responsible for a number of funds investing into the for-purpose sector.

Rebecca joined the YWCA Housing and YWCA National Housing Boards in November 2019 and was appointed to the YWCA Australia Board in May 2020. Rebecca also volunteers with TwoGood, a social enterprise that works with women at risk of homelessness.

Renée Wirth

Non-executive Director (appointed 1 July 2021)

Qualifications Bachelor of Planning, Master of Development Studies, GAICD

Experience Renée is passionate about affordable housing as a feminist issue and has spent her career working on policies, programs and initiatives to increase the supply of social and affordable housing for the community.

Renée has over 19 years' experience in managing the planning and delivery of social and affordable housing including roles in the NSW Government, UK Government, local councils and the not-for-profit community housing industry. She currently works in the executive team of St George Community Housing, the largest community housing provider operating in Sydney with 7,000 social and affordable homes under management.

Through a range of roles, Renée has gained experience developing government policies for social and affordable housing, delivering affordable housing through the planning system, funding and financing mechanisms for affordable housing, compliance and regulatory settings for community housing and developing and executing strategic growth initiatives. She is also an Australasian Housing Institute Senior Professional.

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Directors' meetings

Directors	Meetings	
	Entitled to attend	Attended
Helen Conway	9	7
Nicole Freeman	4	4
Molly George	9	9
Cara Gleeson	4	4
Julia Goodall	9	8
Georgina Morphett	5	4
Freya Mulvey	9	9
Juliana Nkrumah	9	6
Yasmin Poole	5	4
Khayshie Tilak Ramesh	5	4
Kirsty Rourke	9	8
Lina Tchung	9	8
Rebecca Thomas	9	9

Contribution in winding up

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 to a maximum of \$50 each towards meeting any outstanding obligations of the Company. At 30 June 2021, there was only 1 member. The combined total amount that members of the Company are liable to contribute if the Company is wound up is \$50 (2020: \$50).

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 8.

Signed in accordance with a resolution of the board of directors



Director: Helen Conway



Director: Lina Tchung

Dated this day 14th day of October 2021

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of YWCA Housing for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the section 60-40 of the *Australian Charities and Not-For-Profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

*RSM***RSM AUSTRALIA PARTNERS****Gary Sherwood**
Partner

Sydney, NSW

Dated: 14 October 2021

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Statement of Profit or Loss and Other Comprehensive Income

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
Revenue and other income			
Revenue	4	2,953,058	2,552,627
Other income	4	25,874	40,945
Total revenue and other income		<u>2,978,932</u>	<u>2,593,572</u>
Expenses			
Administrative expense		(727,725)	(470,509)
Brand and communication expense		(863)	(14,697)
Employee benefits expense		(719,648)	(686,887)
Information technology expense		(55,191)	(58,047)
Motor vehicle expense		(5,735)	(9,895)
Property, service and utilities expense		(1,268,529)	(914,017)
Total expenses before depreciation and amortisation		<u>(2,777,691)</u>	<u>(2,154,052)</u>
Surplus before depreciation amortisation and income tax expense		201,241	439,520
Depreciation and amortisation expense	10, 11	(195,988)	(183,375)
Income tax expense	3.1	-	-
Surplus for the year		<u>5,253</u>	<u>256,145</u>
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Net increase (decrease) in fair value of financial assets		45,305	(20,040)
Net increase in fair value of property assets	11	1,915,041	-
Other comprehensive income for the year		<u>1,960,346</u>	<u>(20,040)</u>
Total comprehensive income for the year		<u><u>1,965,599</u></u>	<u><u>236,105</u></u>

This statement should be read in conjunction with the notes to the financial statements

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Statement of Financial Position

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	6	391,527	671,212
Receivables	7	195,434	85,350
Financial assets	8	517,745	1,495,295
Other assets	9	21,843	9,166
Total current assets		1,126,549	2,261,023
Non-current assets			
Property, plant and equipment	11	10,845,346	8,020,097
Intangible assets	10	20,217	-
Total non-current assets		10,865,563	8,020,097
Total assets		11,992,112	10,281,120
Current liabilities			
Payables	12	378,002	492,722
Contract liabilities	13	135,617	275,504
Total current liabilities		513,619	768,226
Net assets		11,478,493	9,512,894
Equity			
Reserves	15	3,282,891	1,322,545
Retained surpluses		8,195,602	8,190,349
Total equity		11,478,493	9,512,894

This statement should be read in conjunction with the notes to the financial statements

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Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Asset Revaluation Reserves \$	Financial Asset Reserves \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2019	1,342,585	-	7,934,204	9,276,789
Surplus for the year	-	-	256,145	256,145
Other comprehensive income:				
Net decrease in fair value of financial assets	-	(20,040)	-	(20,040)
Total comprehensive income for the year	-	-	256,145	236,105
Balance at 30 June 2020	1,342,585	(20,040)	8,190,349	9,512,894
Balance at 1 July 2020	1,342,585	(20,040)	8,190,349	9,512,894
Surplus for the year	-	-	5,253	5,253
Other comprehensive income:				
Net increase in fair value of financial assets	-	45,305	-	45,305
Net increase in fair value of property assets	1,915,041	-	-	1,915,041
Total comprehensive income for the year	1,915,041	45,305	5,253	1,965,599
Balance at 30 June 2021	3,257,626	25,265	8,195,602	11,478,493

This statement should be read in conjunction with the notes to the financial statements

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Statement of Cash Flows

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	2021	2020
	\$	\$
Operating activities		
Receipts from:		
Customers, government grants & other income	2,821,058	2,519,258
Interest income	25,874	40,945
Payments to suppliers	(3,023,059)	(2,078,817)
Net cash provided by (used in) operating activities	(176,127)	481,386
Investing activities		
Sale of financial investments	1,022,855	-
Purchase of financial investments	-	(1,515,335)
Payments for property development	(1,104,869)	(404,285)
Payment for intangible assets	(21,544)	-
Net cash used in investing activities	(103,558)	(1,919,620)
Net change in cash and cash equivalents	(279,685)	(1,438,234)
Cash and cash equivalents at beginning of year	671,212	2,109,446
Cash and cash equivalents at end of year	391,527	671,212

This statement should be read in conjunction with the notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standard Board (AASB), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

YWCA Housing is a company limited by guarantee, incorporated and domiciled in Australia and is a subsidiary of YWCA Australia. YWCA Housing is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements of the Company were approved and authorised for issue by the directors on 14 October 2021.

NOTE 2: NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Early adoption of standards

The Company has not elected to adopt any pronouncements early.

NOTE 3: SUMMARY OF ACCOUNTING POLICIES

Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared under the historical cost convention and using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

3.1 Income tax

The Company is endorsed as an income tax exempt charitable entity under Subdivision 50-B of the Income Tax Assessment Act 1997.

3.2 Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes cash on hand, at call deposits or deposits with banks or financial institutions which have a maturity of three months or less.

The balance of any bank overdrafts is shown as interest-bearing liabilities.

3.3 Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

3.4 Current and noncurrent classification

Assets and liabilities are presented in the statement of financial position based on current and noncurrent classification.

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An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as noncurrent.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as noncurrent.

3.5 Impairment of non-financial assets

Non-financial assets are reviewed 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 carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

3.6 Investments in Financial Instruments

Investments in financial instruments are designated as financial assets at fair value through other comprehensive income if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long term. The financial assets are presented as non-current assets unless they mature, or management intends to dispose of them within 12 months of the end of reporting period. Changes in the fair value and exchange differences arising on translation of investments that are classified as financial assets at fair value through other comprehensive income (for example equities), are recognised in other comprehensive income accumulated in a separate reserve with equity. Amounts are reclassified to profit and loss when the associated assets are sold or impaired.

3.7 Property, plant & equipment

Property

Land and buildings are measured at market value, including any costs directly attributable to bringing assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation

The depreciable amount of all fixed assets including buildings, are depreciated on a straight-line basis over their estimated useful lives to the Company commencing from the time the asset is held ready for use.

The following useful lives are applied:

Buildings:	40 years
Plant and equipment:	3 - 10 years
Furniture, fixtures and fittings:	5 years

An asset's carrying amount is written down immediately to its recoverable if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition policy / gain or loss on disposal

An item of property plant and equipment is derecognised upon disposal or when there is no further economic benefit to the Company. Gain and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

3.8 Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

The following useful lives are applied:

Software	3 years
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3.9 Work in progress

All development project costs are initially accounted for as work in progress before they are recognised as tangible or intangible assets upon completion of the project. Work in progress is stated at the lower of cost and net realisable value.

3.10 Revenue recognition

Revenue from contract with customers

Revenue comprises revenue from housing services, interest, donations and government grants. Revenue from major products and services is shown in Note 4.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for the entity activity have been met. Details of the activity- specific recognition criteria are described below.

Housing services revenue

Rental revenue for housing services is recognised as income on an accrual basis, when the housing services are provided.

Grant income

Grant income is recognised as income when the entity obtains control of the grant and 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. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied. Upon completion of the conditions under the grant, any unspent grant funds are recognised in the Reserve for Specific Purpose Grants and Donations.

Capital funding income

Monies received for capital funding are recognised as income in the year when the Company has the right to receive the income in accordance with the terms and timing of the funding agreement.

3.11 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 Tax 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. Receivables and payables in the balance sheet are shown inclusive of GST. Receipts from customers and payments to suppliers are shown on the cash flow statement inclusive of GST.

3.12 Contract liabilities

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 twelve (12) months of receipt of the grant. Where the amount received is in respect of services

to be provided over a period that exceeds twelve (12) months after the reporting date or the conditions will only be satisfied more than twelve (12) months after the reporting date, the liability is discounted and presented as noncurrent.

3.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

3.14 Comparative figures

When required by accounting standards comparative figures have been adjusted to conform to changes in accounting standards for the current financial year.

3.15 Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purpose, the fair value is based on the price that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either; in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques are used that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

3.16 Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.17 below.

3.17 Significant management judgement in applying accounting policies

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.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided where applicable.

Fair value of land and buildings:

The Company has elected to use the revaluation model as its accounting policy in relation to land and buildings. AASB 116, *Property, Plant and Equipment*, requires that land and buildings be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. It further requires that revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. The current COVID pandemic has created an environment where there is a significant judgement and estimation uncertainty with regards to estimating the fair value of land and buildings. Management and the board have determined that the commercial property assets will be valued at least once every three years, and all non-commercial land and buildings are valued annually using a mix of full valuation and indexation methodology. A rolling 12-month median of rental and capital value is used to determine fair value of land and buildings selected for valuation based on indexation methodology.

NOTE 4: REVENUE AND OTHER INCOME

	2021	2020
	\$	\$
Revenue		
Housing services	2,314,542	2,412,064
Grant income	638,275	139,282
Donations	241	1,281
	<u>2,953,058</u>	<u>2,552,627</u>
Other income		
Interest	25,874	40,945
	<u>25,874</u>	<u>40,945</u>
Total revenue and other income	<u>2,978,932</u>	<u>2,593,572</u>
<i>Disaggregation of revenue</i>		
Geographical regions		
Australia	<u>2,978,932</u>	<u>2,593,572</u>

NOTE 5: EXPENSES

Surplus before income tax includes the following specific expenses:

Depreciation

Land and building	193,655	183,375
Plant and equipment	-	-
Furniture, fixtures and fittings	1,006	-
Total depreciation	<u>194,661</u>	<u>183,375</u>

Amortisation

Software	1,327	-
Total amortisation	<u>1,327</u>	<u>-</u>

Total depreciation and amortisation

195,988 183,375

Superannuation expense

Defined contribution superannuation expense	<u>50,155</u>	<u>51,114</u>
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NOTE 6: CASH AND CASH EQUIVALENTS

Cash at bank	<u>391,527</u>	<u>671,212</u>
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NOTE 7: RECEIVABLES

CURRENT

Rent in arrears	181,338	48,535
Allowance for expected credit loss	(21,916)	-
	<u>159,422</u>	<u>48,535</u>
Other receivables	36,012	36,815
	<u>195,434</u>	<u>85,350</u>

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All of the Company's trade and other receivables have been reviewed for indicators of impairment. Certain receivables were found to be impaired and an allowance for credit losses of \$21,916 (2020: \$nil) has been recorded as an expense.

NOTE 8: FINANCIAL ASSETS

	2021	2020
	\$	\$
CURRENT		
Financial assets - current	517,745	1,495,295

Financial assets represent investment in treasury bonds.

NOTE 9: OTHER ASSETS

CURRENT		
Prepayments	21,843	9,166
	<u>21,843</u>	<u>9,166</u>

NOTE 10: INTANGIBLES

Software

Balance at beginning of year	-	-
Additions	21,544	-
Disposal	-	-
Balance at end of year	<u>21,544</u>	-

Accumulated amortisation:

Balance at beginning of year	-	-
Amortisation	(1,327)	-
Disposal	-	-
Balance at end of year	<u>(1,327)</u>	-
Net carrying value	<u>20,217</u>	-

NOTE 11: PROPERTY, PLANT & EQUIPMENT

	Land & Buildings <i>(at independent valuation)</i> \$	Plant & Equipment <i>(at cost)</i> \$	Furniture, Fixtures & Fitting <i>(at cost)</i> \$	Work in Progress \$	Total \$
Gross carrying amount					
Balance at 1 July 2020	7,755,000	158,284	-	647,129	8,560,413
Additions	1,044,391	-	60,478	-	1,104,869
Disposal/reclassification	647,129	-	-	(647,129)	-
Net fair value movement for land and building	1,339,354	-	-	-	1,339,354
Balance at 30 June 2021	10,785,874	158,284	60,478	-	11,004,636
Depreciation and impairment					
Balance at 1 July 2020	(382,032)	(158,284)	-	-	(540,316)
Depreciation	(193,655)	-	(1,006)	-	(194,661)
Net fair value movement for land and building	575,687	-	-	-	575,687
Balance at 30 June 2021	-	(158,284)	(1,006)	-	(159,290)
Carrying amount 30 June 2021	10,785,874	-	59,472	-	10,845,346
Gross carrying amount					
Balance at 1 July 2019	7,755,000	158,284	-	242,844	8,156,128
Additions	-	-	-	404,285	404,285
Balance at 30 June 2020	7,755,000	158,284	-	647,129	8,560,413
Depreciation and impairment					
Balance at 1 July 2019	(198,657)	(158,284)	-	-	(356,941)
Depreciation	(183,375)	-	-	-	(183,375)
Balance at 30 June 2020	(382,032)	(158,284)	-	-	(540,316)
Carrying amount 30 June 2020	7,372,968	-	-	647,129	8,020,097

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Notes to the Financial Statements

The properties have been accounted for as property under AASB 116 *Property, Plant and Equipment*. They are not considered investment property under AASB 140 *Investment Property* because the primary purpose is to provide a service to people in need of low-cost housing rather than to earn rentals or for capital appreciation or both.

Measurement of fair values

Amounts disclosed above represent the fair value of the Company's interests in property, plant and equipment as determined at the time of the most recent independent valuation report.

Independent registered qualified valuers were engaged to perform the valuations. The values are determined based on the highest and best use of each property. In all cases, the existing use is the highest and best use, and values are determined on a going concern basis. Going concern value is based on capitalisation, discounted cash flows and direct comparison methodologies, and significant unobservable inputs including the forecast net income for each property, the capitalisation and discount rates used in determining fair value, and the comparison rates used.

In the valuations performed on 30 June 2021, the capitalisation rates utilised ranged from 4% to 6% and the pre-tax discount rates utilised ranged from 7% to 12% per annum. For direct comparison methodology, reference was made to recent sales of similar properties in similar locations, improvements, trading levels and profitability.

Most recent valuations of interest in Property, plant and equipment

Freehold land, buildings and improvements were last valued on 30 June 2021.

NOTE 12: PAYABLES

	2021	2020
	\$	\$
CURRENT		
Trade payables	106,916	292,306
Other creditors and accruals	189,479	76,472
Rent received in advance	81,607	123,944
	<u>378,002</u>	<u>492,722</u>

NOTE 13: CONTRACT LIABILITIES

CURRENT		
Grant income deferred	135,617	275,504
	<u>135,617</u>	<u>275,504</u>

Reconciliation

Reconciliation of the values at the beginning and end of the current and previous financial year are set out below:

Opening balance	275,504	146,416
Payments received	498,388	268,370
Transferred to revenue – performance obligations satisfied	(638,275)	(139,282)
Closing balance	<u>135,617</u>	<u>275,504</u>

NOTE 14: LEASES

Residential premises

The Company operates 44 residential premises under general lease arrangements for nominal consideration.

Other leases

The following operating lease agreements exist between members of the Group:

- a. 43 Marshall St, Geelong – Ground lease between YWCA Australia as landlord and the Company as tenant for 99 years from December 2009, for nominal consideration.
- b. 353A Church Street, Richmond – Ground lease dated 29 June 2010 between YWCA Australia as landlord and the Company as tenant for 99 years from 1 July 2010, for nominal consideration.

NOTE 15: RESERVES

	Note	2021 \$	2020 \$
Financial assets reserve		25,265	(20,040)
Asset revaluation reserve	11	3,257,626	1,342,585
		3,282,891	1,322,545

The financial assets at fair value through other comprehensive income reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

The asset revaluation reserve is used to recognise increments and decrements in the fair value of land and buildings.

NOTE 16: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The Company's parent entity, YWCA Australia provides office facilities, management and direct service staff to the Company under a Contract for Services. The Company leases two properties from YWCA Australia for nominal consideration (see Note 14).

Transactions between the Company and its parent entity under the Contract for Services were:

Staffing costs	719,648	686,887
Other administration, operating and occupancy costs	404,799	265,467
	1,124,447	952,354

The amounts payable to YWCA Australia under the Contract for Services at balance date were:

Amounts due to related entities	-	-
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NOTE 17: CONTINGENT LIABILITIES

There are no contingent liabilities that have been incurred by the Company in relation to 2021 (2020: None).

NOTE 18: COMMITMENTS

The Company had no commitments for expenditure as at 30 June 2021 and 30 June 2020.

NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had no adverse financial impact during the year, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is frequently changing and is dependent on measures imposed by the Australian Government and other countries, such as vaccination, maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

NOTE 20: COMPANY DETAILS

The registered office of the Company and principal place of business is:

YWCA Housing
Level 1, 210 Kings Way
South Melbourne, VIC 3205

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- 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 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Director: Helen Conway



Director: Lina Tchung

Dated this day 14th day of October 2021

**INDEPENDENT AUDITOR'S REPORT
To the Members of YWCA Housing**

Level 13, 60 Castlereagh Street Sydney NSW 2000

GPO Box 5138 Sydney NSW 2001

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www.rsm.com.au**Opinion**

We have audited the financial report of YWCA Housing (the Company), which comprises the statement of financial position as at 30 June 2021, 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 significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and 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 Group in accordance with 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 directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and the 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 Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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 at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM

RSM Australia Partners



Gary Sherwood
Partner

Sydney, NSW dated: 14 October 2021