

YWCA Housing

ACN 133 272 116

Annual Financial Report
For the year ended 30 June 2022

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**YWCA Housing
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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 2022 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)
- Molly George (Deputy Chair)
- Khayshie Tilak Ramesh
- Georgina Morphett
- Lina Tchung
- Rebecca Thomas
- Renée Wirth Appointed 1 July 2021
- Apoorva Kallianpur Appointed 18 November 2021
- Mannie Kaur Verma Appointed 18 November 2021
- Marina Rofe Appointed 1 March 2022
- Julia Goodall (Deputy Chair) Resigned 18 November 2021
- Juliana Nkrumah AM Resigned 18 November 2021
- Freya Mulvey Resigned 18 November 2021
- Yasmin Poole Resigned 29 April 2022
- Kirsty Rourke Resigned 18 August 2022

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

Company Secretary

- Hannah Murray (Appointed 28 April 2022)
- Kate O'Donohue (Resigned 29 April 2022)

Hannah Murray holds a Bachelor of Arts, a Master of International Relations and a Certificate in Governance Practice.

Results

The deficit of the Company for the year amounted to \$120,470 (2021: surplus \$5,253).

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:

- for young women and women to have housing choices that meet their requirements, and they experience improved wellbeing, safety, and security in their homes,
- maintain effective and sustainable referral partnerships to facilitate positive supports and outcomes for housing residents; and
- to advocate for gendered policy solutions to ensure decision-makers value the social and economic benefits of housing for young women and women.

Strategies for achieving the objectives

The Company will:

- develop and operationalise a women's housing framework that is informed by the gendered and intersectional drivers of housing risk, pathways, unmet needs, and requirements,
- grow and provide appropriate and safe community housing services for young women and women,

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- implement and maintain referral networks so residents have access to the support that meets their needs; and
- work with its group entities in developing research, advocacy and policy platform for community housing nationally and implementing an organisational impact framework.

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 housing services to disadvantaged women in the community. Such activities included management of government owned and independently owned housing.

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 Helen Conway is an experienced lawyer, senior executive and director. She spent 10 years in private legal practice, including 7 years as a partner in a major law firm in Sydney, and then moved into the corporate sector where she worked as a senior executive in the insurance, transport, energy, retail and construction industries for 18 years. At the same time, she undertook various directorships in the health, transport and superannuation sectors.

Helen is an expert in workplace gender equality. Between 2011 and 2015, she was the CEO of the Australian Government's Workplace Gender Equality Agency, a statutory authority with regulatory and other responsibilities.

Helen has a long track record of undertaking a broad range of voluntary activities including those in support of women. She was a member of the New South Wales Equal Opportunity Tribunal for 10 years including 3 years as its Senior Judicial Member. In 2005, Helen was awarded the Australian Corporate Lawyer of the Year by the Australian Corporate Lawyers Association.

Helen is a director on the Boards of commercial organisations in the insurance and energy sectors. She is also a director of not-for-profit entities involved in education and housing and related services. In addition, she is a volunteer mentor with Kilfinan Australia.

Molly George

Non-executive director and Deputy Chair

Member of the Nominations Committee

Qualifications BA (Fine Arts), GC Social Impact (In Progress)

Experience 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 from 2018-29, and a 2019 Foundation for Young Australians (FYA) 'Young Social Pioneer' for her proposal to improve governance diversity and inclusion policies and practices.

Molly currently chairs the Nominations Committee and has previously sat on the Finance, Audit and Risk Committee.

Khayshie Tilak Ramesh

Non-executive director

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.

Georgina Morphett

Non-executive director

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.

Lina Tchung

Non-executive director

Member of the Finance, Audit and Risk Committee

Qualifications B. Business (Management)/Commerce, CA

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.

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 an Australasian Housing Institute Senior Professional and a member of the Australian Institute of Company Directors.

Apoorva Kallianpur

Non-executive director (appointed 18 November 2021)

Member of the Finance, Audit and Risk Committee

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Qualifications	B Comm (Finance, Accounting), CA
Experience	<p>Apoorva is a dedicated Chartered Accountant and strategic leader, with 12 years of professional experience in financial planning, strategy development & execution, and audit. At 17, Apoorva commenced her Finance career at Deloitte and consistently strived to develop Young Women, through mentoring, speaking at UNSW leadership panels and facilitating youth empowerment workshops at High Resolves Australia. On the Pymble Ladies' College Alumni Board, Apoorva contributed to female mentoring programs and implementation of Indigenous scholarship initiatives.</p> <p>Apoorva is a Senior Commercial Manager at Vocus and sits on the organisation's Diversity & Belonging Council to foster an environment of equal access to opportunities, inclusion & education on gender and culture. In 2021, Apoorva was Acuity magazine's Future Leader Under 35, for her strategic roadmap and commitment to drive positive change in the community & Finance profession.</p> <p>As a Director at YWCA, Apoorva aims to close the gender equality gap, empower young women to challenge the status quo and overcome barriers impacting female representation at management levels. Apoorva will leverage her professional expertise, authentic purpose-driven attitude, and intersectional lens to deliver the YeS 2026 strategy.</p>

Mannie Kaur Verma

Non-executive director (appointed 18 November 2021)
Member of the Finance, Audit and Risk Committee

Qualifications	B Law, Master of Politics and Policy (in progress)
Experience	<p>Mannie is recognised by Herald Sun as one of Melbourne's most influential lawyers, for giving a voice to those who are often absent from our complex judicial system. She is also a finalist of Women of the Future 2021, a Women's Weekly initiative celebrating the incredible social work of young women in Australia.</p> <p>As a Principal Lawyer and Founder of Regal Lawyers, Mannie is responsible for the strategic development and governance of the law practice. Regal Lawyers is an innovative disrupter in the legal industry, being one of the only law practices in Australia that places intersectionality at the core of its work. To extend her knowledge of intersectional feminism, Mannie is also conducting research with Deakin University to improve the representation of diverse women in politics.</p> <p>For the last six years, Mannie has been representing and advocating for domestic violence victims and has worked with the Victorian government and organisations such as Whise and Intouch to deliver tailored and targeted programs to prevent family violence and provide temporary housing.</p> <p>Mannie has contributed more than 750 hours of pro bono work and is a 2021 finalist of Lawyers Weekly 30 under 30 – Pro Bono.</p>

Marina Rofo

Non-executive director (appointed 1 March 2022)
Member of the Finance, Audit and Risk Committee

Qualifications	B Bus, CA
Experience	Marina is a commercial finance leader with 16+ years of experience across finance, business partnering, transformation and strategy. She has led and developed group-

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wide solutions for transformation programs by providing strategic and financial expertise across key business activities and drivers. Marina is a Chartered Accountant, holds a Bachelor of Business from UTS, and was a finalist in AFR BOSS Young Executives 2021.

Marina is passionate about change and driving gender equality by recognising that different backgrounds and life experiences colour one's circumstances. She believes that education and empowering women is essential for gender equality. Marina strongly values diversity and inclusion in the workplace and the broader community. Creating a community of diverse people and ensuring everyone has an equal opportunity to contribute, influence and feel safe is key to achieving a healthy society. Marina's experiences to date both professionally and personally provide strong appreciation and key foundational skills to support the core activities of YWCA Australia and YeS 2026.

Directors' meetings

Directors	Meetings	
	Entitled to attend	Attended
Helen Conway	8	8
Molly George	8	8
Julia Goodall	2	2
Apoorva Kallianpur	6	4
Georgina Morphett	8	4
Freya Mulvey	2	1
Juliana Nkrumah AM	2	2
Yasmin Poole	7	6
Khayshie Tilak Ramesh	8	5
Marina Rofe	2	2
Kirsty Rourke	8	7
Lina Tchung	8	6
Rebecca Thomas	8	6
Mannie Kaur Verma	6	5
Renée Wirth	8	7

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 2022, 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 (2021: \$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 13th day of October 2022

RSM Australia Partners

Level 13, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001

T +61(0) 2 8226 4500

F +61(0) 2 8226 4501

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of YWCA Housing for the year ended 30 June 2022, 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: 13 October 2022

YWCA Housing
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue and other income			
Revenue	4	2,732,783	2,953,058
Other income	4	11,598	25,874
Total revenue and other income		<u>2,744,381</u>	<u>2,978,932</u>
Expenses			
Administrative expense		(621,825)	(727,725)
Brand and communication expense		(249)	(863)
Employee benefits expense		(673,485)	(719,648)
Information technology expense		(44,833)	(55,191)
Motor vehicle expense		(9,050)	(5,735)
Property, service and utilities expense		(1,243,403)	(1,268,529)
Total expenses before depreciation and amortisation		<u>(2,592,845)</u>	<u>(2,777,691)</u>
Surplus before depreciation amortisation and income tax expense		151,536	201,241
Depreciation and amortisation expense	5	(272,006)	(195,988)
Income tax expense	3.1	-	-
(Deficit) surplus for the year		(120,470)	5,253
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Net (decrease) increase in fair value of financial assets		(12,645)	45,305
Net (decrease) increase in fair value of property assets	11	(10,796)	1,915,041
Other comprehensive (loss) income for the year		(23,441)	1,960,346
Total comprehensive (loss) income for the year		(143,911)	1,965,599

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

YWCA Housing
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	6	511,489	391,527
Receivables	7	105,720	195,434
Financial assets	8	505,100	517,745
Other assets	9	38,815	21,843
Total current assets		1,161,124	1,126,549
Non-current assets			
Property, plant and equipment	11	10,699,360	10,845,346
Intangible assets	10	15,908	20,217
Total non-current assets		10,715,268	10,865,563
Total assets		11,876,392	11,992,112
Current liabilities			
Payables	12	342,159	378,002
Contract liabilities	13	199,651	135,617
Total current liabilities		541,810	513,619
Net assets		11,334,582	11,478,493
Equity			
Reserves	15	3,259,450	3,282,891
Retained surpluses		8,075,132	8,195,602
Total equity		11,334,582	11,478,493

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

YWCA Housing
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Asset Revaluation Reserves	Financial Asset Reserves	Retained Earnings	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2021	3,257,626	25,265	8,195,602	11,478,493
Deficit for the year	-	-	(120,470)	(120,470)
Net decrease in fair value of financial assets	-	(12,645)	-	(12,645)
Net decrease in fair value of property assets	(10,796)	-	-	(10,796)
Balance at 30 June 2022	3,246,830	12,620	8,075,132	11,334,582
Balance at 1 July 2020	1,342,585	(20,040)	8,190,349	9,512,894
Surplus for the year	-	-	5,253	5,253
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
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
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Operating activities			
Receipts from:			
Customers, government grants & other income		2,812,106	2,821,058
Interest income		11,598	25,874
Payments to suppliers		(2,571,235)	(3,023,059)
Net cash provided by (used in) operating activities		252,469	(176,127)
Investing activities			
Sale of financial investments		-	1,022,855
Payments for property, plant and equipment	11	(132,507)	(1,104,869)
Payment for intangible assets		-	(21,544)
Net cash used in investing activities		(132,507)	(103,558)
Net change in cash and cash equivalents		119,962	(279,685)
Cash and cash equivalents at beginning of year		391,527	671,212
Cash and cash equivalents at end of year	6	511,489	391,527

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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 – Simplified Disclosures 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.

These financial statements cover YWCA Housing as an individual entity. YWCA Housing is a company limited by guarantee, incorporated and domiciled in Australia and is a subsidiary of YWCA Australia. The Company is a not-for-profit entity for the purpose of preparing the financial statements.

These financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The financial statements of the Company were approved and authorised for issue by the directors on 13 October 2022.

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. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

The following Accounting Standards and Interpretations are most relevant to the Company:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Company's financial statements.

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel and related parties.

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. These policies have been consistently applied to all the years presented, unless otherwise stated.

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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.

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:

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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. The significant estimates and judgements made have been described below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the

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Company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the consolidated financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

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

	2022	2021
Revenue	\$	\$
Housing services	2,480,699	2,314,542
Grant income	250,356	638,275
Donations	1,728	241
	<hr/> 2,732,783	<hr/> 2,953,058
Other income		
Interest	11,598	25,874
	<hr/> 11,598	<hr/> 25,874
Total revenue and other income	<hr/> 2,744,381	<hr/> 2,978,932
<i>Disaggregation of revenue</i>		
Geographical regions		
Australia	<hr/> <hr/> 2,744,381	<hr/> <hr/> 2,978,932

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NOTE 5: EXPENSES

(Deficit) surplus before income tax includes the following specific expenses:

	2022	2021
	\$	\$
<i>Depreciation</i>		
Land and buildings	257,411	193,655
Furniture, fixtures and fittings	10,286	1,006
Total depreciation	<u>267,697</u>	<u>194,661</u>
<i>Amortisation</i>		
Software	4,309	1,327
Total amortisation	<u>4,309</u>	<u>1,327</u>
Total depreciation and amortisation	<u>272,006</u>	<u>195,988</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>45,475</u>	<u>50,155</u>

NOTE 6: CASH AND CASH EQUIVALENTS

Cash at bank	<u>511,489</u>	<u>391,527</u>
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NOTE 7: RECEIVABLES

CURRENT

Rent in arrears	99,916	181,338
Less: allowance for expected credit loss	(10,391)	(21,916)
	<u>89,525</u>	<u>159,422</u>
Other receivables	16,195	36,012
	<u>105,720</u>	<u>195,434</u>

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 \$10,391 (2021: \$21,916) has been recorded as an expense.

NOTE 8: FINANCIAL ASSETS

CURRENT

Financial assets - current	<u>505,100</u>	<u>517,745</u>
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Financial assets represent investment in treasury bonds.

NOTE 9: OTHER ASSETS

CURRENT

Prepayments	35,815	21,843
Bonds and deposits	3,000	-
	<u>38,815</u>	<u>21,843</u>

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NOTE 10: INTANGIBLE ASSETS

	2022	2021
	\$	\$
At cost	21,544	21,544
Less: accumulated amortisation	(5,636)	(1,327)
	<u>15,908</u>	<u>20,217</u>

Reconciliation:

Reconciliation of the written down values at the beginning and end of the current year is set out below:

Cost

Balance at 1 July 2021	21,544
Additions	-
Disposal	-
Balance at 30 June 2022	<u>21,544</u>

Amortisation

Balance at 1 July 2021	(1,327)
Amortisation	(4,309)
Balance at 30 June 2022	<u>(5,636)</u>

Carrying amount 30 June 2022

15,908

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

Capital works in progress	<u>15,503</u>	-
Land and buildings – at fair value	<u>10,561,899</u>	<u>10,785,874</u>
Plant and equipment – at cost	14,240	158,284
Less: accumulated depreciation	-	(158,284)
	<u>14,240</u>	-
Furniture, fixture and fittings – at cost	239,365	180,833
Less: accumulated depreciation	(131,647)	(121,361)
	<u>107,718</u>	<u>59,472</u>
Total	<u><u>10,699,360</u></u>	<u><u>10,845,346</u></u>

Reconciliations:

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

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	Land & Buildings <i>(at fair value)</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 2021	10,785,874	158,284	180,833	-	11,124,991
Additions	44,232	14,240	58,532	15,503	132,507
Write off	-	(158,284)	-	-	(158,284)
Net decrease on revaluation	(268,207)	-	-	-	(268,207)
Balance at 30 June 2022	10,561,899	14,240	239,365	15,503	10,831,007
Depreciation and impairment					
Balance at 1 July 2021	-	(158,284)	(121,361)	-	(279,645)
Depreciation	(257,411)	-	(10,286)	-	(267,697)
Write off	-	158,284	-	-	158,284
Net increase on revaluation	257,411	-	-	-	257,411
Balance at 30 June 2022	-	-	(131,647)	-	(131,647)
Carrying amount 30 June 2022	10,561,899	14,240	107,718	15,503	10,699,360

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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

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 Coronavirus (COVID-19) 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 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.

Most recent valuations of interest in property, plant and equipment

Freehold land, buildings and improvements were last valued on 30 June 2022 based on a combination of full valuation and indexation methodology.

NOTE 12: PAYABLES

	2022	2021
	\$	\$
CURRENT		
Trade payables	61,086	106,916
Other creditors and accruals	281,073	271,086
	<u>342,159</u>	<u>378,002</u>

NOTE 13: CONTRACT LIABILITIES

CURRENT		
Grant income deferred	199,651	135,617
	<u>199,651</u>	<u>135,617</u>

Reconciliation:

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

Opening balance	135,617	275,504
Payments received	314,390	498,388
Transferred to revenue – performance obligations satisfied	(250,356)	(638,275)
Closing balance	<u>199,651</u>	<u>135,617</u>

NOTE 14: 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.

YWCA Housing
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NOTE 15: RESERVES

	2022	2021
	\$	\$
Financial assets reserve	12,620	25,265
Asset revaluation reserve	3,246,830	3,257,626
	<u>3,259,450</u>	<u>3,282,891</u>

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: REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

Audit services – RSM Australia Partners

Audit of the financial statements	10,000	6,500
	<u>10,000</u>	<u>6,500</u>

NOTE 17: 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, key 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	673,485	719,648
Other administration, operating and occupancy costs	397,552	404,799
	<u>1,071,037</u>	<u>1,124,447</u>

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

Amounts due to related entities	<u>20,452</u>	<u>-</u>
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NOTE 18: CONTINGENT LIABILITIES

There are no contingent liabilities that have been incurred by the Company in relation to 2022 (2021: None).

YWCA Housing
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 19: COMMITMENTS

	Note	2022	2021
		\$	\$
Capital commitments: Committed at the reporting date but not recognised as a liability:			
Contribution for community housing property acquisition	19(a)	7,644,385	-
		7,644,385	-
		7,644,385	-

(a) The Company has secured a capital grant from the State of Victoria through Director of Housing under the Victorian Big Build Social Housing Growth Fund Regional Round to acquire community housing dwellings in regional Victoria. The Company will contribute \$7,644,385 towards this acquisition. The Company will receive these funds from YWCA Australia as an interest free loan.

The Company had no other commitments for expenditure as at 30 June 2022 and 30 June 2021.

NOTE 20: EVENTS SUBSEQUENT TO REPORTING DATE

On 5 July 2022, the Board of the Reserve Bank of Australia announced an increase in the cash rate by 50 basis points to 1.35%.

On 2 August 2022, the Board of the Reserve Bank of Australia announced an increase in the cash rate by 50 basis points to 1.85%.

On 6 September 2022, the Board of the Reserve Bank of Australia announced an increase in the cash rate by a further 50 basis points to 2.35%.

These increases in the cash rates are non-adjusting subsequent events the effects of which could potentially have an adverse effect on the property values of the Company. Management has concluded that it is not practically feasible to reliably estimate the effects of the changes in interest rates on the property values due to the diversity of the portfolio together with the fact that the increase in the cash rate only has an indirect impact on the property portfolio and there are several other factors influencing the property valuation.

Other than the above, no matter or circumstance has arisen since 30 June 2022 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 21: COMPANY DETAILS

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

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

**YWCA Housing
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DIRECTORS' DECLARATION**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, 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 2022 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:



Director:

Dated this 13th day of October 2022

RSM Australia Partners

Level 13, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001

T +61 (0) 2 8226 4500
F +61 (0) 2 8226 4501

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT To the Members of YWCA Housing

Opinion

We have audited the financial report of YWCA Housing ('the Company'), which comprises the statement of financial position as at 30 June 2022, 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 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for Not-for-Profit Tier 2 Entities* 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 auditor independence requirements of 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 Group's annual report for the year ended 30 June 2022, 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 – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for Not-for-Profit Tier 2 Entities* 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 Group 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 Group 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.

A handwritten signature in blue ink that reads "RSM".

RSM Australia Partners

A handwritten signature in blue ink that reads "Gary Sherwood" with "GNS" written below it.

Gary Sherwood
Partner

Sydney, NSW dated: 14 October 2022