

YWCA National Housing
ACN 158 977 952

Annual Financial Report
For the year ended 30 June 2022

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**YWCA NATIONAL HOUSING
ACN 158 977 952
DIRECTORS' REPORT**

The directors present their report together with the financial report of YWCA National Housing ("the Company") for the year ended 30 June 2022 and 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
 - Apoorva Kallianpur
 - Mannie Kaur Verma
 - Marina Rofe
 - Julia Goodall (Deputy Chair)
 - Juliana Nkrumah AM
 - Freya Mulvey
 - Yasmin Poole
 - Kirsty Rourke
- | | |
|--|----------------------------|
| | Appointed 1 July 2021 |
| | Appointed 18 November 2021 |
| | Appointed 18 November 2021 |
| | Appointed 1 March 2022 |
| | Resigned 18 November 2021 |
| | Resigned 18 November 2021 |
| | Resigned 18 November 2021 |
| | Resigned 29 April 2022 |
| | 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 surplus of the Company for the year amounted to \$14,641 (2021: deficit \$41,722).

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,

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- grow and provide appropriate and safe community housing services for young women and women,
- 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 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

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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

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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.

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Apoorva Kallianpur

Non-executive director (appointed 18 November 2021)

Member of the Finance, Audit and Risk Committee

Qualifications B Comm (Finance, Accounting), CA

Experience 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.

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.

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.

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 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.

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.

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.

Mannie has contributed more than 750 hours of pro bono work and is a 2021 finalist of Lawyers Weekly 30 under 30 – Pro Bono.

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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-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 Rofo	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. As 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).

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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 National 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 NATIONAL 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	1,050,942	958,489
Other Income	4	125	100
Total revenue and other income		<u>1,051,067</u>	<u>958,589</u>
Expenses			
Administrative expense		(132,979)	(123,910)
Brand and communication expense		(252)	-
Employee benefits expense		(250,778)	(256,192)
Information technology expense		(16,536)	(18,263)
Property, service and utilities expense		(423,438)	(417,806)
Total expenses before depreciation and amortisation		<u>(823,983)</u>	<u>(816,171)</u>
Surplus before depreciation, amortisation and income tax expense		227,084	142,418
Depreciation and amortisation	5	(212,443)	(184,140)
Income tax expense	3.1	-	-
Surplus (deficit) for the year		14,641	(41,722)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net increase in fair value of property assets	10	726,098	1,756,576
Other comprehensive income for the year		<u>726,098</u>	<u>1,756,576</u>
Total comprehensive income for the year		<u>740,739</u>	<u>1,714,854</u>

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

YWCA NATIONAL HOUSING
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	6	565,507	381,119
Receivables	7	16,810	16,558
Other assets	8	18,818	13,472
Total current assets		601,135	411,149
Non-current assets			
Property, plant and equipment	10	10,463,485	9,886,863
Intangible assets	9	10,605	13,477
Total non-current assets		10,474,090	9,900,340
Total assets		11,075,225	10,311,489
Current liabilities			
Payables	11	135,736	112,739
Total current liabilities		135,736	112,739
Total liabilities		135,736	112,739
Net assets		10,939,489	10,198,750
Equity			
Reserves	12	14,190,824	13,464,726
Accumulated losses		(3,251,335)	(3,265,976)
Total equity		10,939,489	10,198,750

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

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

	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$
Balance at 1 July 2021	13,464,726	(3,265,976)	10,198,750
Surplus for the year	-	14,641	14,641
Net increase in fair value of property assets	726,098	-	726,098
Balance at 30 June 2022	14,190,824	(3,251,335)	10,939,489
Balance at 1 July 2020	11,708,150	(3,224,254)	8,483,896
Deficit for the year	-	(41,722)	(41,722)
Net increase in fair value of property assets	1,756,576	-	1,756,576
Balance at 30 June 2021	13,464,726	(3,265,976)	10,198,750

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

YWCA NATIONAL HOUSING
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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		1,050,815	950,500
Payments to suppliers		(806,332)	(857,517)
Net cash provided by operating activities		244,483	92,983
Investing activities			
Payment for property, plant and equipment	10	(60,095)	(7,260)
Payment for intangible assets		-	(14,362)
Net cash used in investing activities		(60,095)	(21,622)
Net change in cash and cash equivalents		184,388	71,361
Cash at beginning of the financial year		381,119	309,758
Cash at end of financial year	6	565,507	381,119

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 National Housing as an individual entity. YWCA National 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 YWCA National Housing 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 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 amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

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.

3.7 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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3.8 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.

3.9 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.

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

3.10 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.

3.11 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.

3.12 Comparative figures

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

3.13 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 3.15 below.

3.14 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 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

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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

	Note	2022 \$	2021 \$
Revenue			
Housing services		1,040,571	951,981
Donations		10,371	6,508
		1,050,942	958,489
Other income			
Interest		125	100
		125	100
		1,051,067	959,589
Disaggregation of revenue			
Geographical regions			
Australia		1,051,067	959,589
		1,051,067	959,589

NOTE 5: EXPENSES

Surplus (deficit) before income tax includes the following specific expenses:

<i>Depreciation</i>			
Land and buildings		193,527	166,911
Plant and equipment		7,105	8,480
Furniture, fixtures and fittings		8,939	7,864
Total depreciation	10	209,571	183,255
<i>Amortisation</i>			
Software		2,872	885
Total amortisation	9	2,872	885
Total depreciation and amortisation		212,443	184,140
<i>Superannuation expense</i>			
Defined contribution superannuation expense		21,047	20,432
		21,047	20,432

NOTE 6: CASH AND CASH EQUIVALENTS

Cash at bank		565,507	381,119
		565,507	381,119

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NOTE 7: RECEIVABLES

	2022	2021
	\$	\$
CURRENT		
Trade debtors	11,662	9,233
Less: allowance for expected credit loss	(2,677)	-
	<u>8,985</u>	<u>9,233</u>
Other receivables	7,825	7,325
	<u>16,810</u>	<u>16,558</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 \$2,677 (2021: \$Nil) has been recorded as an expense.

NOTE 8: OTHER ASSETS

CURRENT		
Prepayments	18,818	13,472
	<u>18,818</u>	<u>13,472</u>

NOTE 9: INTANGIBLE ASSETS

At cost	14,362	14,362
Less: accumulated amortisation	(3,757)	(885)
	<u>10,605</u>	<u>13,477</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	14,362
Additions	-
Disposal	-
Balance at 30 June 2022	<u>14,362</u>

Amortisation

Balance at 1 July 2021	(885)
Amortisation	(2,872)
Balance at 30 June 2022	<u>(3,757)</u>
Carrying amount 30 June 2022	<u>10,605</u>

**YWCA NATIONAL HOUSING
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	2022	2021
	\$	\$
Capital works in progress	3,600	-
Land and buildings – at fair value	10,336,525	9,803,954
Plant and equipment – at cost	112,494	112,494
Less: accumulated depreciation	(68,552)	(61,447)
	43,942	51,047
Furniture, fixture and fittings – at cost	162,947	106,452
Less: accumulated depreciation	(83,529)	(74,590)
	79,418	31,862
Total	10,463,485	9,886,863

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 & building	Plant & equipment	Furniture, fixtures and fittings	Work in progress	Total
	<i>(at fair value)</i>	<i>(at cost)</i>	<i>(at cost)</i>		
	\$	\$	\$	\$	\$
Gross carrying amount					
Balance at 1 July 2021	9,803,954	112,494	106,452	-	10,022,900
Additions	-	-	56,495	3,600	60,095
Net increase on revaluation	532,571	-	-	-	532,571
Balance at 30 June 2022	<u>10,336,525</u>	<u>112,494</u>	<u>162,947</u>	<u>3,600</u>	<u>10,615,566</u>
Depreciation and impairment					
Balance at 1 July 2021	-	(61,447)	(74,590)	-	(136,037)
Depreciation	(193,527)	(7,105)	(8,939)	-	(209,571)
Net increase on revaluation	193,527	-	-	-	193,527
Balance at 30 June 2022	<u>-</u>	<u>(68,552)</u>	<u>(83,529)</u>	<u>-</u>	<u>(152,081)</u>
Carrying amount 30 June 2022	<u>10,336,525</u>	<u>43,942</u>	<u>79,418</u>	<u>3,600</u>	<u>10,463,485</u>

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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 11: PAYABLES

	2022	2021
	\$	\$
CURRENT		
Trade payables	58,625	32,179
Other payables	77,111	80,560
	<u>135,736</u>	<u>112,739</u>

NOTE 12: RESERVES

Capital reserve	7,988,897	7,988,897
Capital assistance grant reserve	3,719,253	3,719,253
Asset revaluation reserve	2,482,674	1,756,576
	<u>14,190,824</u>	<u>13,464,726</u>

The capital reserve recognises net assets of amalgamated entities at the time of historical amalgamations.

The capital assistance grants reserve consists of capital assistance grant revenue received in previous periods to fund property additions.

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

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ACN 158 977 952
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 13: 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:

	2022	2021
	\$	\$
<i>Audit services – RSM Australia Partners</i>		
Audit of the financial statements	10,000	6,500
	<u>10,000</u>	<u>6,500</u>

NOTE 14: 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.

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

Staffing costs	250,778	256,192
Other administration, operating and occupancy costs	66,863	62,904
	<u>317,641</u>	<u>319,096</u>

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

Amounts due to related entities	<u>11,300</u>	<u>-</u>
---------------------------------	---------------	----------

Office lease

YWCA Australia leases an office space from the Company on commercial terms. The annual rent is \$73,992 plus GST (2021: \$73,992 plus GST). The amount receivable from YWCA Australia under the lease agreement for the office building at balance date was:

Amounts due from related entities	<u>-</u>	<u>-</u>
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NOTE 15: CONTINGENT LIABILITIES

Under the terms of a capital assistance grant dated May 2009, the Queensland Government Department of Communities (the "Department") has an interest in the property at 112 Mary Street, Toowoomba equivalent to the current value of the funded buildings in the event that the Company ceases to use the property for the purpose of providing community housing. The Department's interest in the property is reduced annually by a 2% return of equity to the Company. Under this agreement the Department have an interest in the Betty Willis building and the Hoffman Wadley building at 112 Mary Street of 78% as at 30 June 2022. These assets were subject to independent valuation on 30 June 2022, with assessed fair value of \$2,000,000. The estimated value of the contingent liability at 30 June 2022 is therefore \$1,560,000.

Under the terms of a capital assistance grant dated December 2009, the Department also has an interest in the property at 162 Denham Street, Townsville on the same basis as described for the Toowoomba property above. The Department's interest in the property at 30 June 2022 is 79%. The property has been independently valued at \$4,435,000 on 30 June 2022. The estimated value of the contingent liability at 30 June 2022 is therefore \$3,503,650.

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As a condition of these capital assistance grant funding agreements, the Queensland government has a first registered mortgage over the properties at both 112 Mary Street, Toowoomba and 162 Denham Street, Townsville.

In the opinion of the directors, the Company has no intention to stop using the properties for community housing and therefore the above balances are only regarded as contingent liabilities at the year end.

NOTE 16: COMMITMENTS

	Note	2022 \$	2021 \$
Capital commitments:			
Committed at the reporting date but not recognised as a liability:			
Contribution for community housing property acquisition	16(a)	2,667,500	-
		2,667,500	-
		2,667,500	-

(a) The Company has secured a capital grant from the State of Queensland through the Department of Communities, Housing and Digital Economy under the Queensland Housing Investment Growth Initiative to acquire social housing dwellings in regional Queensland. The Company will contribute \$2,667,500 towards the 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 17: 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 18: COMPANY DETAILS

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

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

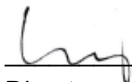
**YWCA NATIONAL HOUSING
ACN 158 977 952
DIRECTORS' DECLARATION**

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 National Housing

Opinion

We have audited the financial report of YWCA National 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.

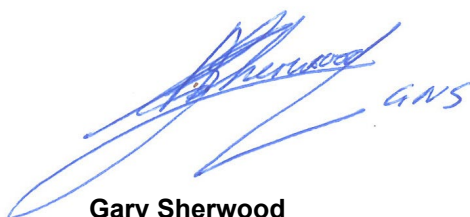
Auditor's Responsibilities for the Audit of the Financial Report

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.

RSM

RSM Australia Partners


GNS

Gary Sherwood
Partner

Sydney, NSW dated: 14 October 2022