

**Women's Housing Company Limited**

ABN 38 002 704 056

**FINANCIAL REPORT**

**30 June 2022**

**WOMEN'S HOUSING COMPANY LIMITED**

**ABN 38 002 704 056**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2022**

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# **WOMEN'S HOUSING COMPANY LIMITED**

**ABN 38 002 704 056**

## **CORPORATE INFORMATION**

### **Directors**

The Directors (Responsible Entities) at the date of this report are:

Jodie Blackledge

Tasha Burrell

Anna Grutzner

Stacey Hooper

Alice Robinson (appointed 28 October 2022)

Katrina Smithson (appointed 30 October 2022)

Alice Spizzo (Chair)

Sharanya Srikanth

### **Chief Executive Officer**

Debbie Georgopoulos

### **Company Secretary**

Erna Cameron

### **Registered charity street address and principal place of business**

Suite 901, Level 9, 418A Elizabeth Street

Surry Hills NSW 2010

### **Auditor**

Grant Thornton

## Auditor's Independence Declaration

### To the Responsible Entities of Women's Housing Company Limited

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Women's Housing Company Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



James Winter  
Partner – Audit & Assurance

Sydney, 31 October 2022

## Independent Auditor's Report

### To the Members of Women's Housing Company Limited

#### Report on the audit of the financial report

##### Opinion

We have audited the financial report of Women's Housing Company Limited (the Registered Entity<sup>1</sup>), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Responsible Entities' declaration.

In our opinion, the financial report of Women's Housing Company Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* ("ACNC Act"), including:

- a. giving a true and fair view of the Registered Entity's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards – Simplified Disclosures and the Not-for-profits Commission Regulation 2013.

##### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Registered Entity in accordance with the 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.

### **Information Other than the Financial Report and Auditor's Report Thereon**

Those charged with governance are responsible for the other information. The other information comprises the Declaration in respect of fundraising appeals in accordance with the Charitable Fundraising Regulation 2021 (NSW). Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Responsible Entities for the financial report**

The Responsible Entities of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012, the Charitable Fundraising Act 1991 (NSW) and the Charitable Fundraising Regulation 2021 (NSW), and for such internal control as the Responsible Entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

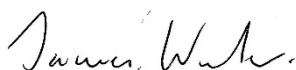
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Responsible Entities.

- Conclude on the appropriateness of the Responsible Entities use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registered Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Registered Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



James Winter  
Partner – Audit & Assurance

Sydney, 31 October 2022

**WOMEN'S HOUSING COMPANY LIMITED**

**ABN 38 002 704 056**

**RESPONSIBLE ENTITIES' DECLARATION**

In the opinion of the Responsible Entities ('Directors') of Women's Housing Company Limited:

1. The financial statements and notes of Women's Housing Company Limited are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - a. Giving a true and fair view of its financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
  - b. Complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013, and
2. 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 the Responsible Entities.



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ANNA DIRUTZNER

Director



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JODIE BLACKLEDGE

Director

Signed at SYDNEY this 31st day of October 2022



**WOMEN'S HOUSING COMPANY LIMITED**

**ABN 38 002 704 056**

**DECLARATION IN ACCORDANCE WITH THE CHARITABLE FUNDRAISING  
REGULATION 2021 (NSW)**

I, Debbie Georgopoulos, CEO of Women's Housing Company Limited (the "Company") declare on behalf of the Company, that:

1. the Company is able to pay all of its debts as and when the debts become due and payable;
2. the 30 June 2022 financial statements of the Company satisfy the requirements of the Charitable Fundraising Act 1991 and the Charitable Fundraising Regulation 2021 (NSW);
3. the contents of the 30 June 2022 financial statements of the Company are true and fair; and
4. the Company has appropriate and effective internal controls.



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**Debbie Georgopoulos**  
**Chief Executive Officer**

**31 October 2022**

# WOMEN'S HOUSING COMPANY LIMITED

ABN 38 002 704 056

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

		2022	2021
		\$	\$
<b>REVENUE</b>	<b>NOTE</b>		
Revenue	3	16,836,746	16,841,341
Other income	4	211,188	300,706
Net gain on sale of fixed asset		-	5,926
Total revenue and other income		<u>17,047,934</u>	<u>17,147,973</u>
<b>EXPENSES</b>			
Tenancy & property management expenses	5	10,228,862	10,966,939
Administration expenses	6	5,462,590	5,029,380
Finance costs	7	810,949	806,560
Total expenses		<u>16,502,401</u>	<u>16,802,879</u>
Surplus for the year		545,533	345,094
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u><b>545,533</b></u>	<u><b>345,094</b></u>

The accompanying notes form part of these financial statements.

**WOMEN'S HOUSING COMPANY LIMITED****ABN 38 002 704 056****STATEMENT OF FINANCIAL POSITION****As at 30 June 2022**

	NOTE	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash & cash equivalents	8	20,377,168	4,223,666
Other financial assets	9	-	5,202,538
Trade receivables	10	126,436	95,397
Other assets	11	1,127,850	640,467
Total current assets		<u>21,631,454</u>	<u>10,162,068</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	12	27,642,678	28,028,811
Contract assets	13	183,533	194,277
Right-of-use assets	14	19,491,645	20,297,133
Receivables & other assets	15	572,572	418,312
Total non-current assets		<u>47,890,428</u>	<u>48,938,533</u>
<b>TOTAL ASSETS</b>		<b><u>69,521,882</u></b>	<b><u>59,100,601</u></b>
<b>CURRENT LIABILITIES</b>			
Trade creditors & payables		869,971	497,539
Lease liabilities	16	4,527,341	4,854,433
Contract liabilities	17	11,861,235	2,434,174
Other liabilities	18	1,571,502	795,659
Provisions	19	521,442	482,156
Total current liabilities		<u>19,351,491</u>	<u>9,063,961</u>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	16	15,367,638	15,782,038
Provisions	19	98,427	95,809
Total non-current liabilities		<u>15,466,065</u>	<u>15,877,847</u>
<b>TOTAL LIABILITIES</b>		<b><u>34,817,556</u></b>	<b><u>24,941,808</u></b>
<b>NET ASSETS</b>		<b><u>34,704,326</u></b>	<b><u>34,158,793</u></b>
<b>FUNDS</b>			
Accumulated funds		<u>34,704,326</u>	<u>34,158,793</u>
<b>TOTAL FUNDS</b>		<b><u>34,704,326</u></b>	<b><u>34,158,793</u></b>

The accompanying notes form part of these financial statements.

**WOMEN'S HOUSING COMPANY LIMITED**

**ABN 38 002 704 056**

**STATEMENT OF CHANGES IN FUNDS**  
**For the year ended 30 June 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Opening balance at beginning of the year - accumulated funds</b>	34,158,793	33,813,699
Operating surplus for the year	545,533	345,094
Other comprehensive income for the year	-	-
	<hr/>	
<b>Closing balance for the year- accumulated funds</b>	<b>34,704,326</b>	<b>34,158,793</b>

The accompanying notes form part of these financial statements.

**WOMEN'S HOUSING COMPANY LIMITED****ABN 38 002 704 056****STATEMENT OF CASH FLOWS  
For the year ended 30 June 2022**

	NOTE	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from tenants and others		10,461,726	10,622,485
Payments to suppliers & employees		(10,548,328)	(11,658,494)
Receipts from government funding		17,029,912	7,532,251
Interest received		40,517	94,089
<b>Net cash provided by operating activities</b>	20	<b>16,983,827</b>	<b>6,590,331</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from term deposits		5,202,538	554,288
Payments for other fixed assets/investments		(39,509)	(38,095)
Deposit paid for property		(135,000)	-
Purchase of property		-	(6,900,000)
Proceeds from sale of fixed assets		-	14,000
<b>Net cash provided by/(used in) investing activities</b>		<b>5,028,029</b>	<b>(6,369,807)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
Lease payments - interest		(809,029)	(803,943)
Lease payments - principal		(5,049,325)	(4,649,865)
<b>Net cash used in financing activities</b>		<b>(5,858,354)</b>	<b>(5,453,808)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>			
		<b>16,153,502</b>	<b>(5,233,284)</b>
Cash and cash equivalents at beginning of year		4,223,666	9,456,950
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	8	<b>20,377,168</b>	<b>4,223,666</b>

The accompanying notes form part of these financial statements.

# WOMEN'S HOUSING COMPANY LIMITED

ABN 38 002 704 056

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 – STATEMENT OF ACCOUNTING POLICIES

#### a. General information

The financial report for the year ended 30 June 2022 is of Women's Housing Company Limited ("the Company") as an individual not-for-profit company limited by guarantee, incorporated and domiciled in Australia. The Company is registered with the Australian Charities and Not-for-profits Commission, and under the Charitable Fundraising Act 1991 (NSW).

#### b. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board, the Australian Charities and Not-for-profits Commission Act 2012 and the Charitable Fundraising Act 1991 (NSW).

The financial report is presented in Australian dollars, which is the Company's functional and presentation currency. The balances are rounded to the nearest whole dollar.

The financial statements have been prepared on an accrual basis in accordance with the historical cost convention and except where stated, do not consider changing money values or current valuations of assets.

#### c. Summary of significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

##### i. Revenue recognition

The Company's revenue mostly comprises rent income charged to tenants and the consideration received from contracts with customers for housing and homelessness services. Housing services include tenancy management, property management and associated activities.

AASB 15 *Revenue from Contracts with Customers* requires revenue to be recognised when control of a promised good or service is passed to the customer or beneficiary at an amount which reflects the expected consideration. The customer for these contracts is the fund provider and revenue is recognised by applying a five-step model as follows:

- Identify the contract with the customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price to the performance obligations
- Recognise revenue as and when control of the performance obligations is transferred

Any arrangements that are not accounted for as contracts with customers are treated as grants in accordance with AASB 1058 *Income of Not-for-Profit Entities*. Assets arising from grants are recognised at their fair value at the earlier of the receipt of the asset or the date when the Company's entitlement to invoice the grantor is established. These assets are generally cash but may be property which has been donated or sold to the Company at significantly below its fair value. Once the asset has been recognised, the Company recognises any related liability amounts (e.g. provisions, financial liabilities). Once the assets and liabilities have been recognised then income is recognised for any difference between the recorded assets and liability.

The Company recognises a contract asset for the costs incurred in fulfilling contracts with customers when the costs directly relate to the contract, they generate or enhance a resource that the Company will use to satisfy performance obligations in the contract in future, and the costs are expected to be recovered either explicitly or through the consideration in the contract.

# WOMEN'S HOUSING COMPANY LIMITED

ABN 38 002 704 056

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 - STATEMENT OF ACCOUNTING POLICIES continued

#### *Rental income and other tenant charges*

Rental income is recognised as income in the period within which it is earned via the provision of rental accommodation.

#### *Government funding*

Revenue for services delivered in accordance with contracts with government is recognised over time when the services are delivered or transferred to the customer or beneficiaries. If any of the specific performance obligations are yet to be met at the year-end date, a liability is recognised to the extent that the obligations remain unsatisfied.

In the case where the contract does not contain sufficiently specific performance obligations, the funding is accounted for as a grant upon receipt, by reference to the fair value of the funding received. When the service contract is executory in nature, the Company recognises revenue upon invoice, if the right to invoice corresponds directly with the value transferred to the customer or beneficiaries through the Company's performance to date.

Capital grants received under an enforceable agreement to enable the Company to acquire or construct residential property to identified specifications which will be controlled by the Company are initially recognised as a liability and will be recognised as revenue when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Company i.e. when title transfers or vests.

#### *Rendering of services*

Revenue from fees received for services and management fees is recognised when the specific service is provided.

#### *Interest and dividend income*

Revenue is recognised as interest accrues using the effective interest method. Dividend income are recognised at the time the right to receive payment is established.

#### *Donations and bequests*

Donations collected, including cash and goods for resale, are recognised as revenue when the Company gains control, economic benefits are probable, and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property is recognised at fair value, being the market value of the shares or property at the date the Company becomes legally entitled to the shares or property.

No amounts are included in the financial report for services donated by volunteers.

#### *Cash and cash equivalents*

*Cash and cash equivalents* comprise cash on hand and demand deposits, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **ii. Financial Instruments**

#### *Recognition, initial measurement, and de-recognition*

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

# WOMEN'S HOUSING COMPANY LIMITED

ABN 38 002 704 056

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 - STATEMENT OF ACCOUNTING POLICIES continued

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

#### *Classification and subsequent measurement of financial assets*

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

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

#### *Financial assets at amortised cost*

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

#### *Financial assets at fair value through profit or loss (FVPL)*

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

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

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital.

#### *Impairment of financial assets*

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of these new requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

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

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

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



# WOMEN'S HOUSING COMPANY LIMITED

ABN 38 002 704 056

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 - STATEMENT OF ACCOUNTING POLICIES continued

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

#### *Trade receivables*

Trade receivables are recognised at original invoice amounts less an allowance for credit losses. Trade receivables are generally due for payment within 30 days. The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance by reference to both a specific doubtful debt provision and a collective (portfolio) loss impairment, at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix. The Company assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

#### *Classification and measurement of financial liabilities*

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

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

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

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

### **iii. Leases as lessee**

At inception of a contract, the Company assesses whether a lease exists. This involves an assessment of whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the term of the lease. The estimated lease term reflects contractual options to extend or terminate the lease, where the Company believes it is reasonably certain that the option(s) will be exercised. A portfolio approach is adopted for the lease of private residential properties that are used to provide subsidised housing. Note 16 provides additional details.

The lease liability is initially measured as the present value of the net lease payments that are not settled at commencement date, discounted using the interest rate implicit in the lease or the Company's incremental borrowing rate. Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is reduced when lease payments are made. The lease liability is re-measured when there is a lease modification, change in estimate of the lease term, market-based rent adjustment or change in the index upon which the lease payments are based.

Where a lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement. If the right-of-use asset has been reduced to zero, the remeasurement is recorded in profit or loss.

The right-of-use asset is measured using the cost model where the cost upon initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the estimated lease term on a straight-line basis and assessed for impairment at each reporting date. The weighted average estimated remaining lease term at the reporting date is 4.8 years.

# WOMEN'S HOUSING COMPANY LIMITED

ABN 38 002 704 056

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 - STATEMENT OF ACCOUNTING POLICIES continued

The Company has elected to apply the exception to lease accounting for low value leases. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

#### iv. Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are recognised at historic cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation, and any impairment.

Land and buildings transferred to the Company for nil consideration are measured at the fair value of the contribution received and carried at deemed cost. This takes into account any restrictions on use imposed by the transferor.

Land is not depreciated. Depreciation on other assets is calculated on a straight-line method so as to write off the net cost of the assets over their estimated useful lives, as follows:

Buildings	50 years
Vehicles	5 – 7 years
Furniture, fittings and equipment	2 – 10 years
Software	5 years

Leasehold improvements are depreciated on a straight-line basis over the shorter of either the unexpired period of the lease term or the estimated useful lives of the asset.

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. Any revisions are accounted for prospectively as a change in estimate. Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in profit or loss in the year that the item is derecognised.

#### v. Impairment of assets

At the end of each reporting period the Company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, the recoverable amount is determined, and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### vi. Provisions

Provisions for legal claims and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

# WOMEN'S HOUSING COMPANY LIMITED

ABN 38 002 704 056

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 - STATEMENT OF ACCOUNTING POLICIES continued

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote, in which case no liability is recognised.

#### vii. Contract liabilities

Grant income arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised when control of each performance obligation is satisfied. Such funds may be deferred as contract liabilities until recognised as income.

Within certain funding agreements there may be some performance obligations where control transfers at a point in time and others where there is a continuous transfer of control over the life of the contract. In either case, revenue is generally recognised based on either cost or time incurred, whichever best reflects the transfer of control.

#### viii. Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date.

Employee entitlements arising from wages, salaries and annual leave have been calculated based on current remuneration rates plus related on-costs. The entitlements which are payable later than one year are not materially different from the liability measured at the present value of the estimated future cash outflows to be made for those benefits.

The long service leave liability has been calculated based on current remuneration rates plus related on costs, which provides an estimate of the long service leave not materially different from the liability measured at the present value of the estimated future cash outflows to be made for those benefits. No provision is made for personal leave entitlements.

#### ix. Income tax

The Company is exempt from income tax under Divisions 50 of the Income Tax Assessment Act 1997 and accordingly no provision for income tax is required.

#### x. Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

### d. Significant accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historic knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

As revenue from contracts with customers is recognised over time, the amount of revenue recognised in a reporting period depends on the extent to which the performance obligation has been satisfied. This requires an estimate of the quantity of the services to be provided based on the performance obligations of the contract and agreements held. Recognised amounts of contract revenue and related receivables reflect management's best estimate of each contract's outcome and stage of completion.

# WOMEN'S HOUSING COMPANY LIMITED

**ABN 38 002 704 056**

## **NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022**

### **NOTE 1 - STATEMENT OF ACCOUNTING POLICIES continued**

The Directors have assessed the impact of the restrictions on the freehold property as outlined in Note 12.

The provision for impairment of receivables assessment requires a degree of estimation and judgement about expected credit losses. The level of provision is assessed by considering the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

The Directors review its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

The calculation of the lease liability in respect of leased residential properties requires the exercise of judgement in respect of the estimated period over which leases will be retained beyond their original fixed contractual term.

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated and is used to discount future lease payments in order to measure the present value of the lease liability. The estimated incremental borrowing rate is based on what the Company estimates it would be required to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and in a similar economic environment.

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of service. The amounts of these provisions would change should any of these factors change in the next 12 months.

#### **e. Economic dependency**

The Company is dependent upon the ongoing receipt of funding from, and the renewal of contracts by, the Federal and State governments. At the date of this report, the Directors have no reason to believe that this support will not continue.

### **NOTE 2 - LIMITATION OF LIABILITY**

Every member of the Company undertakes to contribute to the assets of the Company, in the event of the Company being wound up while she is a member, or within one year after she ceases to be a member, for payment of the debts and liabilities of the Company (contracted before she ceases to be a member) and of the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributions among themselves such as any be required, the amount undertaken by each member not exceeding one year's membership subscription fee, plus a maximum of \$20. The current subscription fee is \$Nil (2021: \$Nil). As at 30 June 2022, the total amount that members of the Company are liable to contribute if the Company is wound up is \$240 (2021: \$200).

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3 – REVENUE

	2022 \$	2021 \$
REVENUE FROM TENANTS		
Rental revenue	10,503,530	9,953,470
Other tenant related revenue	258,702	229,885
	-----	-----
Total revenue from tenants	10,762,232	10,183,355
	=====	=====
REVENUE FROM CONTRACTS WITH CUSTOMERS (AASB 15)		
Government revenue (including grants)		
<b>State government</b>		
NSW Department of Communities and Justice:		
Housing programs	4,425,198	3,969,320
Homelessness services	1,245,918	1,164,755
Other funding	126,026	1,287,495
	-----	-----
Total state government revenue	5,797,142	6,421,570
	-----	-----
<b>Local government</b>		
Woollahra Municipal Council	275,719	212,954
Randwick City Council	1,057	-
	-----	-----
Total local government revenue	276,776	212,954
	-----	-----
Total government revenue	6,073,918	6,634,524
	-----	-----
Other revenue	596	23,462
	-----	-----
Total revenue from contracts with customers	6,074,514	6,657,986
	-----	-----
Total revenue	16,836,746	16,841,341
	=====	=====

### NOTE 4 – OTHER INCOME

	2022 \$	2021 \$
Insurance recoveries	91,167	166,131
Interest income from banks	39,433	74,353
Sundry income	80,588	60,222
	-----	-----
Total other income	211,188	300,706
	=====	=====

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 5 – TENANCY & PROPERTY MANAGEMENT EXPENSES

	2022 \$	2021 \$
Depreciation of right-of-use-assets		
– residential properties	4,953,650	4,607,492
Repairs & maintenance	3,295,395	4,400,508
Rates & utility charges	1,462,628	1,414,792
Insurance	304,279	303,118
Bad & doubtful debts	146,447	109,898
Other	66,463	131,131
	-----	-----
Total tenancy & property management expenses	10,228,862	10,966,939
	=====	=====

### NOTE 6 – ADMINISTRATION EXPENSES

	2022 \$	2021 \$
Salaries & related costs	3,673,865	3,348,557
Depreciation and amortisation of fixed assets	436,386	404,208
Depreciation of right-of-use-assets	159,671	150,783
Brokerage	195,711	159,271
Office expenses	160,947	157,559
Consultants	111,889	100,315
Contractors	95,823	83,728
Audit fees	40,046	33,734
Other	588,252	591,225
	-----	-----
Total administration expenses	5,462,590	5,029,380
	=====	=====

### NOTE 7 – FINANCE COSTS

	2022 \$	2021 \$
Finance costs – interest on lease liabilities	809,029	803,943
Finance costs – unwind of discount on provision for make-good	1,920	2,617
	-----	-----
Total finance costs	810,949	806,560
	=====	=====

### NOTE 8 – CASH & CASH EQUIVALENTS

	2022 \$	2021 \$
Cash on hand and at bank	870,319	839,520
Cash investments at call	19,506,849	3,384,146
	-----	-----
Total cash & cash equivalents	20,377,168	4,223,666
	=====	=====

### NOTE 9 – OTHER FINANCIAL ASSETS

	2022 \$	2021 \$
Bank term deposits	-	5,202,538
	=====	=====

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 10 – TRADE RECEIVABLES

	2022 \$	2021 \$
Rental debtors	321,852	269,383
Less: allowance for expected credit losses	(195,416)	(173,986)
	-----	-----
Total trade receivables	126,436	95,397

### NOTE 11 – OTHER ASSETS

	2022 \$	2021 \$
Prepayments	517,409	498,021
Accrued interest	13,240	14,324
Sundry debtors	597,201	128,122
	-----	-----
Total other assets	1,127,850 =====	640,467 =====

### NOTE 12 – PROPERTY, PLANT AND EQUIPMENT

	2022 \$	2021 \$
Freehold land & buildings	28,553,818	28,553,818
Less accumulated depreciation on buildings	(1,416,697)	(1,096,941)
	-----	-----
	27,137,121	27,456,877
Construction in progress	311,172	311,172
Less accumulated depreciation	-	-
	-----	-----
	311,172	311,172
Office furniture, improvements & equipment	422,511	395,446
Less accumulated depreciation	(307,748)	(279,075)
	-----	-----
	114,763	116,371
Computer software	263,481	263,481
Less accumulated depreciation	(218,047)	(163,525)
	-----	-----
	45,434	99,956
Motor vehicles	68,319	68,319
Less accumulated depreciation	(34,131)	(23,884)
	-----	-----
	34,188	44,435
Total property, plant and equipment	27,642,678 =====	28,028,811 =====

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 12 – PROPERTY, PLANT AND EQUIPMENT continued

#### Movements in carrying amounts for each class of property, plant and equipment:

2021	Balance at beginning of the year \$	Additions \$	Disposals \$	Depreciation \$	Balance at end of the year \$
Freehold land and buildings	20,845,701	6,900,000	-	(288,824)	27,456,877
Construction in progress	311,172	-	-	-	311,172
Office furniture, improvements & equipment	122,662	34,530	-	(40,821)	116,371
Computer software	154,478	-	-	(54,522)	99,956
Motor vehicles	40,456	21,507	(8,075)	(9,453)	44,435
Total	21,474,469	6,956,037	(8,075)	(393,620)	28,028,811

2022	Balance at beginning of the year \$	Additions \$	Disposals \$	Depreciation \$	Balance at end of the year \$
Freehold land and buildings	27,456,877	-	-	(319,756)	27,137,121
Construction in progress	311,172	-	-	-	311,172
Office furniture, improvements & equipment	116,371	39,509	-	(41,117)	114,763
Computer software	99,956	-	-	(54,522)	45,434
Motor vehicles	44,435	-	-	(10,247)	34,188
Total	28,028,811	39,509	-	(425,642)	27,642,678

#### Freehold land and buildings

The titles for some Freehold property assets are held subject to the provisions of section 18 of the Community Housing Providers (Adoption of National Law) Act 2012. The Act imposes the following restrictions on the Company (as a Community Housing Provider) regarding dealings in the property:

(1) A community-housing provider must not transfer or otherwise deal with land in which a Housing Agency has an interest unless:

- a) the Housing Agency consents to the transfer or other dealing, or
- b) the transfer or other dealing is authorised, or is of a class that is authorised, by a community housing agreement with that community housing provider ("an exempt transaction"), or
- c) a community housing agreement with the community housing provider provides that this section does not apply to the land concerned.

(2) A Housing Agency must not unreasonably withhold consent under subsection (1) (a).

Title to freehold land and buildings was transferred from NSW Land and Housing Corporation to the Company on 18th April 2011 in accordance with the Community Housing Asset Ownership program. The transfer of title was for NIL consideration and NSW Land and Housing Corporation has registered an interest in the title to land that has vested. The NSW Land and Housing Corporation will also hold an interest in land acquired using the proceeds of sale or disposal of land in which it holds an interest. This registered interest imposes restrictions on the transfer of, or other dealings in regard to the land.



# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 12 – PROPERTY, PLANT AND EQUIPMENT continued

The contribution of properties in 2011 was recognised as income and was measured at the fair value of the contribution received. The fair value of the contribution received was calculated taking into account the restriction on their use for the provision of community housing and the impact that this was expected to have on the economic benefits received by the Company. This calculation of fair value therefore applied an appropriate capitalisation rate to the below market rates of rent that were expected in regard to these properties, to arrive at an aggregate fair value of \$8,573,000. This assessment by Directors of fair value was recognised as income and was the amount at which the land and buildings were originally recognised as assets.

An equivalent valuation performed by BlueCHP Limited in June 2011 that incorporated market rates of rent arrived at a market value of \$29,295,000 on acquisition. This valuation was determined by reference to market-based evidence, being the amount for which the assets could have been exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction, assuming the restrictions on title were lifted. The value of the vested assets in the Company's Statement of Financial Position is therefore lower than the market value of unencumbered equivalent assets.

The Company sold one of the properties subject to restrictions in June 2017. The net proceeds of this disposal were used to partly fund the cost of purchasing a block of units in July 2017. The acquired block of units is recorded at cost, and the NSW Government's interest is registered on the certificate of title.

All subsequent property acquisitions are recorded at cost, whether funded completely through Company equity or funded via a combination of grants and Company equity. Any properties that are partly funded by government grants are also held subject to the provisions of section 18 of the Community Housing Providers (Adoption of National Law) Act 2012. The total written down value at balance date of freehold land and building subject to the restrictions as noted above is \$17,357,056 (2021: \$17,551,720).

### NOTE 13 – CONTRACT ASSETS

	2022 \$	2021 \$
Contract asset costs	214,868	214,868
Less: accumulated amortisation	(31,335)	(20,591)
Total contract asset	183,533	194,277

The contract asset represents expenditure incurred towards initiatives to fulfil the contract for the Social Housing Management Transfer Program. These costs include project management, client engagement and I.T consultancy expenses. The costs are amortised over the 20-year term of the contract.

### NOTE 14 - RIGHT-OF-USE ASSETS

The Company recognises leases for residential properties leased from private landlords and other assets which met the criteria of AASB 16 as right-of-use assets. The value of the right-of-use asset was determined by reference to the corresponding lease liability (refer to Note 16 for additional details). The right-of-use asset will be amortised in the profit and loss statement over the estimated term of the leases. The estimated lease terms range from one to twenty years, with a weighted average estimated remaining term at the reporting date of 4.8 years.

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 14 – RIGHT-OF-USE ASSETS continued

2021	Right-of-use assets – residential property \$	Right-of-use assets – other \$	Total \$
Balance at beginning of the year	20,575,880	587,400	21,163,280
Leases capitalised – current year	3,709,376	-	3,709,376
Amortisation	(4,607,492)	(150,783)	(4,758,275)
De-recognition of terminated leases	(165,676)	-	(165,676)
Effect of modification of lease term	-	348,428	348,428
Balance at end of the year	<b>19,512,088</b>	<b>785,045</b>	<b>20,297,133</b>

2022	Right-of-use assets – residential property \$	Right-of-use assets – other \$	Total \$
Balance at beginning of the year	19,512,088	785,045	20,297,133
Leases capitalised – current year	2,455,859	-	2,455,859
Amortisation	(4,953,650)	(159,671)	(5,113,321)
De-recognition of terminated leases	1,851,971	3	1,851,974
Effect of modification of lease term	-	-	-
Balance at end of the year	<b>18,886,268</b>	<b>625,377</b>	<b>19,491,645</b>

### NOTE 15 – RECEIVABLES & OTHER ASSETS

	2022 \$	2021 \$
Deposit on property	135,000	-
Bonds on deposit	386,407	367,147
Other deposits	48,263	48,263
Other investments	2,902	2,902
Total receivables & other assets	572,572	418,312

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 16 – LEASE LIABILITIES

	2022 \$	2021 \$
CURRENT		
Lease liabilities - residential properties	4,341,923	4,736,469
Lease liabilities - other	185,418	117,964
	-----	-----
	4,527,341	4,854,433
	=====	=====
NON-CURRENT		
Lease liabilities - residential properties	14,822,765	15,073,640
Lease liabilities - other	544,873	708,398
	-----	-----
	15,367,638	15,782,038
	=====	=====
Total lease liabilities	-----	-----
	19,894,979	20,636,471
	=====	=====

The lease liabilities represents the present value of future expected lease payments discounted at rates of 3.1% to 5% for FY2022, and 3.1% to 4.0% for FY 2021.

The *Lease Liabilities – other* category comprises a leased office space and car parking spaces. The office lease is for a fixed period of five (5) years. The car parking spaces are leased under cancellable contracts, however the calculation of the lease liability is based on the expected lease tenure.

The *Lease Liabilities – residential properties* represent the lease of residential properties from private landlords. The majority of leases for residential properties are taken out for an initial term of six to twelve months and then enter a holding over period, wherein either party can terminate the lease with between one and three months of notice. The expected lease term for these leases has been calculated via a portfolio approach which reflects the non-cancellable initial period of the leases, the expected longevity of the program via which the leases are funded and the Company's historic experience of lease retention beyond the initial non-cancellable period of similar leases. The Company has determined that these portfolios comprise populations of leases with similar characteristics and reasonably expects that the effects on the financial statements of applying this approach will not differ materially from applying it to the individual leases within those portfolios.

A limited number of leases for residential properties are entered into for periods of between 12 months and 10 years. These leases may have an option to extend or terminate the lease. In these cases, an assessment has been undertaken of whether the Company is likely to exercise the option to terminate or extend the lease, and the expected lease term is calculated accordingly.

### NOTE 17 – CONTRACT LIABILITIES

	2022 \$	2021 \$
Government funding for property purchase	7,128,911	-
Government contracts – housing programs	4,280,537	2,372,744
Government contracts – non-recurrent	429,616	47,754
Other	22,171	13,676
	-----	-----
Total contract liabilities	11,861,235	2,434,174
	=====	=====

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 18 – OTHER LIABILITIES

	2022 \$	2021 \$
Tenants' prepaid rent and charges	701,081	595,989
GST owing	683,004	62,430
Other creditors	187,417	137,240
Total other liabilities	1,571,502	795,659

### NOTE 19 – PROVISIONS

	2022 \$	2021 \$
<b>CURRENT</b>		
Annual leave	344,248	321,706
Long service leave	177,194	140,450
Other	-	20,000
Total current provisions	521,442	482,156
<b>NON-CURRENT</b>		
Long service leave	36,022	35,324
Other	62,405	60,485
Total non-current provisions	98,427	95,809

### NOTE 20 – RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES WITH OPERATING SURPLUS

	2022 \$	2021 \$
Operating surplus	545,533	345,094
Non-cash flows in operating surplus:		
Depreciation and amortisation	5,549,707	5,162,483
Profit on sale of fixed assets	-	(5,926)
Finance costs – lease liabilities	809,029	803,943
Donations of goods	-	(17,942)
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(410,541)	115,856
Increase/(Decrease) in payables	1,013,274	(138,045)
Increase in contract liabilities	9,434,921	225,886
Increase in provisions	41,904	98,982
Net cash flows from operating activities	16,983,827	6,590,331

# WOMEN'S HOUSING COMPANY LIMITED

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## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 21 – AFTER BALANCE DATE EVENTS

#### *Sale of Property*

The Company exchanged contracts on 16 September 2022 to sell a block of units at West Ryde. Settlement is due to occur in March 2023. The estimated surplus arising from the sale is \$2,766,859. The net proceeds from the disposal may only be used for investment into properties for the provision of social and/or affordable housing.

#### *Acquisition of properties*

The Company received a grant of \$5,000,000 in August 2022 in respect of a funding agreement with the NSW Government. The terms of this funding agreement obligate the Company to use the funded amount towards the procurement of properties to be used for the provision of social housing.

The Company completed the purchase of a new generation boarding house located at Bankstown in July 2022. A deposit of \$135,000 was paid in May 2022 and the balance of \$2,565,000 was paid upon the settlement in July.

The Company exchanged contracts in July 2022 to purchase a block of units located in Wiley Park and two blocks of units located in Lakemba. A deposit of \$966,000 was paid upon exchange of contracts and the balance of \$8,694,000 was paid upon settlement in September 2022.

### NOTE 22 – CONTINGENT LIABILITIES

There is a security deposit guarantee of \$45,375 for the office premises. The Company had no other contingent liabilities at 30 June 2022.

### NOTE 23 – CONTINGENT ASSETS

The Company had no contingent assets at 30 June 2022.

### NOTE 24 – COMMITMENTS

The Company has entered into various Funding Agreements that obligate the Company to use the funding provided by the NSW Government plus a co-contribution by the Company to procure properties for the provision of social and/or affordable housing. In addition to the transactions reported within the *After Balance Date Events* note above, the Company is also required to spend an additional amount of \$4,592,580 towards the procurement and refurbishment of properties in respect of these Funding Agreements.

As reported in the *After Balance Date Events* note above, the settlement in respect of the sale of a block of units at West Ryde is scheduled to occur in March 2023. The Company is obligated to use the net sales proceeds to procure properties for the provision of social and/or affordable housing.

### NOTE 25 – RELATED PARTY TRANSACTIONS

The directors act in an honorary capacity and receive no compensation for their services. During the year, the Company incurred expenses of less than \$5,000 (2021: less than \$5,000) in aggregate to support the directors to fulfill their roles. This included items such as travel expenses, conference fees and training costs.

Key management personnel are those having authority for planning, directing and controlling the Company's activities, directly or indirectly, including Directors and the Executive management team.

A structural change was implemented during the reporting period and hence the prior period comparatives also include roles such as Property Services Manager and Housing Services Manager.

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Key management personnel compensation	753,098 =====	920,425 =====

**WOMEN'S HOUSING COMPANY LIMITED**

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**NOTES TO AND FORMING PART OF THE FINANCIAL  
REPORT FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 26 – INFORMATION RELATED TO FUNDRAISING DISCLOSED IN ACCORDANCE WITH THE  
CHARITABLE FUNDRAISING REGULATION 2021 (NSW)**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Gross donations from fundraising appeals	65,875	83,597
Less: direct costs of fundraising appeals	(971)	(266)
	-----	-----
Net surplus obtained from fundraising appeals	64,904	83,331
	=====	=====

The net surplus is applied to the charitable purposes of the Company including tenant support projects.