



# Aboriginal Housing Office Annual Report 2020-21

Our vision is to ensure every Aboriginal person  
in NSW has equal access to and choice in,  
affordable housing.





## Acknowledgement

The Aboriginal Housing Office proudly acknowledges our First Peoples and their ongoing strength in practising the world's oldest living culture.

We acknowledge the traditional custodians of the lands and waters on which we live and work and pay our respects to their Elders past, present and emerging.

From time immemorial Traditional Owners have practised their laws, customs and languages, and nurtured Country by drawing upon cultural knowledge, and through their spiritual and material connections to land, water and resources, and they continue to do so to this day.

Through the strength, resilience and pride of Aboriginal Peoples; their cultures, communities and economies, continue to grow and thrive.

*Where the term 'Aboriginal' is used it refers to both Aboriginal and Torres Strait Islander people. Indigenous is retained when it is part of the title of a report, program or quotation.*

### **Aboriginal Art**

Artwork by Saretta Fielding  
Banto Artwork

### **Cultural design assets**

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### **Annual report design**

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## Letter of Submission

19 October 2021

The Hon Melinda Pavey MP  
Minister for Water, Property and Housing  
52 Martin Place  
SYDNEY NSW 2000

Dear Minister,

Under section 12A of the *Annual Reports (Statutory Bodies) Act 1984*, I have the pleasure in submitting for the information of members this report of the activities of the Aboriginal Housing Office for the year ended 30 June 2021.

Following the tabling of this report in Parliament, it will be available for public access from the NSW Government's OpenGov NSW website, [www.opengov.nsw.gov.au](http://www.opengov.nsw.gov.au)

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Jody Broun'.

Jody Broun  
Chief Executive | Aboriginal Housing Office  
Group Deputy Secretary | Aboriginal Strategy & Outcomes  
Department of Planning, Industry and Environment

Encl: Aboriginal Housing Office Annual Report 2020-21



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Grants helping Aboriginal families realise their home ownership dreams

# AHO Board Chair Robynne Quiggin

In these difficult and uncertain times, the AHO Board is enormously proud of the Aboriginal Housing Office (AHO) leadership and staff, as they continued their work, delivering on our vision to provide culturally appropriate homes and wrap around services to Aboriginal people throughout NSW. Adapting quickly to changing conditions, implementing COVID safe practices, contributing to community needs and government responses locally and across the state, managing working from home, with all its ups and downs, is an exceptional achievement under the circumstances.

This year saw further positive outcomes for Aboriginal people through the AHO's Strong Families Strong Communities program — a 10-year approach to the delivery of the Aboriginal Housing Strategy through housing solutions based on evidence for social and affordable housing. Our approach is holistic — building 82 new and sustainable homes, supporting 17 families to home ownership, and supporting 18 Aboriginal Community Housing Providers to registration in 2020-21.

The feedback from Aboriginal communities through the *What We Heard* consultations continues to be implemented through community-led solutions. These include pilot demonstration sites and co-led design work along with the transfer of property management from government organisations to Aboriginal Community Housing Providers. We are also maximising opportunities to continue our presence in inner Sydney as we know our tenants have strong connections to family, friends, employment and education in these areas.

One of our most important achievements this year is the revitalisation of our connection with members of the Regional Aboriginal Housing Committees (RAHC's). RAHCs have a critical role in our work, providing important housing expertise to the AHO staff and Board, and identifying needs between and within regions by drawing on lived experience and local knowledge. In the previous year we had undertaken a recruitment process to refresh Committee membership, and during a short window in metropolitan and regional lockdowns, we were able to convene our first meeting in some time. Our shared commitment will once again strengthen the AHO's approach and delivery of housing to Aboriginal people across the state. On behalf of the AHO Board I extend our thanks to new and returning RAHC members and look forward to working closely together in the coming years.



The AHO is — evidenced by its positive staff survey results — a unique workplace bringing together a broad group of employees from the Aboriginal community, corporate and government sectors who are united by their commitment purpose to safer, more secure, culturally appropriate housing as the foundation for individual, family, community aspirations. We recognise the excellent work of the staff as they collaborate across the sector, and government departments on many important matters.

The AHO Board is constituted by Aboriginal members based on skills and capacity to bring a cultural lens to governance and the work of the AHO. Our statutory function is to provide advice to the Minister, and we also bring our knowledge and expertise to the staff of the AHO.

The Board looks forward to returning to face to face meetings with the staff, the RAHCs, and our partners in Sydney and the regions as soon as it is safe to do so.



# Jody Broun

## Chief Executive

### Foreword

The Aboriginal Housing Office (AHO) continues to expand its vital work in providing equal access to and choice in affordable housing by placing Aboriginal culture at the centre of our work. For Aboriginal people, a home is more than just bricks and mortar. It is a sanctuary that provides a space for belonging.

As I reflect on the past year, I am especially proud of the incredible agility of our organisation in continuing to deliver improved housing outcomes for our communities by pivoting swiftly in response to an unpredictable COVID-19 environment.

Additional stimulus investment from the NSW Government has contributed to the delivery of new homes and upgrades to our existing homes. This expansion in housing development has meant more local jobs for Aboriginal people. Not only have these employment opportunities provided people with a source of income, but they have also given people lifelong and portable skills.

Our Services Our Way program expanded its vital frontline, Aboriginal-led, case co-ordination services in the areas of health, community, education, justice and housing. This initiative has led to sustained tenancies and improved wellbeing for many Aboriginal people.

The AHO's innovative approach to supporting tenant wellbeing is evidenced in the delivery of 900 hydro-panels across AHO homes in several regional towns ensuring a supply of in-home pure drinking water, especially valuable in times of drought. This initiative earned the AHO the 2020 NSW Premier's Award for Well Connected Communities with Quality Local Environments.

The Closing the Gap Priority Reform — building the community-controlled sector — is an AHO focus, and we have made strong progress in increasing our engagement with our Aboriginal Community Housing Providers.

This year sector representatives came together twice to discuss capacity and capability building in the areas of tenancy management and property maintenance. These 'sector visioning workshops' resulted in stronger Growth Provider and Sector Reform partnerships. The AHO's partnerships with the Aboriginal Community Housing Industry Association NSW and the NSW Local Aboriginal Land Council are critical to the sustainability and growth of the sector. These partnerships drive positive tenant outcomes and a strong community-controlled sector.



The AHO Home Ownership Options program was officially launched this year and signified a major milestone. This program enables Aboriginal people across NSW to access financial education and support services to begin and complete the journey to home ownership. It supports Aboriginal people in breaking inter-generational cycles of social housing tenancy.

In May we held the AHO Staff Forum — an important opportunity for our staff to come together face-to-face from across the state. We celebrated our successes and enjoyed sharing in Aboriginal cultural experiences.

I would like to acknowledge the connected government approach that supports the work of the AHO. The Department of Planning, Industry and Environment (DPIE) and the Housing and Property Group support and guide our work. We are able to maintain our unique identity within this system, which drives our success.

This connectedness has been assisted greatly through the move of AHO's head office into the Department of Planning, Industry and Environment building in Parramatta. We now share a floor with our colleagues in Roads to Home, the Aboriginal Strategy and Outcomes team and the Housing and Property Group.

I would like to thank the AHO Board for its conversations and support that enable our organisation to broaden our reach and continue to support Aboriginal communities to grow and prosper.

While it has been a difficult and unpredictable year, the AHO has continued to deliver excellence in our services to the Aboriginal community. I have been enormously proud to lead such a committed and professional organisation, that strives to work respectfully and in partnership with communities, families and organisations.

It is my pleasure to endorse the Aboriginal Housing Office Annual Report 2020-2021.



# Aboriginal Housing Office Board

The AHO is governed by a Board made up entirely of Aboriginal people, which provides advice to the Minister for Water, Property and Housing on Aboriginal housing issues in NSW.



**Pictured (L-R):** Robynne Quiggin (Chair), Neva Collings, Beverley Manton, Craig Taylor, Joshua Gilbert, Jody Broun, Mayrah Sonter, Suzanne Ingram, Craig Kerlake. Unavailable on the day was Damien Barnes (pictured).



## Board Appointments

Member	Term of Appointment
Robynne Quiggin	16 September 2019–15 September 2021
Damien Bidjara-Barnes	16 September 2019–15 September 2021
Joshua Gilbert	2 September 2019–15 September 2021
Suzanne Ingram	15 June 2020–14 June 2022
Craig Kerlake	16 September 2019–15 September 2021
Beverley Manton	21 June 2020–20 June 2022
Craig Taylor	21 June 2020–20 June 2022
Mayrah Sonter	16 September 2019–15 September 2021
Neva Collings	16 September 2019–15 September 2021

## Board Meeting Frequency

For the year ended 30 June 2021 the AHO Board met on the following dates:

- 2 July 2020
- 6 August 2020
- 18 September 2020
- 29 September 2020
- 8 October 2020
- 2 November 2020
- 16 November 2020
- 10 December 2020
- 4 March 2021
- 12 March 2021
- 7 May 2021

### Board Attendance Record 2020-2021

Member	Eligible to Attend	Attended
Robynne Quiggin	11	11
Damien Bidjara-Barnes	11	8
Joshua Gilbert	11	8
Suzanne Ingram	6*	4
Craig Kerslake	11	8
Beverley Manton	11	10
Craig Taylor	11	9
Mayrah Sonter	11	7
Neva Collings	11	10
Jody Broun (CE, Ex Officio)	11	10

\*Member Ingram was granted a Ministerial leave of absence from attendance of meetings from September to November 2020







# Regional Aboriginal Housing Committees

Each region of the AHO is represented by a Regional Aboriginal Housing Committee (RAHC). These regions include Northern, Sydney, South-East and Western. The RAHCs advise the AHO Board on issues associated with housing for Aboriginal people and carry out functions delegated to them by the Board.

The RAHCs support the goal of the AHO Board by: drawing on local knowledge; monitoring program delivery; providing an effective means for reporting to local Aboriginal communities; linking with other relevant agencies; and identifying differing needs between and within regions.

## Aboriginal Housing Office Regions



### Northern Region Regional Aboriginal Housing Committee

- Jane Bender
- Kevin McKenny
- Leon Anderson
- Robert Russell
- Roxanne Smith
- Veronica Walford

### Western Region Regional Aboriginal Housing Committee

- Allan Lamb
- Cory Paulson
- Lesly Ryan
- Patricia Morris

### Sydney South East Region Regional Aboriginal Housing Committee

- Adell Hyslop
- Alison Croall
- Cheryl Moreton
- Jim Allen
- Mandy Edwards
- Narelle Lyons



# Aboriginal Housing Office Management Structure



**Jody Broun**  
Chief Executive and Group Deputy  
Secretary Aboriginal Strategy and Outcomes



**Nattie Smith**  
Director  
Policy & Evidence



**Robert Macfarlane**  
Director  
Sector Investment  
& Development



**Simon Newport**  
Director  
Property & Finance



**Famey Williams**  
Director  
Housing &  
Client Services



**Indu Balachandran**  
Director  
Strategic Support

## The AHO is comprised of the following five portfolio areas:

**Policy and Evidence:** strategic and operational decision making through effective policy, program development, data and analysis, and direct delivery to Aboriginal people, families and communities that enhances their lives

**Sector Investment and Development:** developing strategies, programs and investment initiatives designed to build the NSW Aboriginal housing sector for a sustainable future

**Property and Finance:** providing culturally appropriate housing, growth and maintenance of AHO's portfolio — new builds, upgrades, innovative construction methods and strategic financial management

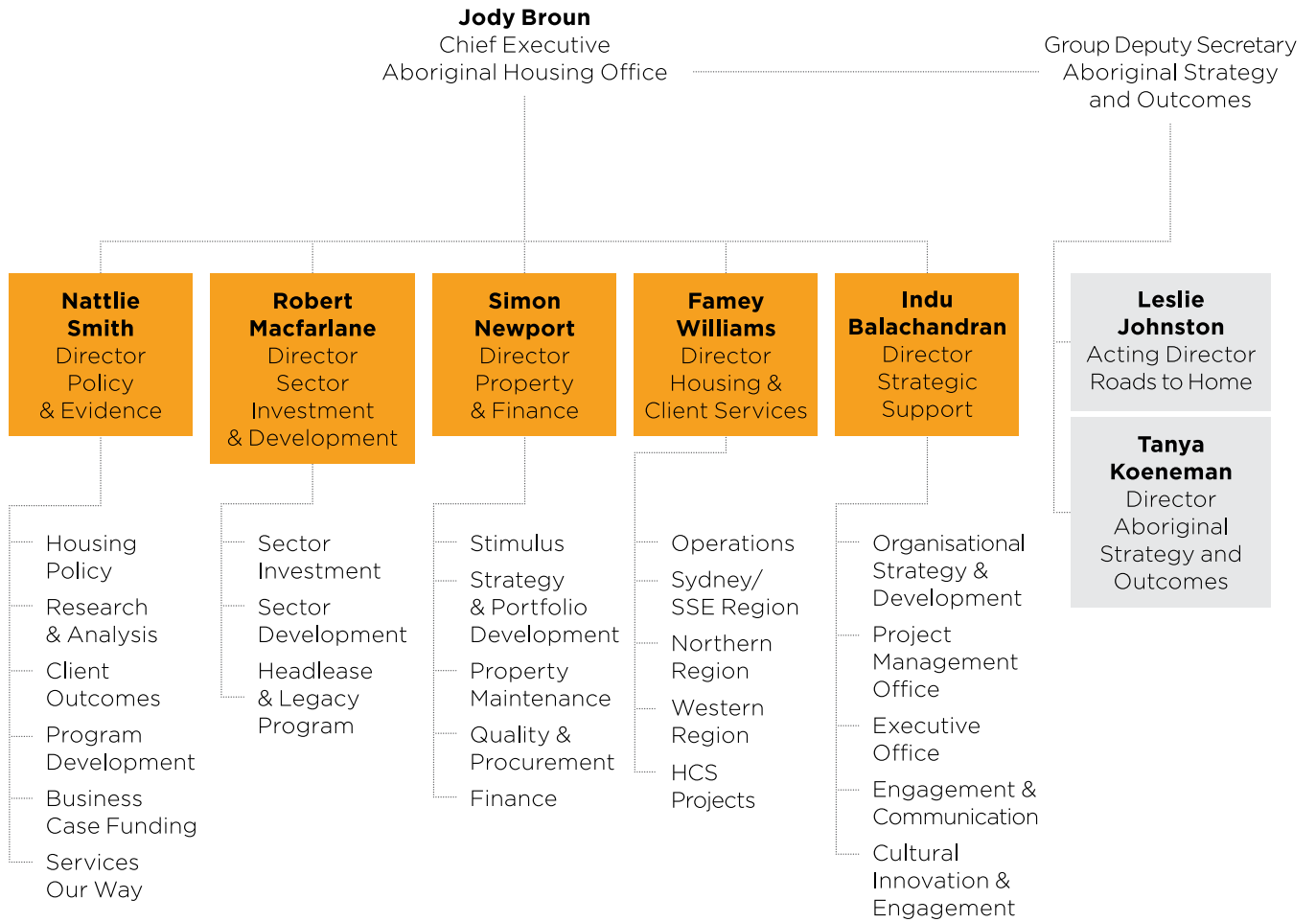
**Housing Client Services:** day-to-day operations of property and tenancy management to deliver culturally appropriate client experiences and housing solutions to support families and communities

**Strategic Support:** partnering to facilitate strategic planning, people strategy and development, communications, project and information management, cultural innovation, and executive support to internal and external stakeholders





# Organisational Overview





# Our Story

The AHO is a statutory body established under the *Aboriginal Housing Act 1998 (NSW)* to ensure that Aboriginal people have access to quality, affordable housing. The AHO delivers housing solely for Aboriginal people and is a key provider of Aboriginal-specific housing services.

## Under the Act, the AHO must:

**Ensure that the available supply of housing is shared equitably**

among Aboriginal people and Torres Strait Islanders who are most in need

**Ensure that housing is appropriate**

to the social and cultural requirements, living patterns and preferences of the Aboriginal people to whom it is provided

**Ensure that priority is given**

to Aboriginal and Torres Strait Islander people most in need

**Ensure that the AHO's housing programs and services**

are administered efficiently and in co-ordination with other programs and services that are provided to assist Aboriginal people and Torres Strait Islanders

**Increase the range of housing choices**

for Aboriginal and Torres Strait Islander people to reflect the diversity of individual and community needs

**Ensure that registered Aboriginal housing organisations are accountable,**

effective and skilled in the delivery of Aboriginal housing programs and services

**Ensure that Aboriginal people have access**

to quality, affordable housing

**Encourage the sustainable employment**

of Aboriginal and Torres Strait Islander people in the delivery of Aboriginal housing assistance

**Enhance the role of Aboriginal people**

in determining, developing and delivering policies and programs relating to Aboriginal housing

The AHO owns, funds and finances the delivery of culturally appropriate housing, and delivers other support services for Aboriginal people and families in remote, regional and metropolitan NSW with a portfolio of \$2.3 billion. In addition, the AHO manages and coordinates an annual capital works program, along with developing and implementing financial and resourcing strategies. The AHO owns 6,082 properties consisting of 5,870 homes and 212 vacant lots.

The AHO works in partnership with Aboriginal Community Housing Providers (ACHPs), general community housing providers and government agencies to provide stable housing for Aboriginal people and families.

# The Year in Numbers

Working in partnership with Aboriginal communities, against the backdrop of a global pandemic, the AHO has continued to meet and exceed ambitious delivery targets. The AHO has improved the lives of Aboriginal people across NSW by achieving the following in 2021-22:



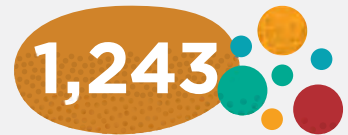
**of the most vulnerable Aboriginal people** and families were supported by the Services Our Way program.



**Aboriginal families** were supported to own their own home.



**Tertiary Accommodation Grants** were provided to Aboriginal students, supporting them to complete their qualifications.



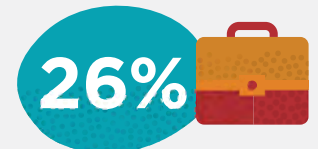
**jobs were created** through current projects, including 317 jobs for Aboriginal people.



**ACHPs** were supported to accredited registration.



**new culturally appropriate homes** have been built for Aboriginal people and families.



**of people employed** in the construction of our homes were Aboriginal, deepening our social and economic impact.



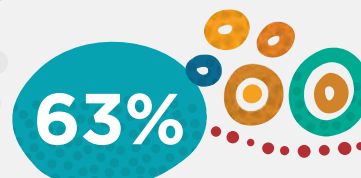
**of our total procurement** was from Aboriginal and Torres Strait Islander businesses, broadening economic value.



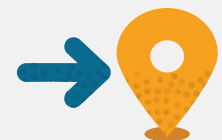
**solar panels were installed** reducing energy bills for Aboriginal families.



**was allocated to 65 community projects** through the Aboriginal Community Housing Investment Fund.



**of our staff are Aboriginal**, strengthening the impact of our work.



**Our move to new offices** at 4 Parramatta Square strengthened our relationships with colleagues in government.



**AHO homes were upgraded** to improve living standards and wellbeing for tenants.



**social media engagements** were made with a reach of 1.2 million, deepening community engagement.

# Aboriginal Housing: The Backdrop

The AHO recognises that secure, affordable housing is an important way to address disadvantage and provide Aboriginal people, families and communities with a safety net. Aboriginal people are best placed to design and deliver solutions that work for them. Aboriginal people are also best placed to design supports and services that meet their cultural needs. When solutions are identified by Aboriginal people and their cultural needs are met, better outcomes can be achieved. These outcomes may mean different things to different people. They may mean gaining an educational qualification, achieving a financial goal, starting or expanding a family, spending time caring for Country, or gaining an employment promotion. One-size-fits-all mainstream services cannot serve this purpose.

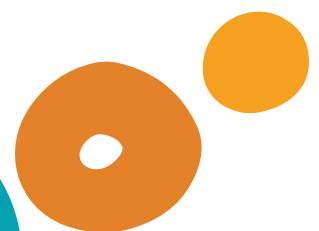
The AHO works with the Aboriginal housing sector to provide housing that meets Aboriginal people's specific needs. Through our Asset Strategy and the Aboriginal Community Housing Investment Fund, we are improving the options available for people when choosing housing and the quality of housing. In doing so, the AHO is increasing the proportion of Aboriginal families who live in secure and appropriately sized housing. We are also supporting students to complete qualifications, creating employment and business opportunities for Aboriginal people, and encouraging home ownership at scale so there is less reliance on social housing in the long-run.

The AHO is able to deliver on its commitment due to our approach of genuine partnership with Aboriginal people, communities and organisations. Aboriginal culture is placed at the centre of all our work; informing not just what we do, but how we do it. We are leading the way in an Aboriginal-led co-design approach; centring Aboriginal voices and prioritising Aboriginal-led delivery for and by Aboriginal people.

We have had many successes, and we recognise that there is still work to do. Across NSW there are discrete communities where families live in overcrowded conditions. Remoteness presents challenges, both in terms of asset maintenance and a lack of access to many essential and social services. Aboriginal people also continue to be overrepresented in the homeless population. At the AHO we are confident that by continuing to work alongside Aboriginal communities on their terms, we will deliver significant improvements across these areas and more.

Strong Family, Strong Communities 2018-2028 (SFSC) is our ten-year strategy to address social housing issues experienced by Aboriginal people. This strategy outlines how we will provide Aboriginal people with more access to, and choice in, housing options. Through this strategy the AHO continues to advocate for, work with, and lead the Aboriginal housing sector; ensuring the voices, needs and aspirations of Aboriginal people, families and communities are the drivers of change.

The work that the AHO is undertaking also supports the National Agreement for Closing the Gap Outcome 9 (Housing) to reduce overcrowding and provide safe and affordable housing. These include the AHO's new housing supply, secondary dwelling and housing innovation programs which aim to provide housing that is aligned with the priorities and needs of Aboriginal people. The AHO is also participating in working groups to develop new and enhanced initiatives for the next NSW Implementation Plan for Closing the Gap.





# Strong Family, Strong Communities 2018-2028

Our ten-year housing strategy 'Strong Family, Strong Communities 2018-2028' (SFSC) is the result of an open and continuing conversation between the AHO, Aboriginal communities and the Aboriginal housing sector.

From an initial platform of the 2018 Ministers Round Table on Aboriginal Housing and our 'Listen and Yarn' state-wide engagement, activity under SFSC continues to be guided by Aboriginal stakeholders through robust and respectful engagement mechanisms. These engagement mechanisms include: sector visioning workshops; working with regional Aboriginal housing committees; undertaking regular tenant surveys; and maintaining an active role in supporting local decision making across NSW.

Stable housing for Aboriginal people has far-reaching impact. It supports positive outcomes in health, education and employment. SFSC recognises this, and it is reflected in our four inter-connected strategic pillars that inform our work.

- Housing Solutions**  Delivering housing solutions with Aboriginal families based on demand for social and affordable housing.
- Client Outcomes**  Achieving better outcomes with Aboriginal tenants and clients through partnerships with Aboriginal organisations, human services agencies, and by creating study, work and business opportunities.
- Growing the Sector**  Strengthening and growing ACHP through sector investment, regulation and the transfer of housing and property management.
- Data and Evidence**  Improving data collection, evaluation and analysis to plan and invest in the future.



To ensure we keep culture at the centre of everything we do, we are guided by the AHO Engagement Framework. Our Engagement Framework encompasses four engagement commitments. Applying these commitments keeps us accountable to the communities we serve, and ensures we deliver what we promise.

Our employee-led Aboriginal Cultural Reference Group supports us to centre culture and ensure our business is respectful, appropriate and responsive to Aboriginal people, families and communities.





# Pillar 1: Housing Solutions

**Delivering housing solutions with Aboriginal families based on demand for social and affordable housing.**



New AHO homes in western NSW

The AHO built and delivered 82 homes in 2020-21 for Aboriginal families. In addition, we upgraded 1,770 of our existing homes, making them more liveable and comfortable. Construction of an additional 52 homes has commenced.

We were successful in attracting \$212 million of stimulus investment to counter the economic shock associated with the COVID-19 pandemic. The funding demonstrates AHO's readiness to act in having shovel-ready projects. It also shows our agility to respond to opportunities that match community need. The funding will support delivery of residential construction and maintenance upgrades over four years. Stimulus funds support the local construction industry, as well as a broad range of associated trades, across a range of regions. There is significant alignment between the project locations selected and those impacted by the recent bushfires and drought affected parts of NSW.

Our Innovation Project is of particular note – 10 homes were constructed off-site using new materials designed to make the homes more comfortable for Aboriginal families.



New homes for Elders in remote NSW





Pre-fabricated home delivered to Central Coast

The AHO is committed to generating broader economic benefit to Aboriginal communities through procurement. Of the people employed to construct homes, 26% were Aboriginal which exceeded our target of 20%. Of the services and products that the AHO procured, 8% were from businesses owned by Aboriginal people in 2020-21, well above the commonplace targets of 3% and the AHO's target of 5%. We are proud that 51% of all construction contracts were awarded to Aboriginal contractors in 2020-21.

All new homes built by the AHO included air-conditioning and solar power as a standard. Solar panels have been delivered to 3,931 Aboriginal families since the inception of AHO and 835 delivered in 2020-21. We committed to installing solar panels in two thirds of our homes by the end of 2022, however we expect to have all homes fitted with solar panels by June 2022 which means we will significantly exceed our targets. Beyond a comfortable home, this generates economic value for tenants. The AHO's Solar Two Program Evaluation confirmed this as an effective program for reducing energy bill stress within Aboriginal social housing communities with some tenants saving approximately \$800 per year.



All new homes include air-conditioning and solar power



## Employment: Building with Community

**When we build in true partnership with Aboriginal communities, organisations and businesses, every single home produces a ripple effect of investment and growth for local Mob.**

Our recent new build of three homes in Moree is a prime example. Each home was co-designed with a local Aboriginal working group to ensure the homes fitted the needs of community. One 4-bedroom home was designed for multi-generation families, while the two others were 3-bedroom homes that featured generous open plan kitchens, dining and living spaces and outdoor decks.

Our Aboriginal-owned building contractor, Aboriginal Sustainable Homes, supported 19 Aboriginal people on the project through employment, contracting and training in painting, plastering, plumbing, carpentry and roofing. Managing Director of Aboriginal Sustainable Homes, Brad Draper, had this to say about the project, 'It has been a pleasure working with your team, they have true vision as to what the future of building in Australia will be, coupled with the employment, training and social outcomes that have been achieved on these projects.'

The three homes were handed over to our ACHP, Gunida Gunyah Aboriginal Corporation (Gunida Gunya), early in the new financial year ready to be let to Aboriginal families. At the handover, local Gomerioi community Elder, Lloyd Munro, spoke with Brad Draper about the impact of the build saying, 'You've given our young blokes an opportunity, I know the young folks really love what they're doing, they love working up there with you and staff, I hear a lot of that around town coming back from community.'



The AHO has provided substantial employment opportunities for Aboriginal people



Examples of the standard of work the AHO provides



The AHO Home Ownership program supported 17 Aboriginal families to own their own home this financial year. The program assists potential

homeowners by providing advice, education, and targeted grants. These grants can be put towards legal costs and home loan deposits.

## Jack's Home Ownership Journey

**AHO's Home Ownership program recognises how critical advice and encouragement, alongside grants, supports Aboriginal people. The program also understands that home ownership is a journey.**

Jack is a proud Gamilaraay man from Gamilaraay Country, born and raised in Coonabarabran. He lost his mother when he was 11 years old and moved into his father's home, which was an AHO house. The house holds many memories for him and Jack took tenancy after his father passed away. As Jack says, 'It was from here that I had a springboard which allowed me, supported by the community in a significant way, to go out into the world and try things. It was in this house that I fell in love with opera and took on the challenge of becoming an opera singer.'

Jack went on to study at the Sydney Conservatorium, but he has always returned to his house which was central to his achievements.

Jack started to think about how he could retain his connection to his house and decided he would explore purchasing options. A large part of Jack's journey was getting good advice as he would be the first home-owner in his family. He spoke to friends who owned homes, and also to the staff at AHO. He was made aware of the grants that were available under the Home Ownership Options scheme. The grants, advice and support were all crucial in Jack securing ownership of his home.





## Pillar 2: Client Outcomes

**Achieving better outcomes with Aboriginal tenants and clients through partnerships with Aboriginal organisations, human services agencies, and by creating study, work and business opportunities**



Our commitment to an Aboriginal-led co-design approach is typified by the Leading Community Demonstration Sites (LCDS) and Client Experience Initiatives.

The LCDS pilot projects focus on improving housing need while addressing at least one social issue. The LCDS have been developed through an extensive Aboriginal-led co-design approach with Coffs Harbour Aboriginal Family Community Care Centre Inc. (Abcare) and Gunida Gunyah.



Abcare has developed a service to support vulnerable Aboriginal young people transitioning from out-of-home care to independent living. Participants will be supported while pursuing their learning and employment goals. The pilot project will launch in the 2021-22 financial year.

Gunida Gunyah focuses on transitional housing with a more holistic approach; factoring in comprehensive social wellbeing to support Aboriginal people, including a community hub. The project works with cohorts who require support to resolve their housing needs so they can enjoy sustained tenancy.

The Client Experience Initiatives are designed around improving a certain housing element which has a positive outcome for Aboriginal people, families and communities. These include the Ngalawi Housing Cooperative Community Kitchen Garden and the Orange Aboriginal Medical Service Revitalisation of Marang Gunya Community Hub.

Last financial year the AHO delivered 44 Tertiary Accommodation Grants to Aboriginal students studying at TAFE NSW and universities across NSW, helping young Aboriginal people realise their education ambitions.

The Services Our Way (SOW) program provides trauma-informed, culturally appropriate service coordination, support and capacity building for Aboriginal people and families experiencing vulnerability. It empowers them to improve their wellbeing and achieve their goals with a 100% Aboriginal frontline workforce. This financial year they supported 249 of the most vulnerable Aboriginal people and families in NSW.





## **Leading Community Demonstration Site — Gunida Gunyah Transitional Housing Program**

**The LCDS pilot project has been developed through extensive co-design with Gunida Gunyah, Department of community and Justice (DCJ), the AHO and PWC Indigenous Consulting. The pilot project will provide access to safe, secure and sustainable housing which is a critical element toward achieving self-determination for Aboriginal people and communities.**

As an established organisation, Gunida Gunyah recognises the importance of providing excellent housing services to the Aboriginal community in and around Gunnedah.

The pilot project will build upon the existing highly effective housing project to pilot the theory of transitional housing with a more holistic approach, factoring comprehensive social wellbeing support.

The aim of the pilot project is to support Aboriginal people in the regional township of Gunnedah (particularly cohorts who may require support to resolve their housing needs) and coupling this with holistic services to aid other social and economic challenges which may be impacting their quality of life. Gunida Gunyah is establishing a community hub to host, not only their own programs, but also mainstream programs. Gunida Gunyah aims to provide training opportunities for the local community of Gunnedah.



## **Bobby's Tertiary Grant story**

**The Tertiary Accommodation Grants program is an initiative under SFSC which supports Aboriginal and Torres Strait Islander people enrolled in tertiary study with grants of up to \$10,000 per student to offset the cost of living while they study. The grants support students in housing stress. Grants are available to students enrolled with participating universities and NSW TAFE.**

Bobby Fish is currently studying a Bachelor of Social Science at the University of Newcastle and was a recipient of the grant in 2020.

'This scholarship has shown that, regardless of your background, there is someone out there who is listening to you and that is why I'm so privileged to have been a recipient of this scholarship more than anyone could ever be.'

Bobby has extensive family obligations and is committed to finishing his degree and providing stability to his family.





## Aesha's Story: Services Our Way

**The SOW program provides a critical connection between government and non-government services, and on-the-ground, practical support and skill development for vulnerable Aboriginal people and families with complex needs. The program stabilises tenancies and increases hope for the future.**

Aesha and her three-year-old son were homeless, couch surfing between Mum, Dad and friends. Aesha self-referred to SOW in February 2021. Aesha discussed her hopes for the future and developed a support plan with staff. This included a range of goals such as obtaining stability for her son through housing, finding a job, learning about financial management and getting support with her mental health.

Staff from the SOW team reached out to Link2home and secured temporary accommodation and food vouchers. This marked the beginning of Aesha's journey back to stability. Within six months, Aesha had her own home, her driver's license, a mental health plan, and was looking into various TAFE courses.

Today, Aesha says, 'At Services Our Way instead of telling us what we need to get done, they help us achieve the things that we want in our plans... if Services Our Way didn't help me, I'd still be couch-surfing with my son.'





# Pillar 3: Growing the Sector

## Strengthening and growing ACHPs through sector investment, regulation and the transfer of housing and property management

As at 30 June 2020 there were 198 Aboriginal Community Housing Providers (ACHPs) in NSW who managed 5,011 properties, representing 3% of the total social housing stock in the state.

A strong and viable ACHP sector is critical to delivering on the tenant improvements as identified in the SFSC strategy. ACHPs build on local knowledges to deliver critical support in their communities and the AHO is setting up Aboriginal people and communities for success and helping them to thrive.

In recognition of this aim, the AHO formalised a collaborative partnership with the Aboriginal Community Housing Industry Association (ACHIA) and NSW Aboriginal Land Council (NSWALC) to establish the Sector Reform Steering Committee. The partners of this committee co-designed and launched sector visioning workshops with the broader sector; one held virtually and one held face-to-face in 2020-21. The events were highly successful in determining the priority areas for the sector and considering long-term needs in defining future housing targets, registration and consolidation, and future subsidy arrangements.

In 2020-21 the AHO Growth Provider network increased from 15 to 28 ACHPs. Growth Providers are suitable ACHPs who are looking to 'grow' and are ready to work in partnership with the AHO. These providers may be eligible for future property management transfers and funding and support opportunities. The AHO is committed to encouraging ACHPs to grow and strengthen their capabilities so AHO properties can be managed by organisations with a strong cultural understanding of Aboriginal communities and their needs.

The Aboriginal Community Housing Investment Fund program has allocated \$50 million to 65 community projects to deliver better housing outcomes for Aboriginal people across NSW. Works have already commenced on many of the projects. \$13.9 million has been paid to recipients as at 30 June 2021.

A significant milestone in sector development was marked this year when the AHO announced that the transfer of 1,500 tenant and property management arrangements to ACHPs will be completed by June 2022.



Three NSW housing leads NSWALC, AHO, ACHIA

As part of strengthening the sector, 18 ACHPs were supported to attain registration under the National Regulatory System for Community Housing or the NSW Local Scheme, including four Local Aboriginal Land Councils.



- 1 **Defined housing supply targets** – for both new and transferred supply
- 2 **Sector consolidation and registration requirements**
- 3 **Sustainable future subsidy arrangements**
- 4 **Title and property management transfers**
- 5 **Backlog R&M** – backlog and supporting processes for ongoing effective management
- 6 **Strategy for former missions and reserves** and discrete communities
- 7 **Rent policy and collection processes** to support provider viability
- 8 **Workforce development** and employment opportunities
- 9 **Co-ordinated Regional Development** and Investment
- 10 **Increased Home Ownership** Opportunities

Proudly supported by:





## Growing the Aboriginal Community Housing Sector

**Growing the Sector is critical to meeting the housing needs of Aboriginal people in NSW. A huge opportunity exists in significantly increasing the number of properties that are managed by the Aboriginal community housing sector. We know that Aboriginal tenants and their communities experience greater benefit and satisfaction with culturally appropriate housing management.**

This is why it was such a major milestone when the AHO announced that we would undertake 1,500 property management transfers to ACHPs by June 2022. This means that more Aboriginal tenants now have the benefit of their property being managed by an Aboriginal organisation, helping to ensure their cultural and social preferences are met. We know that ACHPs deliver critical support in their communities and we want to set them up for success and see their Aboriginal tenants thrive.



# Pillar 4: Data and Evidence

## Improving data collection, analysis and evaluation, and better reporting to plan and invest in the future

In 2020-21 the AHO has formed the Aboriginal Research and Knowledge Advisory Group which includes Aboriginal academics and community knowledge representatives from across NSW. In 2020-21 the group reviewed a selection of projects currently underway, including: a proposal to validate the NSW Human Services Outcomes Framework with Aboriginal communities; a tool for assessing how well AHO is implementing Aboriginal-led co-design processes; an evaluation of the SOW program; and the introduction of an Aboriginal research intern program.

### Aboriginal Research and Knowledge Advisory Group

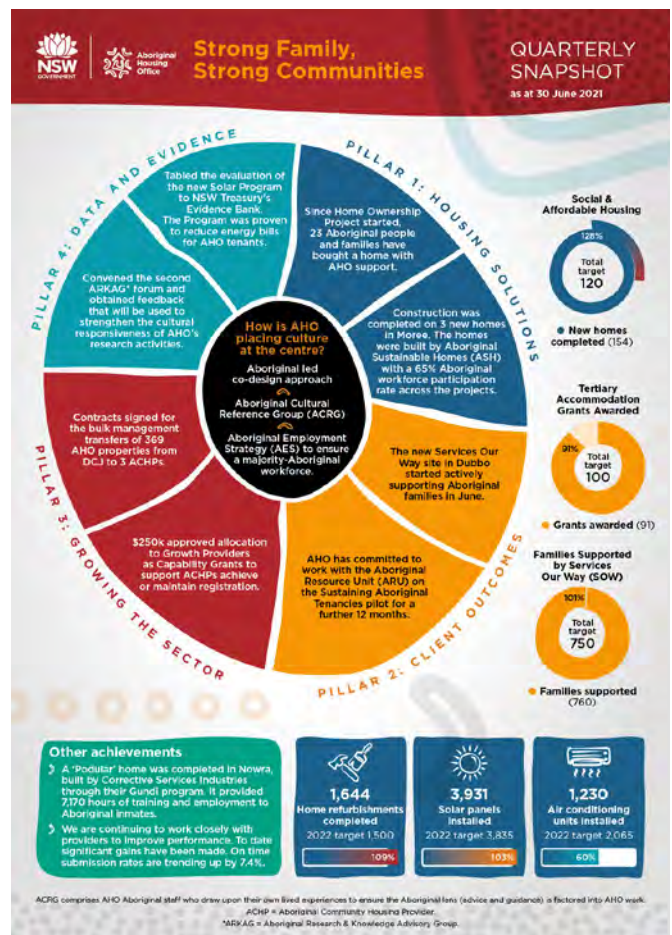
- Professor Kathleen Clapham, Ngarruwan Ngadju, First Peoples Health and Wellbeing Research Centre, University of Wollongong
- Industry Professor Lindon Coombes, Jumbunna Institute for Indigenous Education and Research, University of Technology, Sydney
- Professor Gawaian Bodkin-Andrews, Director, Indigenous Research, Western Sydney University
- Dr Michael Doyle, Senior Research Fellow, Central Clinical School, University of Sydney
- Rebecca Simon, Community Development Worker, City of Wollongong
- Alistair Ferguson, Executive Director Maranguka, Bourke
- Alison Croall, Housing Manager Tharawal Aboriginal Corporation
- Kelly Stronell, Senior Project Manager, NSWALC Housing Ltd.

The AHO surveyed ACHPs in April 2021, and this survey provided valuable insights into providers' perceptions of the AHO, particularly around cultural responsiveness and satisfaction with reporting and data-capture systems. The survey demonstrated that 94% of providers are satisfied with the AHO.

The AHO also commissioned the Solar Two Program Evaluation which showed an effective program for reducing energy bill stress within Aboriginal social housing communities. This evaluation found that some tenants save approximately \$800 per year. This high-quality evaluation was suitable for submission to the NSW Treasury Evidence Bank.

The AHO launched its data visualisation program and developed a range of visual dashboards including the SFSC snapshot, AHO dwellings dashboard and SOW program dashboards.

Beyond our direct work under the SFSC strategy, the AHO has a clear role in advocating for Aboriginal people and the Aboriginal housing sector. By using and sharing our platforms we centre and amplify the voices of Aboriginal people and connect wider government to community. From *Housing 2041: NSW Housing Strategy* to the recent Parliamentary Inquiry into options to improve access to existing and alternate accommodation to address the social housing shortage, the AHO has provided context, data and narrative to ensure the experience of Aboriginal people in NSW is reflected in Government decision making.



Strong Family, Strong Community Dashboard



# Strong Family, Strong Communities Implementation

SFSC will be delivered in phases. The first phase is described in the Implementation Plan 2019-2022. Our progress as at June 2021 is presented below, tracking well to full implementation by June 2022.

## Housing Solutions

Refurbish 1,500 AHO homes		<b>1,644 homes refurbished</b>
Deliver 120 new social and affordable houses for Aboriginal families		<b>154 delivered</b>
65% of AHO houses will have solar power		<b>3,931 homes completed (109% of original target)</b>
35% of AHO houses will have air conditioning		<b>1,230 homes completed (60% of original target)</b>
Review the AHO's asset portfolio and work with sector peaks to co-design solutions to the review		<b>Completed</b>
100 new Home Ownership opportunities		<b>23 families supported</b>
Improve how our tenants access repairs and maintenance		<b>Ongoing</b>
Co-design an Aboriginal Community Housing Innovation Fund with \$250,000 investment for FY2019-20		<b>\$50 million first round of grants awarded</b>
Improve how we communicate with tenants and providers		<b>Virtual presence revitalised with new website and 1.2 million social media reach</b>
Pursue investment avenues to contribute to new social and affordable housing		<b>Attracted \$212m in stimulus funding to be delivered over 4 years</b>
Increase access to and uptake of private rent products		<b>N/A – Affiliated to former cluster agency DCJ</b>

## Client Outcomes

Support more than 750 families a year by delivering Services Our Way across Penrith, Nowra, Tamworth and Armidale		<b>760 families supported</b>
Co-design and co-deliver one leading community demonstration site to sustain tenancies by commissioning a culturally appropriate wrap-around service provider in partnership with other government stakeholders		<b>2 demonstration sites – Abcare (Coffs Harbour) and Gunida Gunyah (Gunnedah) 2 Client Experience sites established – Orange and Petersham</b>
Deliver 100 tertiary grants for Aboriginal people		<b>91 grant recipients</b>
Fund 14 Apprenticeships for the construction industry		<b>5 apprenticeships funded</b>
Support economic prosperity and require businesses we invest in to meet at least 20% Aboriginal employment		<b>26% participation</b>
Continue to fund the Tenant Support and Education Program for 2 years in remote NSW		<b>53% active clients have reduced rental arrears</b>
Improve and simplify the housing application process for Aboriginal people		<b>N/A Affiliated to former cluster agency DCJ</b>



**Growing the Sector**

Develop Aboriginal housing management tools and resources so Aboriginal tenants receive culturally appropriate services from quality providers



**Complete through the Sector Investment Plan tool and resource kit**

Fund the ACHIA to expand



**Funded**

Access to Regulation for Aboriginal housing sector



**22 ACHPs registered**

IT enhancement grants for Aboriginal housing providers



**11 ACHPs claimed grants**

Transfer tenancy and property management of up to 1,500 AHO homes to ACHPs to build sector scale



**Contracts signed for 369 properties**

Review the current level of subsidy that delivers improved tenancy management



**High Costs Community Support Payments Being Piloted**

Expand Tenant Support and Education Grants to reduce rent arrears and sustain tenancies



**N/A Affiliated to former cluster agency DCJ**

**Data and Evidence**

Design and release a Strong Family, Strong Communities Evaluation Framework for 2018-2022



**Published**

Establish an AHO Aboriginal Knowledge and Research Advisory Group in 2019



**Established**

Publish annual SFSC Scorecards to report on SFSC Implementation Plan progress



**Published**

Issue annual ACHP Performance Scorecards to benchmark and provide feedback on performance



**Published**

Provide two research internships for Aboriginal postgraduate students

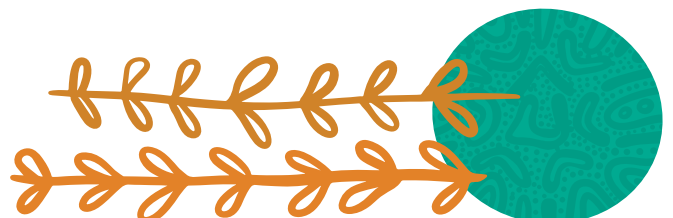


**Ongoing**

Share analysis and research results with Aboriginal tenants and families, the sector and other stakeholders each year



**Findings released**





# Local Decision Making

Local Decision Making is a key initiative of OCHRE, the NSW Government's community-focused plan for fundamental and positive change in the relationship between government and Aboriginal communities in NSW.

The AHO has taken a lead in partnering with Local Decision Making bodies who have identified housing as a priority for their communities.

**1.** The AHO is the lead for the NSW Government in the partnership with the Three Rivers Regional Assembly (TRRA). AHO, in partnership with TRRA and the Department of Communities and Justice (DCJ), consulted Aboriginal communities across the TRRA footprint to understand: the nature of housing needs; areas of improvement; and the actions that can be implemented to improve outcomes. All input from community will inform the development of a TRRA Regional Housing Strategy that meets the needs of the Aboriginal community into the future.

**2.** The AHO is a member of the Murdi Paaki Regional Aboriginal Housing Leadership Assembly, a partnership between the Murdi Paaki Regional Assembly and the NSW Government with responsibility for identifying and implementing actions as a joint policy-setting body to deliver against a set of strategies aligned to social housing objectives.

**3.** The AHO has engaged with negotiations with the Riverina Murray Regional Alliance (RMRA) along with other NSW Government agencies to develop an accord for the RMRA and the Aboriginal communities across the Riverina Murray region.



Housing Client Services working with community partners





# Responding to COVID-19

The AHO has been led by the guiding principle of 'keep our Mob safe' in our approach to addressing the impacts of the COVID-19 pandemic. We have taken steps that prioritise the wellbeing of our staff, tenants and communities.

## Our Staff

The AHO has managed our work environment to safeguard against exposure to the virus. The AHO transitioned its workforce to an online environment with minimal interruption to our work. Staff were provided with: equipment and resources; instructions on accessing systems; and step-by-step guides to ensure we remained connected and had the tools to do our jobs.

Regular communication to staff and wellbeing initiatives focused on support for mental and physical health and wellbeing.

## Our Tenants

The AHO has prioritised essential services to maintain engagement with our tenants and providers. Community-based teams, such as our SOW team, continued their outreach to people who were especially challenged during the pandemic. AHO also facilitated a holistic approach when connecting families to wrap-around support services and health support to those in need.

In response to health risks posed by COVID-19, the AHO undertook a range of measures to assist with health and safety. This included forensic cleaning of any property where a resident had tested positive. Our project managers have ensured that COVID-safe measures were, and continue to be, detailed and adhered to in Safe Work Method Statements for all construction sites.

New questions have been incorporated into AHO surveys that measure the impacts of the COVID-19 pandemic on Aboriginal communities and organisations.

## Our Communities

The AHO channels have actively promoted Aboriginal community health messaging and updates to keep community safe. Our COVID-19 communications included: videos of local ambassadors with health and vaccination messaging; sharing NSW Health messages and resources for consistent and correct messaging; a social media tile to use in profile pictures when fully vaccinated; supply of masks to housing providers to distribute to tenants for protection; and a fact sheet for tips to stay safe.



Community vaccination



# Research and Development

To achieve the best possible outcomes for Aboriginal people, families and communities across NSW, the AHO's work is founded on evidence-based decision making. Guided by principles of self-determination and self-management for Aboriginal people, the AHO works to enhance data collection, evaluation and analysis. We ensure that our planning is robust and resources are targeted where they are needed most. The AHO promotes a culture of research that is relevant to Aboriginal people and communities, and serves in their best interests.

Key functions of our research and analysis work include:

- Research: needs analysis, exploratory research, surveys, modelling and forecasting to inform service planning and delivery
- Evaluation: identification of program outcomes to facilitate the shift of the NSW Government towards outcomes budgeting, development of data capture tools and systems, conducting and commissioning evaluations
- Data Analysis: provision and analysis of reliable and valid statistics to meet the immediate data needs of AHO.

As a data custodian for Aboriginal Community Housing, AHO has plays a principal ongoing role in disseminating and interpreting data and providing advice on Aboriginal housing in NSW. Throughout 2020-21, Research and Analysis participated in seven NSW-government and three national research and evaluation advisory groups and managed an estimated 300 data requests and research advisements including:

- Productivity Commission's Report on Government Services — Indigenous Community Housing and State-Owned and Managed Indigenous Housing (SOMIH)
- National Agreement on Closing the Gap — NSW Jurisdictional Implementation Plan — Outcome 9 (Housing)
- Human Services Data Set (HSDS), Linked Data Asset (LinDA) and the National Disability Data Set data linkage projects
- National Social Housing Survey (NSHS) Technical Working Group — member
- National Housing and Homelessness Data Working Group (HHDWG) — member
- National Community Housing Data Improvement Plan Working Group — member.

The AHO provides annual Indigenous community housing data to the Australian Government, as well as supporting the Department of Communities and Justice (DCJ) in the submission of, and providing, the state-owned and managed Aboriginal housing data. These data are published yearly in the Report on Government Services, and provide information on the equity, effectiveness and efficiency of government services in Australia.

Under Closing the Gap, the AHO is the state lead for Outcome 9 — Aboriginal and Torres Strait Islander people secure appropriate, affordable housing that is aligned with their priorities and need; and Target 9 — By 2031, an increase in the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized (not overcrowded) housing to 88%. The AHO is able to provide high quality data and research expertise to support our commitments under Closing the Gap.





# Workforce Statistics

## Number of AHO employees by employment category by year

Category	2020-2021 Headcount as at 30 June 2021
Permanent full-time	57
Permanent part-time	1
Temporary full-time	27
Contract-SES (Senior Executive Service)	6
Training positions (Graduate)	1
Retained staff	0
Casual staff	0
<b>Total</b>	<b>92</b>

**Source:** AHO establishment.

In accordance with the *Government Sector Employment (GSE) Act*, all Senior Executive employees are now subject to common Public Service Senior Executive (PSSE) employment contracts. Where staff are performing higher duties to fill a PSSE position and are not already a PSSE employee, these numbers are not included in this table as Senior Executive employees as they are still covered by their substantive conditions of employment while receiving a notional monetary value equivalent to a Senior Executive position.





# Workforce Diversity Data

## Trends in the representation of workforce diversity groups

Workforce diversity groups (percent)	Benchmark	2019	2020	2021
Women	50.0%	61.2%	58.2%	67.4%
Aboriginal Torres Strait Islander people	3.3%	59.6%	62.6%	63.0%
People whose first language spoken as a child was not English	23.2%	3.1%	7.3%	5.4%
People with a disability	5.6%	4.1%	2.6%	2.2%
People with a disability requiring work-related adjustment	N/A	0%	2.6%	1.1%

Workforce diversity groups (headcount)	Benchmark	2019	2020	2021
Women	50.0%	60	53	62
Aboriginal Torres Strait Islander people	3.3%	53	57	58
People whose first language spoken as a child was not English	23.2%	3	4	6
People with a disability	5.6%	4	4	2
People with a disability requiring work-related adjustment	N/A	0	1	1

**Source:** NSW Public Service Commission Workforce Profile – Diversity Data 2021





# Numbers and Remuneration of Senior Executives

In this section, the definition of Senior Executive is in accordance with the GSE Act. Former Senior Executive Service (SES) and Senior Officers have transitioned to a four-band structure, with remuneration determined in accordance with the NSW Public Service Senior

Executive Remuneration Management Framework. This definition significantly broadens the classification of Senior Executive by including Senior Officers and employees acting in a senior executive role or in a higher band at the end of the reporting year.

## Number of Public Service Senior Executives employed in each band at the AHO

Band	2019-2020			2020-2021		
	Female	Male	Total	Female	Male	Total
Band 4 Secretary	0	0	0	0	0	0
Band 3 Group/Deputy Secretary	1	0	1	1	0	1
Band 2 Executive Director	0	0	0	0	0	0
Band 1 Director	2	3	5	3	2	5
<b>Total</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>4</b>	<b>2</b>	<b>6</b>

**NB:** These are Senior Executive statistics as at 30 June in 2020 and 2021. This data is based solely on senior executives in their substantive role and band level.

## Average remuneration of Senior Executives

	2019-2020		2020-2021	
	Range (\$)	Average Remuneration (\$)	Range (\$)	Average Remuneration (\$)
Band 4 Secretary	-	-	-	-
Band 3 Group/Deputy Secretary	\$357,719-\$403,826	\$403,826	\$357,719-\$403,826	\$403,826
Band 2 Executive Director	-	-	-	-
Band 1 Director	\$215,923-\$238,977	\$223,945	\$215,923-\$238,977	\$227,988

9.4% of AHO employee-related expenditure in 2020-21 was related to Senior Executives. In 2019-20 the proportion was 12.7%

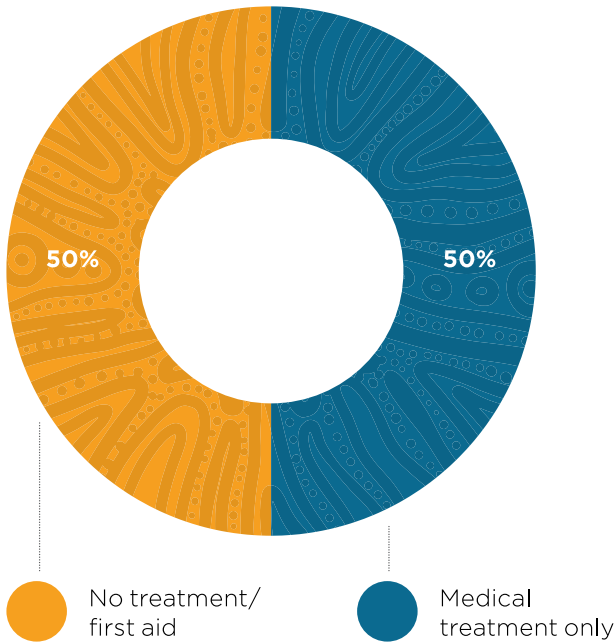
## Exceptional movements in remuneration

- Nil in 2020-21

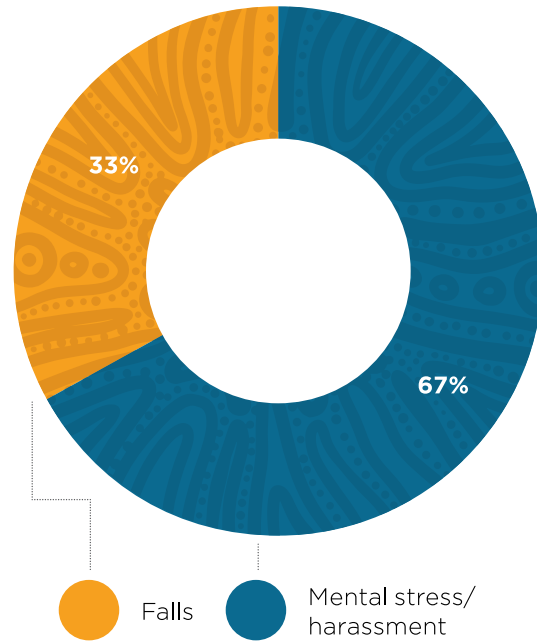


# Work Health and Safety Data

## Injuries



## Mechanism



\*The number of lost time incidents per 1,000,000 hours worked

#The number of lost time incidents per 100 employees

^The average lost time rate is time lost in days divided by the number of lost time injuries

~The number of days lost per 1,000,000 hours worked.

Workplace incidents and Mechanism data source: Icare insurance for NSW as at 5 July 2021. Distribution of injuries reported to the Work Health and Safety Team in 2020-21.

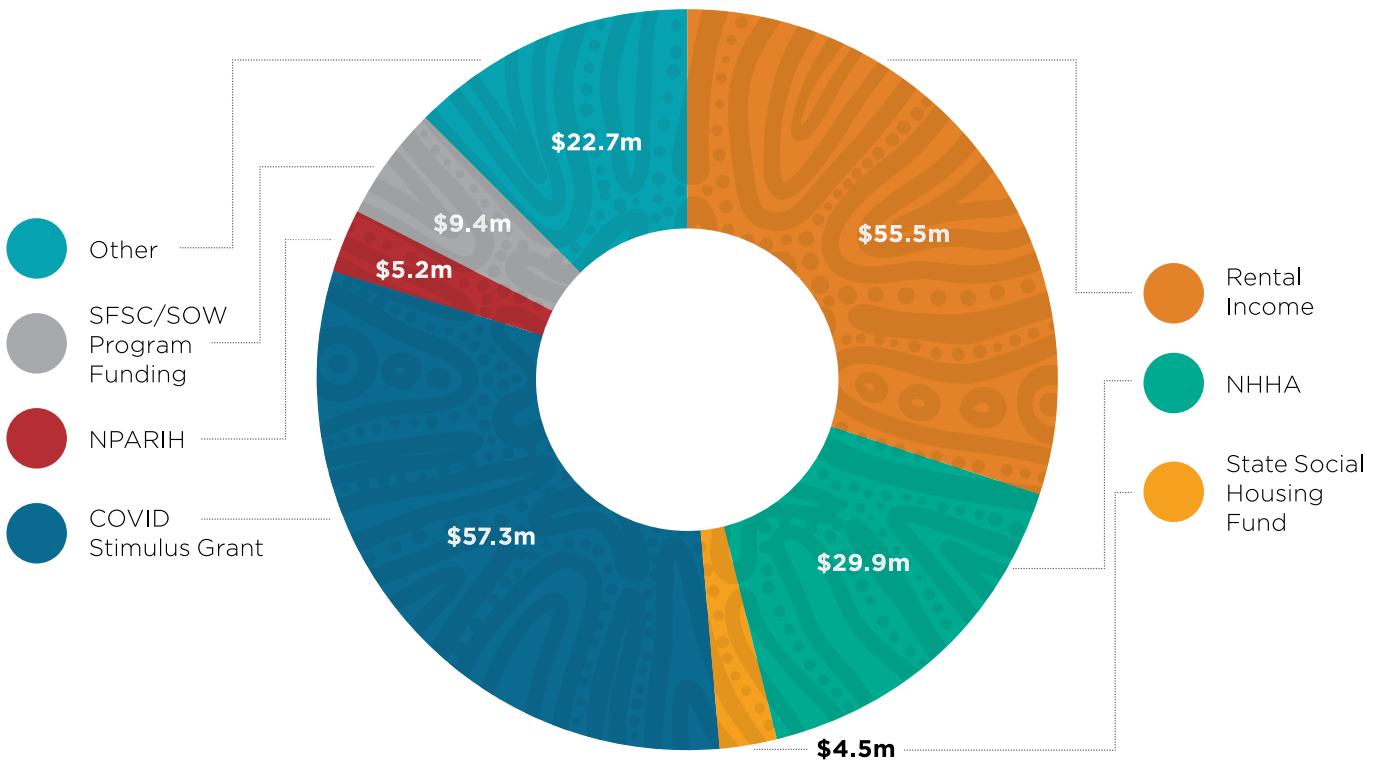


# Financial Summary and Budgets

The total revenue of the AHO for 2020-21 was \$184.5 million. This is mainly made up of:

- rental income from AHO-owned social housing
- COVID-19 Economic Response Stimulus State Grant
- National Housing and Homelessness Agreement Commonwealth Grant
- National Partnership Agreement on Remote Indigenous Housing Commonwealth Grant
- State Social Housing Grant
- SFSC and SOW Program funding
- other grants and income.

**AHO Revenue Sources 2020/21**



This revenue has been applied to: our new supply and capital upgrades program; housing client services and housing provider support; growing the Aboriginal community housing sector; developing and testing new programs to improve housing outcomes; and building our evidence base.



### Total recurrent expenditure

Total recurrent expenditure for the year was \$134.0 million, of which the major expenses were:

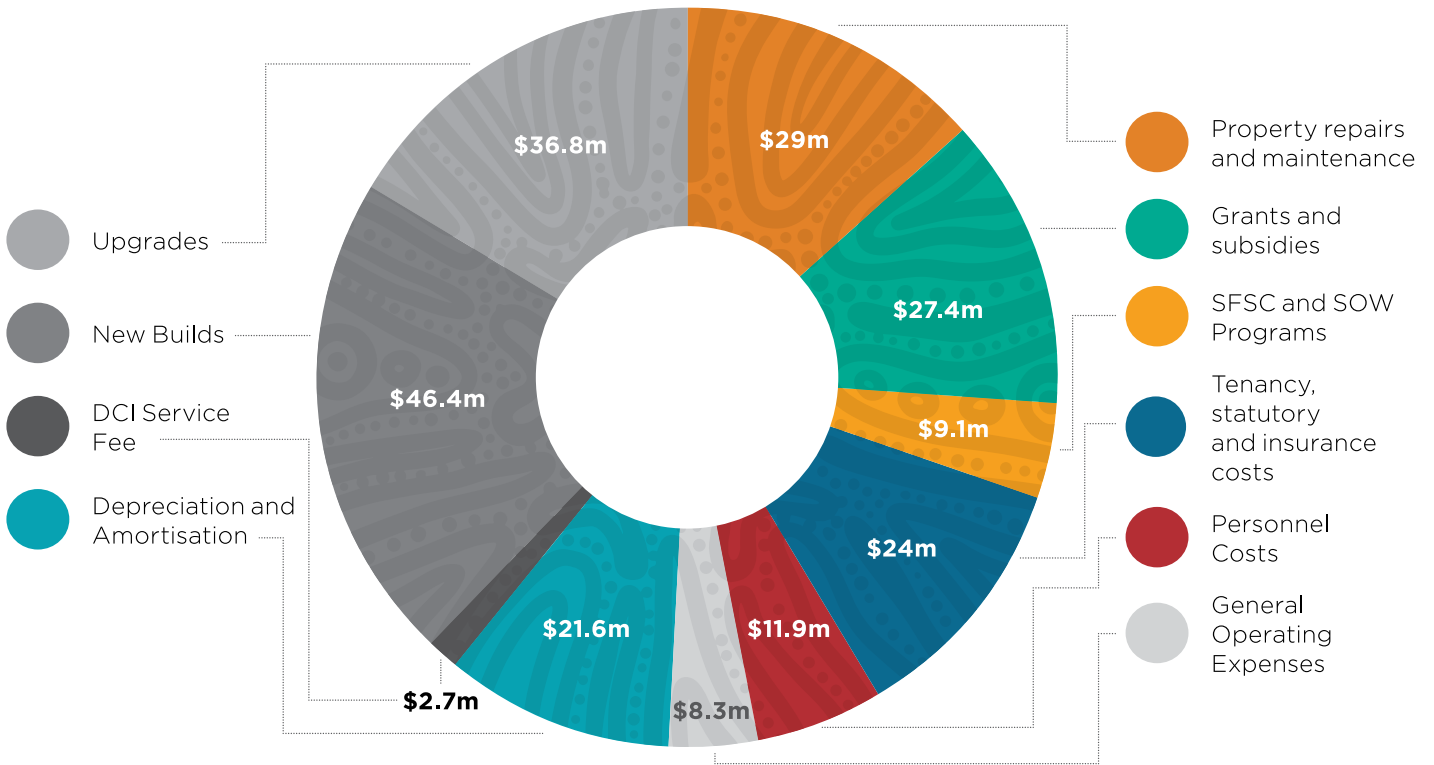
- property repairs, maintenance and utilities
- property council rates, tenancy management and maintenance service
- depreciation and amortisation
- grants and subsidies
- personnel costs
- SFSC and SOW programs.

The capital program spend for the year was \$81.2 million. Net assets at 30 June 2021 were \$2.2 billion.

### Stimulus funding

In November 2020, the AHO was awarded \$212 million of stimulus funding across four years from 2020-21 to 2023-24 to counter the economic shock associated with the COVID-19 pandemic. Overall, the AHO delivered \$75.2 million of new supply, capital and community upgrade work in regional communities as part of the program.

**AHO Expenditure 2020/21 (\$m)**





## 2020-21 Financial Summary

Category	2020-21 Actual (\$m)	2020-21 Budget (\$m)
<b>Revenue</b>		
Rent and other charges	55.5	56.1
Grants and contributions	113.8	131.6
Other income	15.2	9.4
<b>Total revenue</b>	<b>184.5</b>	<b>197.1</b>
<b>Expenses</b>		
Property repairs, maintenance and utilities	29.0	34.3
Property council rates, tenancy management, maintenance service and property insurance	24.0	23.7
Grants and subsidies	27.4	36.4
Depreciation and amortisation	21.6	21.6
Personnel service costs	11.9	10.8
Other operating expenses	8.3	6.3
Strong Family, Strong Communities Program	6.1	8.8
Service Our Way Program	3.0	6.0
Corporate services fee to DCJ	2.7	2.4
<b>Total expenses</b>	<b>134.0</b>	<b>150.3</b>
<b>Net result</b>	<b>50.5</b>	<b>46.8</b>
<b>2020-21 Capital Expenditure</b>		
New supply	46.4	50.5
Capital upgrades	34.8	34.5
<b>Total Capital Expenditure</b>	<b>81.2</b>	<b>85.0</b>

The AHO has achieved strong results for the financial year 2020-21 with a \$50.5 million accounting surplus compared to a budget of \$46.8 million surplus. This is mainly due to funding that has been allocated to the balance sheet (rather than to operating expenses) as it is used to build homes.

## 2021-22 Budget

Revenue	258.9
Expenses	194.1
<b>Net budget result</b>	<b>64.8</b>



# Funds Granted to Non-government Community Organisations

The AHO funds and delivers social and affordable housing assistance to Aboriginal people through a number of programs including the National Partnership Agreement on Remote Indigenous Housing, the National Affordable Housing Agreement and the AHO's own rental income and capital works program. These programs deliver new housing and upgrades

to existing housing as well as repairs and maintenance to homes for the Aboriginal community housing sector. Through these programs, the AHO works to: improve the quality of housing available to Aboriginal people; provide policy advice to the Minister for Water, Property and Housing; and strengthen the Aboriginal community housing sector.

## Grants and subsidies

Grants and subsidies to NGOs as at 30 June 2021

Aboriginal Corporation Entity	Name of recipient organisation	Amount (excl GST) \$
AHO	Awabakal Limited	140,122
AHO	Barriekneal Housing & Community Limited	441,845
AHO	Bogan Aboriginal Corporation	28,050
AHO	Browns Flat Aboriginal Corporation	56,100
AHO	Bundjalung Tribal Society Limited	21,450
AHO	Bungree Aboriginal Association	36,750
AHO	Bunjum Aboriginal Corporation	18,150
AHO	Community Housing Limited	36,062
AHO	Cooramah Housing & Enterprise Aboriginal Corporation	14,025
AHO	Head Start Homes Limited	80,000
AHO	Homes Out West	40,046
AHO	Jagun Aged And Community Care Limited	199,796
AHO	Many Rivers Regional Housing Management Services Aboriginal Corporation	4,594,064
AHO	MLAHMC Limited	2,397,251
AHO	Moych Aboriginal Corporation	23,100
AHO	Murdi Paaki Regional Housing Corporation	2,241,318
AHO	Ngalawi Housing Co-Operative Limited	9,900
AHO	NSW Federation Of Housing Associations Inc	499,477
AHO	NSWALC Housing Limited	370,000
AHO	SEARMS Aboriginal Corporation	577,954
AHO	Tharawal Housing Aboriginal Corporation	7,302
AHO	Twofold Aboriginal Corporation	7,425
AHO	Wahgunyah (Housing) Aboriginal Corporation	264,282
AHO	Wellington Aboriginal Co-Operation	280,000
AHO	Woomera Aboriginal Corporation	199,650





# Payment of Accounts

## Aged Analysis at the end of each quarter

Measure	Sep-20	Dec-20	Mar-21	Jun-21
<b>All Suppliers</b>				
Current not yet due (\$)	297,684	0	86,133	3,477,782
Overdue 1-30 days (\$)	0	0	0	0
Overdue 31-60 days (\$)	0	0	0	0
Overdue 61-90 days (\$)	0	0	0	0
Overdue 91 days and over (\$)	0	0	0	0
<b>Small Business Suppliers</b>				
Current not yet due (\$)	2,405	0	1,000	30,709
Overdue 1-30 days (\$)	0	0	0	0
Overdue 31-60 days (\$)	0	0	0	0
Overdue 61-90 days (\$)	0	0	0	0
Overdue 91 days and over (\$)	0	0	0	0



## Aged Analysis at the end of each quarter

Measure	Unit	Sep-20	Dec-20	Mar-21	Jun-21
<b>All Suppliers</b>					
Accounts due for payment	Number	1,460	1,665	1,628	2,780
Accounts paid on time	Number	1,442	1,653	1,618	2,775
Accounts paid on time (based on number of accounts)	Percent	98.8	99.3	99.4	99.8
Accounts due for payment	\$	25,353,196	20,767,740	21,306,713	77,249,679
Accounts paid on time	\$	25,246,900	20,656,218	21,216,892	77,198,905
Accounts paid on time (based on \$)	Percent	99.6	99.5	99.6	99.9
Payments for interest on overdue accounts	Number	-	-	-	-
Interest paid on overdue accounts	\$	-	-	-	-
<b>Small Business Suppliers</b>					
Accounts due for payment	Number	333	325	337	400
Accounts paid on time	Number	322	321	334	399
Accounts paid on time (based on number of accounts)	Percent	96.7	98.8	99.1	99.8
Accounts due for payment	\$	1,535,417	1,666,288	1,163,988	2,140,995
Accounts paid on time	\$	1,435,630	1,621,205	1,118,439	2,110,495
Accounts paid on time (based on \$)	Percent	93.5	97.3	96.1	98.6
Payments for interest on overdue accounts	Number	-	-	-	-
Interest paid on overdue accounts	\$	-	-	-	-

# Risk Management and Insurance Activities

The AHO's insurance policies for the 2020-21 financial year are provided through the NSW Treasury Managed Fund (TMF) Scheme of self-insurance for government agencies. Insurance risk exposure covered through TMF includes property, liability, motor vehicle and workers' compensation.

## Summary of claims paid by the TMF during 2020-21

Category	Policy #	Number of claims	Sum of net incurred cost (1)	Sum of amount paid (2)	Sum of latest estimate (3)	Sum of amount recovered (4)
General Liability	MF100834	6	\$32,100.00	\$600.00	\$31,500.00	\$-
Motor vehicles	MF100786	2	\$816.00	\$814.00	\$2.00	\$-
Property	MF700378	12	\$3,469,313.94	\$2,317,906.94	\$1,151,407.00	\$-
Miscellaneous	WC900774	3	\$71,000.41	\$61,057.20	\$9,943.21	\$-
Total		23	\$3,573,230.35	\$2,380,378.14	\$1,192,852.21	\$-

## Internal Audit and Risk Management Policy Attestation

Attestation to be found in Appendix 2

### Risk Management and Business Continuity

The Department of Planning, Industry and Environment (the Department) supports the AHO to manage risks. In 2020-21, the Department continued to implement its enterprise-wide risk management framework across its business and the Cluster entities to which it provides risk management services. The framework reflects its commitment to provide a consistent and systematic process to manage risks across the Cluster. It is consistent with international risk management standard (ISO 31000-2018) and the NSW Treasury Internal Audit and Risk Management Policy for the NSW Public Sector (TPP20-08). It provides the principles and tools for risk management practice and culture within the Department and Cluster.

In December 2020, the revised DPIE Risk Management Procedure (the Procedure) was published with applicability across the Department and Cluster entities. The Procedure includes a standard risk register template and is supported by the DPIE Risk Management Policy which was approved earlier in 2020. Further to these developments, quarterly risk reporting to the AHO Audit and Risk Committee (ARC) was standardised and alignment enabled with the Department's Enterprise Risk Register.

The Department supports risk management in the AHO through a business partnering model operated from the Governance Division. Risk reviews at the entity level were conducted quarterly during the year, involving senior management participation. Ad hoc advice and support were also provided as required.

In 2020-21 the Department developed and implemented a uniform Business Continuity Management (BCM) process applicable to all departmental employees and based on ISO22301:2019. The process was rolled-out across entities that make up the Planning, Industry and Environment Cluster who have employees employed in or through the Department.

The process includes a comprehensive document suite to support the preparation for, and response to, incidents and disruptive events that impact the Department's business operations. The AHO completed their transition to the Department's BCM process in 2020-21 and it has a current business continuity plan in place.

BCM documentation includes 'preparation' documents, which are required to plan, coordinate, and maintain the BCM process on an ongoing basis, and 'response' documents which are required to activate and guide an appropriate business continuity response when disruption occurs.

## Internal Audit

During the reporting period, the AHO had an internal audit function in accordance with the Internal Audit and Risk Management Policy for the General Government Sector (TPP20-08). The internal audit function is governed by the Internal Audit Charter approved by the Secretary of the Department.

The Chief Audit Executive and the internal audit function for the AHO are provided by the Department's Internal Audit Branch, located within the Governance and Legal Group.

The internal audit function provides an independent and objective review and advisory services designed to improve operations, risk management, controls and governance processes. For the 2020-21 period, the AHO had a risk-based, internal audit plan which was developed in consultation with management, endorsed by the ARC and approved by the Secretary.

## Audit and Risk Committee (ARC)

The AHO has an independent ARC established under a collaborative shared ARC arrangement.

The ARC continued to meet during the reporting period to monitor, review and provide oversight on the AHO's governance processes, risk management, control frameworks and annual financial statements. The Chief Audit Executive reported at each meeting about internal audit activities and the engagements included in the approved 2020-21 Internal Audit Plan. The ARC discharged its responsibilities under the ARC Charter and met five times during 2020-21.

The independent chair and members of the collaborative ARC are outlined in the following table.

Role	Name	Start Term Date	Finish Term Date
Independent Chair	Carol Holley	30/03/2020	29/03/2023
Independent Member	Peter Scarlett	30/03/2020	29/03/2023
Independent Member	Alan Zammit	30/03/2020	29/03/2023

A subcommittee of the ARC also continued to operate within the AHO during the reporting period with meetings aligned to the requirements of the AHO ARC.

## Ethics and Integrity

In 2020-21, the Department launched the Ethics Portal which provides an online, centralised, up-to-date resource for all employees to declare and comply with their obligations under the Code of Ethics and Conduct (the Code). In its development, the Ethics Branch undertook comprehensive consultation and engagement with all business units within the Cluster to ensure the Ethics Portal was both accessible and relevant to the compliance needs of all employees across the Department. The Ethics Portal has strengthened reporting capabilities to ensure the Department is committed to the highest standards of ethical conduct and integrity.

The Code underpins the Department's compliance framework, which was supported by:

- the new Ethics Portal which manages declarations concerning conflicts of interest, code of ethics and conduct, senior executive private interests, and gifts, benefits and hospitality, as well as approvals of secondary employment
- the Fraud and Corruption Control Framework and Policy
- the Public Interest Disclosures Policy and Procedure (which includes access to an anonymous reporting tool)
- the Lobbying of Government Officials Policy
- training and resources to assist with the management of ethics related workplace issues.

The Department worked in collaboration with the NSW Ombudsman to ensure a robust framework that supports staff to raise workplace concerns and make reports of wrongdoing.



# Action Under the *Privacy and Personal Information Protection Act 1998* and Statistics

## Standing Order 52

During the reporting period, the NSW Legislative Council did not compel the AHO to produce any documents.

## Privacy

Under Clause 6 of the Annual Reports (Departments) Regulation 2010, the AHO must provide a statement of its actions to comply with the requirements of the *Privacy and Personal Information Protection Act 1998* (PPIP Act). It must also provide statistical details of any reviews conducted by or on behalf of the Department, under Part 5 of the PPIP Act.

The AHO complies with the Privacy Management Plan (the Plan) for the Department. The Plan outlines how the Department and its cluster agencies comply with the principles of the PPIP Act and the *Health Records and Information Privacy Act 2002*. Officers in the Department's Information Access and Privacy unit also provide specialist privacy advice and training to departmental cluster staff.

In 2020-21, the AHO received one application for review under Part 5 of the PPIP Act, which was investigated by the Department's Information Access and Privacy unit. The unit found no evidence that there had been a breach of privacy and made no recommendations regarding processes or procedures of the AHO.

A significant privacy breach occurred in March 2021 when a client was provided the files of five other clients in error. The files contained detailed personal and sensitive information. The AHO retrieved the records, which had not been disseminated further than the client who discovered them. The AHO contacted the affected people in writing and, where agreeable, visited them to personally explain, apologise and advise them of their rights in respect of the privacy breach. The AHO has investigated how this incident occurred and taken action to ensure a similar incident does not occur again.

## Complaints and compliments

The AHO responds to requests for information and accepts feedback and complaints about all aspects of its business. We seek to respond to complaints in a timely manner and handle all complaints in a fair, transparent and professional way.

During 2020-21, the AHO responded to 3,188 enquiries from Aboriginal people relating to housing, tenancy and asset management matters. This is an increase of 17.5% from the previous year and is a direct result of improvements made to the AHO client interaction and complaints system to better capture data regarding client enquiries.

The AHO has developed a purpose-built client interaction and complaints system as part of its property management system, Ngamuru (*Nam-a-roo*). Ngamuru is the AHO's client interaction and complaints system.

Type of feedback 2020-21	Type of feedback 2020-21	Type of feedback 2020-21
Complaint	233	7.31%
Dispute	16	0.5%
Feedback	43	1.35%
Interaction	1559	48.9%
Service Request	1337	41.94%
<b>Total Feedback</b>	<b>3188</b>	<b>100%</b>

Complaints and enquiries were largely from individuals facing multiple issues, one of which is housing. They are typically seeking guidance to resolve their cross-agency affairs. Complaints in this category are often highly complex and can be culturally sensitive. 80% were resolved by frontline staff or their managers within four weeks of the matter being raised. Common themes included:

- Website and forms functionality
- Information availability
- Housing waitlists
- Homelessness
- Alleged service failures (other agencies).

### **Disclosure of controlled entities**

The Dunghutti Aboriginal Elders Tribal Council Trust (The Trust) is a NSW Government entity controlled by the State of New South Wales, which is the ultimate parent. The Trust is a not-for-profit entity (as profit is not its principal objective) and has no cash generating units.

The Trust was established on 22 October 2001 and is controlled by the AHO.

The AHO, as the Trustee, holds the legal title of the land and building assets of \$5.7 million (2020: \$5.4 million) at the Old Burnt Bridge area in South Kempsey in northern NSW. The assets are held on trust for the beneficiaries.

Please refer to page 40 for the audited financial statements of the Trust.

### **Disclosure of subsidiaries**

- The AHO does not have any subsidiaries during the year ended 30 June 2021 and as at the report date.

### **Total external costs incurred in the production of the report**

- The AHO incurred \$9,462 costs in producing this report. In keeping with Premier's Memorandum M2013-09 Production Costs of Annual Reports, 95F 96 the AHO has minimised production costs by performing all copywriting, editing, proofreading in-house whilst utilising an external firm for graphic design.

### **Consultants — expenditure**

- Nil

### **Land Disposal**

- Nil

### **Promotion**

- Nil

### **Investment performance if debt is greater than \$20m**

- Nil

### **Liability management performance**

- N/A

### **Liability management performance**

- N/A

### **Exemptions from reporting requirements**

- Nil

### **Implementation of price determination, if subject to IPART price determination**

- Nil

### **Legal change and significant judicial decisions**

- The AHO has had no legal change or significant judicial decisions across this period.

### **GIPA Act Requests**

- The AHO is part of the Department for the purpose of the *Government Information (Public Access) Act 2009* (GIPA Act). Any formal applications for information from the AHO in accordance with the GIPA Act are coordinated by the Department and are included in the Department's statistical information.

### **Disability Inclusion Action Plans**

- All Disability Inclusion Action Plan initiatives for the AHO now fall under the Department and will be reported in its Annual Report.

### **Multicultural Policies and Services Program**

- All Multicultural Plan initiatives for the AHO now fall under the Department and will be reported in its Annual Report.

### **Additional matters for inclusion in annual reports**

- Nil

### **Cyber security policy attestation**

- Appendix 1

### **Public Interest Disclosures**

- Under the *Public Interest Disclosures Act 1994*, each public authority is required to prepare an annual report on their obligations under this Act. This information for the AHO is captured in the Department of Planning, Industry and Environment Annual Report 2020-21, as all public interest disclosures are managed centrally by the Department.
- The Department has provided personnel services in 2020-21 to the AHO.



# Appendix 1: Cyber Security Policy Attestation



**Planning,  
Industry &  
Environment**

## Cyber Security Annual Attestation Statement for the 2020-2021 Financial Year for Department of Planning Industry and Environment

I, Jim Betts, am of the opinion that the Department of Planning Industry and Environment (DPIE) have managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy and in alignment with DPIE's enterprise risk management framework.

Governance is in place to manage the cyber security maturity and initiatives of DPIE. Risks to the information and systems of DPIE have been assessed and are managed. There exists a current cyber incident response plan for DPIE which has been tested during the reporting period.

The DPIE Corporate Services has maintained certified compliance with ISO 27001 Information technology - Security techniques - Information security management systems - Requirements by an Accredited Third Party (BSI) during the 2020/2021 financial year (Certificate Number: IS 645082).

The DPIE Corporate Services has a Cyber Security Strategy in place to ensure continuous improvement and management of cyber security governance and resilience.

This attestation covers the following departments and agencies:

- Department of Planning, Industry and Environment
- Aboriginal Housing Office
- Biodiversity Conservation Trust
- Boundaries Commission
- Cape Byron Reserve Trust
- Coffs Coast Regional Park Trust Board
- Dumaresq-Barwon Border Rivers Commission
- Environmental Trust
- Lands Administration Ministerial Corporation
- Local Government Grants Commission
- Local Government Remuneration Tribunal
- National Parks under Part 4A
- NSW Land and Housing Corporation
- Office of Strategic Lands (Planning Ministerial Corporation) (Corporation Sole)
- Regional Planning Panels (Northern, Southern, Western Hunter and Central Coast)
- Sydney District Planning Panels (Eastern City, North, South, Central City, West)
- Threatened Species Scientific Committee
- Water Administration Ministerial Corporation

**Jim Betts**

**Secretary**

**NSW Department of Planning, Industry and Environment**

Date: 07/09/2021



# Appendix 2: Internal Audit and Risk Management Attestation

## Internal Audit and Risk Management Attestation Statement for the 2020-2021 Financial Year for the Aboriginal Housing Office

I, Jim Betts, Secretary, am of the opinion that the Aboriginal Housing Office has internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

### Core Requirements

#### Risk Management Framework

- |     |   |                  |
|-----|---|------------------|
| 1.1 | The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.  | <b>Compliant</b> |
| 1.2 | The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018. | <b>Compliant</b> |

#### Internal Audit Function

- |     |  |                  |
|-----|--|------------------|
| 2.1 | The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.                                    | <b>Compliant</b> |
| 2.2 | The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for the Professional Practice for Internal Auditing. | <b>Compliant</b> |
| 2.3 | The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.                                  | <b>Compliant</b> |

#### Audit and Risk Committee

- |     |   |                  |
|-----|---|------------------|
| 3.1 | The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations. | <b>Compliant</b> |
| 3.2 | The Accountable Authority shall ensure that the Audit and Risk Committee has a Charter that is consistent with the 'model charter'.   | <b>Compliant</b> |

### Membership





The independent chair and members of the collaborative Audit and Risk Committee are:

<b>Role</b>	<b>Name</b>	<b>Start Term Date</b>	<b>Finish Term Date</b>
Independent Chair	Carol Holley	30/03/2020	29/03/2023
Independent Member	Peter Scarlett	30/03/2020	29/03/2023
Independent Member	Alan Zammit	30/03/2020	29/03/2023

### **Shared Arrangements**

I, Jim Betts, Secretary advise that the Aboriginal Housing Office has entered into an approved shared arrangement comprising the following:

- Land and Housing Corporation
- Aboriginal Housing Office and
- Teacher Housing Authority.

The resources shared include the Audit and Risk Committee, the Chief Audit Executive and the internal audit function. The shared Audit and Risk Committee is a collaborative shared Audit and Risk Committee

Jim Betts

**Secretary**

Date: 9/9/2021

Agency Contact:  
Suzette Gay  
Director Audit  
02 9289 6912



# Appendix 3: Audited Financial Statements 2020-21



## INDEPENDENT AUDITOR'S REPORT

### Aboriginal Housing Office

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of Aboriginal Housing Office (the Office), which comprise the Statement by the Secretary, the Consolidated Statement of Comprehensive Income for the year ended 30 June 2021, the Consolidated Statement of Financial Position as at 30 June 2021, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information of the Office and the consolidated entity. The consolidated entity comprises the Office and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- presents fairly the financial position, financial performance and cash flows of the Office and the consolidated entity

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Office and the consolidated entity in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



### **The Secretary's Responsibilities for the Financial Statements**

The Secretary of the Department of Planning, Industry and Environment is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act, GSF Regulations and Treasurer's Directions. The Secretary's responsibility also includes such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the ability of the Office and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Office or the consolidated entity carried out their activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Min Lee  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

15 October 2021  
SYDNEY



# **Aboriginal Housing Office**

## **Consolidated Financial Statements**

***For the year ended 30 June 2021***



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## **ABORIGINAL HOUSING OFFICE**

### **STATEMENT BY THE SECRETARY**

#### **For and on behalf of the ABORIGINAL HOUSING OFFICE**

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018*, I, state that in my opinion:

1. the accompanying consolidated financial statements and notes thereto present fairly the financial position of the reporting entity (AHO), being the Aboriginal Housing Office and its controlled entity as at 30 June 2021 and its financial performance and cash flows for the year then ended; and
2. the accompanying consolidated financial statements and notes thereto have been prepared in accordance with the Australian Accounting Standards (which include Australian Accounting Interpretations) and the requirements of the *Government Sector Finance Act 2018*, the Government Sector Finance Regulation 2018 and Directions issued by the Treasurer.

Kiersten Fishburn  
A/Secretary, Department of Planning, Industry and Environment  
For and on behalf of Aboriginal Housing Office

13 October 2021



**Aboriginal Housing Office**

**Consolidated statement of comprehensive income for the year ended 30 June 2021**

	Notes	PARENT			CONSOLIDATED		
		Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
<b>Expenses excluding losses</b>							
Personnel services	2(a)	15,768	16,766	15,571	15,768	16,766	15,571
Operating expenses	2(b)	65,093	67,233	59,258	65,654	67,233	59,771
Depreciation	2(c)	21,569	21,641	20,825	21,647	21,641	20,902
Grants and subsidies	2(d)	27,933	37,141	13,159	27,933	37,141	12,646
Finance costs	2(e)	4	6	11	4	6	11
<b>Total expenses excluding losses</b>		<b>130,367</b>	<b>142,787</b>	<b>108,824</b>	<b>131,006</b>	<b>142,787</b>	<b>108,901</b>
<b>Revenue</b>							
Rent and other tenant charges	3(a)	55,507	56,104	56,131	55,507	56,104	56,131
Grants and contributions	3(b)	113,805	128,884	68,707	113,805	128,884	68,707
Other income	3(c)	14,243	12,142	33,660	15,243	12,142	33,660
<b>Total Revenue</b>		<b>183,555</b>	<b>197,130</b>	<b>158,498</b>	<b>184,555</b>	<b>197,130</b>	<b>158,498</b>
Losses on disposal	4	(3,342)	(6,670)	(9,811)	(3,342)	(6,670)	(9,811)
Reversal of/(Impairment losses) on financial assets	5	251	(839)	(988)	251	(839)	(988)
Impairment losses on right-of-use assets	9	-	-	(90)	-	-	(90)
<b>Net result</b>		<b>50,097</b>	<b>46,834</b>	<b>38,785</b>	<b>50,458</b>	<b>46,834</b>	<b>38,708</b>
<b>Other comprehensive income</b>							
<i>Items that will not be reclassified to net result in subsequent periods</i>							
Changes in revaluation surplus of property, plant and equipment	8	70,150	(170)	(48,581)	70,518	(170)	(48,094)
Actuarial gains on superannuation liability		1,575	-	-	1,575	-	-
<b>Total other comprehensive income</b>		<b>71,725</b>	<b>(170)</b>	<b>(48,581)</b>	<b>72,093</b>	<b>(170)</b>	<b>(48,094)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>121,822</b>	<b>46,664</b>	<b>(9,796)</b>	<b>122,551</b>	<b>46,664</b>	<b>(9,386)</b>

The accompanying notes form part of these financial statements.



**Aboriginal Housing Office**

**Consolidated statement of financial position as at 30 June 2021**

	Notes	PARENT			CONSOLIDATED		
		Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and cash equivalents	6	3,479	2,005	10,153	3,479	2,005	10,153
Receivables	7	6,909	3,829	3,726	6,348	3,829	3,726
<b>Total Current Assets</b>		10,388	5,834	13,879	9,827	5,834	13,879
<b>Non-Current Assets</b>							
Property, plant and equipment							
Land and buildings	8	2,249,917	2,198,132	2,138,068	2,255,589	2,198,132	2,143,450
Plant and equipment	8	436	660	214	436	660	214
Capital work in progress	8	41,931	21,501	21,361	41,931	21,501	21,361
Total property, plant and equipment		2,292,284	2,220,293	2,159,643	2,297,956	2,220,293	2,165,025
Right of Use Assets	9(a)	-	137	518	-	137	518
<b>Total Non-Current Assets</b>		2,292,284	2,220,430	2,160,161	2,297,956	2,220,430	2,165,543
<b>Total Assets</b>		2,302,672	2,226,264	2,174,040	2,307,783	2,226,264	2,179,422
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Payables	11	36,391	29,193	28,629	35,391	29,193	28,629
Borrowings	12	-	243	397	-	243	397
<b>Total Current Liabilities</b>		36,391	29,436	29,026	35,391	29,436	29,026
<b>Non-Current Liabilities</b>							
Borrowings	12	-	-	230	-	-	230
Provisions	13	213	538	538	213	538	538
<b>Total Non-Current Liabilities</b>		213	538	768	213	538	768
<b>Total Liabilities</b>		36,604	29,974	29,794	35,604	29,974	29,794
<b>Net Assets</b>		2,266,068	2,196,290	2,144,246	2,272,179	2,196,290	2,149,628
<b>EQUITY</b>							
Asset Revaluation Reserve	1(e)(i)	1,171,656	1,109,798	1,104,276	1,177,722	1,109,798	1,109,974
Accumulated funds	1(e)(ii)	1,094,412	1,086,492	1,039,970	1,094,457	1,086,492	1,039,654
<b>Total Equity</b>		2,266,068	2,196,290	2,144,246	2,272,179	2,196,290	2,149,628

The accompanying notes form part of these financial statement





**Aboriginal Housing Office**

**Consolidated Statement of Changes in Equity for the year ended 30 June 2021**

<b>2021 PARENT</b>	Notes	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total \$'000
<b>Balance as at 1 July 2020</b>		1,039,970	1,104,276	2,144,246
<b>Net result for the year</b>		50,097	-	50,097
<b>Other comprehensive income:</b>				
Net change in revaluation surplus of property, plant and equipment	8	-	70,150	70,150
Actuarial gains on superannuation liability		1,575	-	1,575
<b>Total other comprehensive income</b>		1,575	70,150	71,725
<b>Total comprehensive income for the year</b>		51,672	70,150	121,822
<b>Transfer between equity items</b>				
Transfer arising from disposals of property plant and equipment		2,770	(2,770)	-
<b>Balance at 30 June 2021</b>		1,094,412	1,171,656	2,266,068

<b>2021 CONSOLIDATED</b>	Notes	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total \$'000
<b>Balance as at 1 July 2020</b>		1,039,654	1,109,974	2,149,628
<b>Net result for the year</b>		50,458	-	50,458
<b>Other comprehensive income:</b>				
Net change in revaluation surplus of property, plant and equipment	8	-	70,518	70,518
Actuarial gains on superannuation liability		1,575	-	1,575
<b>Total other comprehensive income</b>		1,575	70,518	72,093
<b>Total comprehensive income for the year</b>		52,033	70,518	122,551
<b>Transfer between equity items</b>				
Transfer arising from disposals of property plant and equipment		2,770	(2,770)	-
<b>Balance at 30 June 2021</b>		1,094,457	1,177,722	2,272,179



**Aboriginal Housing Office**

**Consolidated Statement of Changes in Equity for the year ended 30 June 2021**

<b>2020 PARENT</b>	Notes	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total \$'000
<b>Balance as at 1 July 2019</b>		1,000,288	1,156,904	2,157,192
Changes in accounting policy - initial application of AASB 15, 16 & 1058		(3,150)	-	(3,150)
<b>Restated balance as at 1 July 2019</b>		997,138	1,156,904	2,154,042
<b>Net result for the year</b>		38,785	-	38,785
<b>Other comprehensive income:</b>				
Net change in revaluation surplus of property, plant and equipment	8	-	(48,581)	(48,581)
<b>Total other comprehensive income</b>		-	(48,581)	(48,581)
<b>Total comprehensive income for the year</b>		38,785	(48,581)	(9,796)
<b>Transfer between equity items</b>				
Transfer arising from disposals of property plant and equipment		4,047	(4,047)	-
<b>Balance at 30 June 2020</b>		1,039,970	1,104,276	2,144,246

<b>2020 CONSOLIDATED</b>	Notes	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total \$'000
<b>Balance as at 1 July 2019</b>		1,000,049	1,162,115	2,162,164
Changes in accounting policy - initial application of AASB 15, 16 & 1058		(3,150)	-	(3,150)
<b>Restated balance as at 1 July 2019</b>		996,899	1,162,115	2,159,014
<b>Net result for the year</b>		38,708	-	38,708
<b>Other comprehensive income:</b>				
Net change in revaluation surplus of property, plant and equipment	8	-	(48,094)	(48,094)
<b>Total other comprehensive income</b>		-	(48,094)	(48,094)
<b>Total comprehensive income for the year</b>		38,708	(48,094)	(9,386)
<b>Transfer between equity items</b>				
Transfer arising from disposals of property plant and equipment		4,047	(4,047)	-
<b>Balance at 30 June 2020</b>		1,039,654	1,109,974	2,149,628



**Aboriginal Housing Office**

**Consolidated Statement of Cash Flows for the year ended 30 June 2021**

	Notes	PARENT			CONSOLIDATED		
		Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Personnel services		(15,298)	(16,766)	(12,526)	(15,298)	(16,766)	(12,526)
Suppliers for goods and services		(64,609)	(70,147)	(60,840)	(64,609)	(70,147)	(60,840)
Grants and subsidies		(25,736)	(37,141)	(12,646)	(25,736)	(37,141)	(12,646)
<b>Total payments</b>		(105,643)	(124,054)	(86,012)	(105,643)	(124,054)	(86,012)
<b>Receipts</b>							
Rent and other tenant charges		55,542	56,104	58,656	55,542	56,104	58,656
Grants and contributions		110,156	128,884	65,557	110,156	128,884	65,557
Insurance Income		4,547	9,442	10,355	4,547	9,442	10,355
Other Income		4,456	(664)	3,330	4,456	(664)	3,330
<b>Total receipts</b>		174,701	193,766	137,898	174,701	193,766	137,898
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	16	69,058	69,712	51,886	69,058	69,712	51,886
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Proceeds from sale of property, plant and equipment, net of disposal costs		469	3,190	1,185	469	3,190	1,185
Purchases of property, plant and equipment		(75,867)	(80,665)	(52,981)	(75,867)	(80,665)	(52,981)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		(75,398)	(77,475)	(51,796)	(75,398)	(77,475)	(51,796)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Payment of principal portion of lease liabilities	9(b)	(334)	(385)	(400)	(334)	(385)	(400)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		(334)	(385)	(400)	(334)	(385)	(400)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(6,674)	(8,148)	(310)	(6,674)	(8,148)	(310)
Opening cash and cash equivalents		10,153	10,153	10,463	10,153	10,153	10,463
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	6	3,479	2,005	10,153	3,479	2,005	10,153

The accompanying notes form part of these financial statements.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021

**1. Summary of significant accounting policies**

**(a) The Reporting Entity**

The Aboriginal Housing Office (AHO) is a statutory authority established in 1998 pursuant to the Aboriginal Housing Act 1998. AHO as a reporting entity, comprises the parent entity and the controlled entity, the Dughutti Aboriginal Elders Tribal Council Trust (Trust). In the process of preparing the consolidated financial statements for the economic entity consisting of AHO and the Trust, all inter-entity transactions and balances have been eliminated and like transactions and other events are accounted for using uniform accounting policies.

AHO is responsible for planning and administering the policies, programs and asset base for Aboriginal public housing in New South Wales. This includes resource allocation, sector wide policy, strategic planning and monitoring outcomes and performance in the Aboriginal public housing sector.

AHO is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. AHO is a not-for-profit entity for financial reporting purposes (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

AHO is within the cluster of the Department of Planning, Industry and Environment (DPIE) and is not a controlled entity.

The consolidated financial statements for the year ended 30 June 2021 have been authorised for issue by the DPIE Secretary on 13 October 2021.

**(b) Basis of Preparation**

AHO's consolidated financial statements are general purpose financial statements, which have been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of *Government Sector Finance Act 2018* (GSF Act);
- Government Sector Finance Regulation 2018; and
- Treasurer's Directions issued under the Act.

Property, plant and equipment are measured at fair value. Other financial statement items are prepared under the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations made by management are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is AHO's presentation and functional currency.

**(c) Statement of compliance**

The consolidated financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

**(d) Accounting for the Goods and Services Tax (GST)**

Income, expenses and assets are recognised net of GST, except that:

- the amount of GST incurred by AHO as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense;
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the consolidated Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO are classified as operating cash flows.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**1. Summary of significant accounting policies (continued)**

**(e) Equity and reserves**

**(i) Asset Revaluation reserve**

The revaluation surplus is used to record increments and decrements on the revaluation of property, plant and equipment. This accords with AHO's policy on the revaluation of property, plant and equipment as discussed in Note 8.

**(ii) Accumulated funds**

The category 'Accumulated Funds' includes all current and prior period retained funds.

**(f) Equity transfer**

The transfer of net assets between entities as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by Australian Accounting Standards to be treated as contributions by owners and recognised as an adjustment to 'Accumulated Funds'. This treatment is consistent with AASB 1004 *Contributions* and Australian Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the fair value of the assets and liabilities to the transferee entity.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible asset has been recognised at (amortised) cost by the transferor because there is no active market, AHO recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, AHO does not recognise that asset.

**(g) Comparative information**

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the consolidated financial statements.

**(h) Changes in accounting policy, including new or revised Australian Accounting Standards**

**(i) Effective for the first time in 2020-2021**

AHO applied AASB 1059 *Service Concession Arrangements: Grantors* (AASB 1059) for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard are described below.

Several other amendments are interpretations applied for the first time in FY2020-21, but do not have an impact on the consolidated financial statements of AHO.

**AASB 1059 Service Concession Arrangements: Grantors**

AASB 1059 is effective for AHO from 1 July 2020. At the same time NSW Treasury Policy and Guideline Paper TPP 06-8: *Accounting for Privately Financed Projects* (TPP 06-8) was withdrawn effective from 1 July 2020.

Service Concession Arrangements are contracts between an operator and a grantor, where the operator provides public services related to a service concession asset on behalf of the grantor for a specified period of time and manages at least some of those services.

When AASB 1059 applies, the grantor recognises the service concession asset when the grantor obtains control of the asset and measures the service concession asset at current replacement cost. At the same time the grantor recognises a corresponding financial liability or unearned revenue liability or a combination of both.

Management has assessed that this new standard does not have any significant impact on AHO for the current financial year as it does not have any arrangements that are in scope.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**1. Summary of significant accounting policies (continued)**

(h) Changes in accounting policy, including new or revised Australian Accounting Standards (continued)

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective:

- AASB 17 Insurance Contracts
- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities
- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments
- AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts
- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date
- AASB 2020-7 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions: Tier 2 Disclosures
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2
- AASB 2014-10 Amendments to Australian Accounting Standards: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture

AHO's assessment of the impact of these new standards and interpretations is that they will not materially affect any of the amounts recognised in the consolidated financial statements or significantly impact the disclosures in relation to AHO upon adoption.

(i) Changes in accounting estimates

(i) Impact of COVID-19 on Financial Reporting for 2020-21

There have been no material changes in accounting estimates as there has been no evidence to suggest that there is a significant impact of COVID-19 on AHO for the current financial year. Please refer to subsequent notes for further information on the assessments of the impact, where applicable.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

	<u>PARENT</u>		<u>CONSOLIDATED</u>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>2. Expenses excluding losses</b>				
<i>(a) Personnel services</i>				
Salaries and wages (including annual leave)	13,542	13,239	13,542	13,239
Superannuation - defined contribution plans	966	913	966	913
Superannuation - defined benefit plans	98	152	98	152
Long service leave	426	474	426	474
Workers' compensation insurance	111	96	111	96
Payroll tax and fringe benefit tax	606	673	606	673
Other	19	24	19	24
Fee for personnel services	<u>15,768</u>	<u>15,571</u>	<u>15,768</u>	<u>15,571</u>

AHO's personnel services fee includes a component of 2021: \$0.094M (2020: \$0.141M) for the actuarial superannuation liability.

**Recognition and measurement**

**Personnel services and payable for personnel services**

AHO does not have any employees. Personnel services to AHO are provided and charged by DPIE. DPIE also assume the Annual Leave, Long Service Leave and superannuation provisions of employees providing Personnel services to AHO. These charges include:

*(i) Salaries and wages, annual leave, sick leave and on-costs*

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits*. AHO has assessed based on AHO's circumstances and has determined that the effect of discounting is immaterial to annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

*(ii) Long service leave and superannuation*

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service.

Expected future payments are discounted using Commonwealth government bond rate of 1.50% (2020: 0.87%) at the reporting date.

*- Post-employment benefits*

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment. In the case of AHO, this refers specifically to benefits provided to employees through superannuation schemes. Superannuation schemes are classified as either defined contribution or defined benefit.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**2. Expenses excluding losses (continued)**

*(b) Personnel services (continued)*

*(ii) Long service leave and superannuation (continued)*

*- Defined contribution superannuation schemes*

AHO contributes to the First State Superannuation Scheme, a defined contribution scheme in the NSW public sector, as well as other private schemes to a lesser extent. Contributions to these schemes are recognised as an expense in net result as incurred. The liability recognised at the reporting date represents the contributions to be paid to these schemes in the following month.

*- Defined benefit superannuation schemes*

AHO contributes to three defined benefit superannuation schemes in the NSW public sector Pooled Fund. These are: State Superannuation Scheme (SSS), State Authorities Superannuation Scheme (SASS) and State Authorities Non-Contributory Superannuation Scheme (SANCS).

AHO's net obligation in respect of these schemes is calculated separately for each scheme by estimating the amount of the future benefit that employees have earned in return for their service in the current and prior reporting periods. That benefit is discounted to determine its present value, and the fair value of any scheme assets is deducted.

The discount rate is the yield at the reporting date on Government bonds that have maturity dates approximating to the terms of AHO's obligations. Calculations are performed by the Pooled Fund's actuary using the projected unit credit method and they are advised to individual agencies for recognition and disclosure purposes in their financial statements.

Where the present value of the defined benefit obligation in respect of a scheme exceeds the fair value of the scheme's assets, a liability for the difference is recognised in the statement of financial position. Where the fair value of a scheme's assets exceeds the present value of the scheme's defined benefit obligation, an asset is recognised in the consolidated statement of financial position.

Any superannuation asset recognised is limited to the total of any unrecognised past service and the present value of any economic benefits that may be available in the form of refunds from the schemes or reductions in future contributions to the schemes, as advised by the Pooled Fund's actuary.

Re-measurements of the net defined benefit liability or asset are recognised in other comprehensive income (directly through accumulated funds) in the reporting period in which they occur. Such re-measurements include actuarial gains or losses, the return on plan assets (excluding amounts included in net interest on the defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the defined benefit liability or asset).

*(iii) Consequential on-costs*

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.





Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

	<u>PARENT</u>		<u>CONSOLIDATED</u>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>2. Expenses excluding losses (continued)</b>				
<b>(b) Operating expenses</b>				
Building maintenance and utilities expense	<b>38,644</b>	36,246	<b>38,766</b>	36,344
Other contractors	<b>9,654</b>	8,571	<b>10,016</b>	8,942
Fee for services rendered <sup>(ii)</sup>	<b>7,689</b>	7,561	<b>7,689</b>	7,561
Insurance	<b>3,275</b>	646	<b>3,275</b>	646
Business services fee <sup>(i)</sup>	<b>2,698</b>	2,344	<b>2,698</b>	2,344
Product for clients	<b>688</b>	1,190	<b>688</b>	1,190
Training and development expense	<b>602</b>	469	<b>611</b>	469
Travelling, removal and subsistence	<b>414</b>	558	<b>437</b>	569
Data processing services	<b>259</b>	456	<b>259</b>	456
Rent and accommodation expense	<b>249</b>	254	<b>249</b>	254
Advertising and promotions	<b>238</b>	163	<b>238</b>	163
Auditor's remuneration - audit of the financial report	<b>107</b>	82	<b>115</b>	89
Motor vehicle leasing costs	<b>84</b>	78	<b>84</b>	78
Telephone	<b>82</b>	70	<b>90</b>	70
Printing and stationery	<b>35</b>	47	<b>38</b>	47
Postage and freight	<b>31</b>	30	<b>31</b>	30
Motor vehicle expenses	<b>25</b>	58	<b>26</b>	58
Minor equipment purchases	<b>13</b>	31	<b>13</b>	31
Office maintenance	-	6	-	6
Other	<b>306</b>	398	<b>331</b>	424
	<b>65,093</b>	59,258	<b>65,654</b>	59,771

<sup>(i)</sup> This relates to expenses charged to AHO by Department of Communities and Justice (DCJ) for the business services fees of \$2.47m (2020: \$2.34m), as well as a \$0.23m service fee recognised (2020: \$nil) for our rent free arrangement with DPIE for usage of the office space at 4PSQ from March 2021 to June 2021. Note that a corresponding Volunteer Service revenue of \$0.23m was recognised in Note 3(b) for the rent free arrangement in accordance with AASB 1058. Please refer to Note 21(b) for further details.

<sup>(ii)</sup> This relates to expenses charged to AHO by DCJ for tenancy management services, as well as by Land and Housing Corporation (LAHC) for contract administration, professional and technical advice, repairs and maintenance and related reporting services. Please refer to Note 21(b) for further details.

**Recognition and Measurement**

**Maintenance expense**

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**2. Expenses excluding losses (continued)**

**(b) Operating expenses (continued)**

**Recognition and Measurement (continued)**

**Insurance**

AHO's insurance activities relating to its operations and property portfolio are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience. AHO are self-insured against property and liability damage (fire damage, vehicle impact and tempest) less than \$250,000 on their property portfolio. Based on past experience and research, this option is considered to be the most economical.

**Lease expense**

AHO recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

- Leases that meet the definition of short-term, i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under when new.

Variable lease payments are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occurs.

**(c) Depreciation**

	PARENT		CONSOLIDATED	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Depreciation</b>				
Buildings	21,108	20,329	21,186	20,406
Right-of-use assets	332	384	332	384
Leasehold improvements	107	112	107	112
Plant and equipment	22	-	22	-
	<b>21,569</b>	20,825	<b>21,647</b>	20,902

**(d) Grants and subsidies**

The Commonwealth National Partnership Agreement on Remote Indigenous Housing (NPARIH) provides funds towards the repair and maintenance of Aboriginal community housing and the support of the Aboriginal Community Housing Providers (ACHP).

The expenditure below relates to recurrent expenditure provided to the ACHPs.

National Partnership Agreement on Remote Indigenous Housing (NPARIH)	1,295	4,271	1,295	4,271
Stimulus Program - Grant payment for Aboriginal Community Upgrades	18,268	-	18,268	-
Asset transfer to LAHC (Non-cash)	2,197	-	2,197	-
Other grants	6,173	8,888	6,173	8,375
	<b>27,933</b>	13,159	<b>27,933</b>	12,646

Other grants by AHO as the Parent entity included \$nil (2020: \$0.513m) of forgiven debt owed by the Trust to AHO.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

	PARENT		CONSOLIDATED	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>2. Expenses excluding losses (continued)</b>				
<i>(e) Finance Costs</i>				
Interest expense from lease liabilities	4	11	4	11
	4	11	4	11

**Recognition and Measurement**

Finance costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit NSW GGS entities.

**3. Revenue**

**Recognition and Measurement**

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15 *Revenue from Contracts with Customers*. Comments regarding the accounting policies for the recognition of income are discussed below.

	PARENT		CONSOLIDATED	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<i>(a) Rent and other tenant charges</i>				
Market rental	81,927	82,518	81,927	82,518
Rental rebates	(29,324)	(29,320)	(29,324)	(29,320)
	52,603	53,198	52,603	53,198
Tenant charges	2,904	2,933	2,904	2,933
	55,507	56,131	55,507	56,131

**Recognition and Measurement**

Rent is charged one week in advance and recognised as revenue on an accrual basis, on a straight-line basis over the lease term.

AHO charges rent for tenants, subject to individual limitations. Tenants, however, are only charged an amount equivalent to a pre-determined percentage of their household income. The difference between the market rent and the amount tenants are charged is referred to as a rental rebate. Estimated market rent and other tenant related charges, net of estimated rental rebates, are recognised and reported in the Statement of Comprehensive Income as Rent and other tenant charges.

Management has assessed the COVID-19 situation and noted that there were no evidence to suggest AHO's rental income would be materially impacted. Management will continue to monitor any changes to the market conditions after 30 June 2021.

Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**3. Revenue (continued)**

	PARENT		CONSOLIDATED	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>(b) Grants and contributions</b>				
<b>Grants without sufficiently specific performance obligations</b>				
State Social Housing	4,487	4,487	4,487	4,487
National Housing and Homelessness Agreement (NHHA)	29,864	29,864	29,864	29,864
National Partnership Agreement on Remote Indigenous Housing (NPARIH)	5,207	6,643	5,207	6,643
Covid-19 Economic Response Stimulus Grant	57,284	13,500	57,284	13,500
Strong Family, Strong Communities	6,121	9,313	6,121	9,313
Services Our Way	3,296	-	3,296	-
Other Grants	1,983	12	1,983	12
Capital Donation - Asset Transfer from LAHC (Non-cash)	3,415	-	3,415	-
Volunteer Services (Non-cash)	234	-	234	-
<b>Grants with sufficiently specific performance obligations</b>				
Grants from DPIE	1,914	4,888	1,914	4,888
	<b>113,805</b>	68,707	<b>113,805</b>	68,707

Grants are received through NSW Treasury from the Commonwealth Government under the National Partnership Agreement on Remote Indigenous Housing (NPARIH) and National Housing and Homelessness Agreement (NHHA). Additional contribution is also received from the State Government under State Social Housing.

As part of an economic response to the COVID-19 situation, a stimulus grant was approved for AHO to maintain social housing infrastructure through addressing critical asset condition needs and support employment in the construction/trade industry. Note that \$57.3m of funding is derived from grants from DPIE and DCJ, whilst there was a remaining \$9.8m of funding that was derived from insurance income and asset sale in prior year. Stimulus spending relating to the grant provided to AHO are reflected across Note 2(b) - *Operating Expenses (\$1.8m)*, Note 2(d) - *Stimulus Program - Grant payment for Aboriginal Community Upgrades (\$18.3m)*, and Note 8 - *Additions (\$55.2m)*.

Volunteer Services is for the rent free period for Parramatta Square for March to June 2021.

Grants from DPIE includes \$1.9m (2020: \$4.9m) of funding received from DPIE. The funding was part of a Memorandum of Understanding (MoU) as part of AHO's solar project which is accounted for under AASB 15, whereby revenue is only recognised when specific performance obligations have been satisfied.

**Recognition and Measurement**

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by AHO is recognised when AHO satisfies its obligations under the transfer. AHO satisfies the performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. The percentage of cost incurred is used to recognise income, because this most closely reflects the progress to completion.

Revenue from grants with sufficiently specific performance obligations is recognised as when AHO satisfies a performance obligation by transferring the promised goods. Revenue from these grants is recognised based on the grant amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied. Income from grants without sufficiently specific performance obligations is recognised when AHO obtains control over the granted assets (e.g. cash).



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
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**3. Revenue (continued)**

*(b) Grants and contributions (continued)*

Receipt of volunteer services is recognised when and only when the fair value of those services can be reliably determined and the services would have been purchased if not donated. Volunteer services are measured at fair value.

	<b>PARENT</b>		<b>CONSOLIDATED</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>(c) Other income</b>				
Assets recognised for the first time	<b>5,130</b>	19,975	<b>5,130</b>	19,975
Insurance Income	<b>4,547</b>	10,355	<b>4,547</b>	10,355
Small-Scale Technological Certificates Revenue	<b>2,778</b>	2,089	<b>2,778</b>	2,089
Other Income	<b>1,788</b>	1,241	<b>2,788</b>	1,241
	<b>14,243</b>	33,660	<b>15,243</b>	33,660

AHO received Ministerial approval to transfer ownership of government-owned properties purchased under the Housing Aboriginal Communities Program (HACP) to AHO-registered Aboriginal Community Housing Providers (ACHPs). AHO invited Expressions of Interest from AHO-registered ACHPs that believed that they met the requirements for transfer of title of HACP properties. As part of HACP and the title rectification program, a total of 24 properties of assets were recognised for the first time at \$5.1m (2020: \$20.0m).

The following were also recognised during the year:

- (i) \$4.5m insurance income received for properties lost through fire or structural damage.
- (ii) \$2.8m from the sale of Small-Scale Technology Certificate (STC) at a fixed price as part of AHO's solar project.

**Recognition and Measurement**

Income from assets recognised for the first time is recorded when it has been determined that AHO:

- (i) have ownership over these properties; and
- (ii) could now demonstrate control given the confirmation that these properties will not be transferred and there are valid management agreements in place;

These properties are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment. Consequently, the income recognised would be equal to the fair value of the properties.

Insurance income is recorded upon receipt of cash.

STC income is accounted for under AASB 15, whereby AHO recognises revenue from the sale of the STCs at a point in time when the STCs are generated in compliance with the regulatory requirements and sold.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**4. Losses on disposal**

	<u>PARENT</u>		<u>CONSOLIDATED</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$'000	\$'000	\$'000	\$'000
Proceeds from disposal	479	1,213	479	1,213
Disposal costs	(10)	(28)	(10)	(28)
Carrying amount of assets disposed - Note 8	<u>(2,097)</u>	<u>(7,269)</u>	<u>(2,097)</u>	<u>(7,269)</u>
Net Loss on disposal of property	<u>(1,628)</u>	<u>(6,084)</u>	<u>(1,628)</u>	<u>(6,084)</u>

**(ii) Loss on transfers/demolitions and retirements**

Written down value of assets demolished - Note 8	(1,472)	(3,727)	(1,472)	(3,727)
Written down value of assets written-off - Note 8	<u>(242)</u>	<u>-</u>	<u>(242)</u>	<u>-</u>
	<u>(1,714)</u>	<u>(3,727)</u>	<u>(1,714)</u>	<u>(3,727)</u>
	<u>(3,342)</u>	<u>(9,811)</u>	<u>(3,342)</u>	<u>(9,811)</u>

**Recognition and Measurement**

**Impairment losses on non-financial assets**

Impairment losses may arise on non-financial assets held by AHO from time-to-time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting Policies and events giving rise to impairment losses are disclosed in Note 8.

**5. Reversal of/(Increase in) impairment losses on financial assets**

	<u>PARENT</u>		<u>CONSOLIDATED</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$'000	\$'000	\$'000	\$'000
Reversal of/(Increase in) allowance for impairment of receivables - refer Note 7	251	(988)	251	(988)
	<u>251</u>	<u>(988)</u>	<u>251</u>	<u>(988)</u>

**6. Current assets - cash and cash equivalents**

Cash at bank and on hand	3,479	10,153	3,479	10,153
	<u>3,479</u>	<u>10,153</u>	<u>3,479</u>	<u>10,153</u>

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and cash at bank. There is an amount of \$213,289 for 2021 (2020: \$213,289) which relates to restricted cash held for purchase of replacement properties for the ACHPs.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of financial year to the statement of cash flows as follows:

Cash and cash equivalents (as per Statement of Financial Position)	3,479	10,153	3,479	10,153
Closing cash and cash equivalents (as per Statement of Cash Flows)	<u>3,479</u>	<u>10,153</u>	<u>3,479</u>	<u>10,153</u>

Refer to Note 17 for details regarding credit risk and market risk arising from financial instruments.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**7. Current assets – receivables**

	PARENT		CONSOLIDATED	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Rental debtors	4,642	4,370	4,642	4,370
Sundry debtors	1,206	317	1,206	317
Receivables from Trust	561	-	-	-
Receivables from DCJ	34	6	34	6
Receivables from DPIE	318	409	318	409
Receivables from LAHC	1,860	1,425	1,860	1,425
Less: Allowance for expected credit losses*	(2,921)	(3,404)	(2,921)	(3,404)
	<b>5,700</b>	<b>3,123</b>	<b>5,139</b>	<b>3,123</b>
Prepayments - Other	995	265	995	265
GST receivable (net)	214	338	214	338
Total receivables	<b>6,909</b>	<b>3,726</b>	<b>6,348</b>	<b>3,726</b>
<b>*Movement in the allowance for expected credit losses</b>				
Balance at beginning of the period	(3,404)	(2,698)	(3,404)	(2,698)
Amounts written off during the year	232	282	232	282
Decrease/(Increase) in allowance recognised in net result (Note 5)	251	(988)	251	(988)
Balance at end of the period	<b>(2,921)</b>	<b>(3,404)</b>	<b>(2,921)</b>	<b>(3,404)</b>

Details regarding credit risk of receivables that are either past due or impaired are disclosed in Note 17.

**Recognition and measurement**

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

**Subsequent measurement**

AHO holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

**Impairment**

AHO recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that AHO expects to receive, discounted at the original effective interest rate.

For trade receivables, AHO applies a simplified approach in calculating ECLs. AHO recognises a loss allowance based on lifetime ECLs at each reporting date. AHO has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

Management has assessed the COVID-19 situation and noted that there is limited evidence to suggest that AHO's receivables balances would be impacted. Rental debtors have not been materially impacted based on assessment of recent rental arrears, while the impact on the remaining receivables balances is expected to be minimal as these are held with other government agencies. As approximately 10% of tenants do not rely on Commonwealth transfer payments and may be impacted by loss of income due to the COVID-19 induced economic conditions, the ECL was increased accordingly. Management will continue to monitor any changes to the market conditions after 30 June 2021.



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Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**8. Non-current assets – property, plant and equipment**

**2021 PARENT**

	Land and Buildings		Plant and Equipment	Capital Work in Progress	Total
	Tenanted*	Not Tenanted			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 July 2020 - fair value</b>					
Gross carrying amount	2,120,409	17,780	754	21,361	2,160,304
Accumulated depreciation and impairment	(121)	-	(540)	-	(661)
Net Carrying Amount	2,120,288	17,780	214	21,361	2,159,643
<b>At 30 June 2021 - fair value</b>					
Gross carrying amount	2,235,622	14,436	458	41,931	2,292,447
Accumulated depreciation and impairment	(141)	-	(22)	-	(163)
Net Carrying Amount	2,235,481	14,436	436	41,931	2,292,284

\*This relates to properties where AHO is the lessor under operating leases (social housing).

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

**2021 PARENT**

	Land and Buildings		Plant and Equipment	Capital Work in Progress	Total
	Tenanted	Not Tenanted			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Period ended 30 June 2021</b>					
Net Carrying Amount at start of year	2,120,288	17,780	214	21,361	2,159,643
Additions	34,805	-	413	45,973	81,191
Non-cash property transfers to LAHC (Note 2(d))	(1,483)	(714)	-	-	(2,197)
Non-cash property transfers from LAHC (Note 3(b))	3,355	60	-	-	3,415
Assets recognised for the first time (Note 3(c))	5,130	-	-	-	5,130
Transfers from work in progress	28,720	(3,317)	-	(25,403)	-
Disposals (Note 4)	(2,097)	-	-	-	(2,097)
Write-off (Note 4)	(180)	-	(62)	-	(242)
Demolition (Note 4)	(1,472)	-	-	-	(1,472)
Net revaluation increment	69,523	627	-	-	70,150
Depreciation expense (Note 2(c))	(21,108)	-	(129)	-	(21,237)
<b>Net Carrying Amount at end of year</b>	<b>2,235,481</b>	<b>14,436</b>	<b>436</b>	<b>41,931</b>	<b>2,292,284</b>





Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**8. Non-current assets – property, plant and equipment (continued)**

**2020 PARENT**

	Land and Buildings		Plant and Equipment	Capital Work in Progress	Total
	Tenanted \$'000	Not Tenanted \$'000			
<b>At 1 July 2019 - fair value</b>					
Gross carrying amount	2,133,800	17,822	715	14,404	2,166,741
Accumulated depreciation and impairment	(53)	-	(428)	-	(481)
Net Carrying Amount	<u>2,133,747</u>	<u>17,822</u>	<u>287</u>	<u>14,404</u>	<u>2,166,260</u>
<b>At 30 June 2020 - fair value</b>					
Gross carrying amount	2,120,409	17,780	754	21,361	2,160,304
Accumulated depreciation and impairment	(121)	-	(540)	-	(661)
Net Carrying Amount	<u>2,120,288</u>	<u>17,780</u>	<u>214</u>	<u>21,361</u>	<u>2,159,643</u>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below:

**2020 PARENT**

	Land and Buildings		Plant and Equipment	Capital Work in Progress	Total
	Tenanted \$'000	Not Tenanted \$'000			
<b>Period ended 30 June 2020</b>					
Net Carrying Amount at start of year	2,133,747	17,822	287	14,404	2,166,260
Additions	30,263	-	45	23,124	53,432
Assets recognised for the first time (Note 3(c))	19,975	-	-	-	19,975
Make good	-	-	(6)	-	(6)
Transfers from work in progress	14,621	1,546	-	(16,167)	-
Disposals (Note 4)	(6,303)	(966)	-	-	(7,269)
Demolition (Note 4)	(3,727)	-	-	-	(3,727)
Net revaluation decrement	(47,959)	(622)	-	-	(48,581)
Depreciation expense (Note 2(c))	(20,329)	-	(112)	-	(20,441)
Net Carrying Amount at end of year	<u>2,120,288</u>	<u>17,780</u>	<u>214</u>	<u>21,361</u>	<u>2,159,643</u>



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**8. Non-current assets – property, plant and equipment (continued)**

<b>2021 CONSOLIDATED</b>	<b>Land and Buildings</b>			<b>Capital Work in Progress</b>	<b>Total</b>
	<b>Tenanted</b>	<b>Not Tenanted</b>	<b>Plant and Equipment</b>		
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>At 1 July 2020 - fair value</b>					
Gross carrying amount	2,124,437	19,134	754	21,361	2,165,686
Accumulated depreciation and impairment	(121)	-	(540)	-	(661)
Net Carrying Amount	<u>2,124,316</u>	<u>19,134</u>	<u>214</u>	<u>21,361</u>	<u>2,165,025</u>
<b>At 30 June 2021 - fair value</b>					
Gross carrying amount	2,239,860	15,870	458	41,931	2,298,119
Accumulated depreciation and impairment	(141)	-	(22)	-	(163)
Net Carrying Amount	<u>2,239,719</u>	<u>15,870</u>	<u>436</u>	<u>41,931</u>	<u>2,297,956</u>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

<b>2021 CONSOLIDATED</b>	<b>Land and Buildings</b>			<b>Capital Work in Progress</b>	<b>Total</b>
	<b>Tenanted</b>	<b>Not Tenanted</b>	<b>Plant and Equipment</b>		
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Period ended 30 June 2021</b>					
Net Carrying Amount at start of year	2,124,316	19,134	214	21,361	2,165,025
Additions	34,805	-	413	45,973	81,191
Non-cash property transfers to LAHC (Note 2(d))	(1,483)	(714)	-	-	(2,197)
Non-cash property transfers from LAHC (Note 3(b))	3,355	60	-	-	3,415
Assets recognised for the first time (Note 3(c))	5,130	-	-	-	5,130
Transfers from work in progress	28,720	(3,317)	-	(25,403)	-
Disposals (Note 4)	(2,097)	-	-	-	(2,097)
Write-off (Note 4)	(180)	-	(62)	-	(242)
Demolition (Note 4)	(1,472)	-	-	-	(1,472)
Net revaluation increment	69,811	707	-	-	70,518
Depreciation expense (Note 2(c))	(21,186)	-	(129)	-	(21,315)
Net Carrying Amount at end of year	<u>2,239,719</u>	<u>15,870</u>	<u>436</u>	<u>41,931</u>	<u>2,297,956</u>



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**8. Non-current assets – property, plant and equipment (continued)**

**2020 CONSOLIDATED**

	Land and Buildings		Plant and Equipment	Capital Work in Progress	Total
	Tenanted	Not Tenanted			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 July 2019 - fair value</b>					
Gross carrying amount	2,137,332	19,262	715	14,404	2,171,713
Accumulated depreciation and impairment	(53)		(428)	-	(481)
Net Carrying Amount	<u>2,137,279</u>	<u>19,262</u>	<u>287</u>	<u>14,404</u>	<u>2,171,232</u>
<b>At 30 June 2020 - fair value</b>					
Gross carrying amount	2,124,437	19,134	754	21,361	2,165,686
Accumulated depreciation and impairment	(121)	-	(540)	-	(661)
Net Carrying Amount	<u>2,124,316</u>	<u>19,134</u>	<u>214</u>	<u>21,361</u>	<u>2,165,025</u>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below:

**2020 CONSOLIDATED**

	Land and Buildings		Plant and Equipment	Capital Work in Progress	Total
	Tenanted	Not Tenanted			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Period ended 30 June 2020</b>					
Net Carrying Amount at start of year	2,137,279	19,262	287	14,404	2,171,232
Additions	30,263	-	45	23,124	53,432
Assets recognised for the first time (Note 3(c))	19,975	-	-	-	19,975
Make good	-	-	(6)	-	(6)
Transfers from work in progress	14,621	1,546	-	(16,167)	-
Disposals (Note 4)	(6,302)	(967)	-	-	(7,269)
Demolition (Note 4)	(3,727)	-	-	-	(3,727)
Net revaluation decrement	(47,387)	(707)	-	-	(48,094)
Depreciation expense (Note 2(c))	(20,406)	-	(112)	-	(20,518)
Net Carrying Amount at end of year	<u>2,124,316</u>	<u>19,134</u>	<u>214</u>	<u>21,361</u>	<u>2,165,025</u>



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**8. Non-current assets – property, plant and equipment (continued)**

**Recognition and measurement**

(i) Capitalisation threshold

Property, plant and equipment, including leasehold improvements costing \$5,000 and above are capitalised, if it is probable that future economic benefits will flow to AHO and the cost of the asset can be reliably measured. Grouped assets forming part of a network costing more than \$5,000 are capitalised.

(ii) Recognition and measurement

The cost method of accounting is used in the initial recording of all asset acquisitions controlled by AHO. Property, plant and equipment are subsequently revalued at fair value less accumulated depreciation and impairment.

Cost includes expenditures that are directly attributable to the acquisition of the asset, such as cash or cash equivalents paid or the fair value of other consideration given to acquire the asset at the time of its acquisition or construction, or where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards. The present value of the expected cost of dismantling and removing an asset and restoring the site on which they are located is included in the cost of an asset, to the extent that it is recognised as a liability. AHO recognises a liability when it has a legal and constructive obligation to restore the asset.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition. Fair value is price that would be received to sell an asset in an orderly transaction between market participants at measurement date. Where the payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent that is, the deferred payment amount is effectively discounted at an asset-specific rate.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, with the net amount being recognised within the Statement of comprehensive income.

(iii) Subsequent costs

a) Major inspection costs

The cost of performing major inspections is capitalised as an addition to the asset, when the recognition criteria is satisfied.

b) Repairs and maintenance

AHO expenses the cost of routine repairs and maintenance necessarily incurred to maintain its property portfolio at pre-determined standards, except where they relate to replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

A percentage of repairs and maintenance on properties costing in aggregate more than \$10,000 are capitalised. Individual repairs and maintenance costing more than \$5,000 are capitalised.

Value of unpaid repairs and maintenance at reporting date is accrued. AHO estimates this accrual by applying a pre-determined percentage of the value of works orders issued to maintenance contractors. The pre-determined percentage is assessed every year depending on the status of the works orders as at reporting date.

c) Capital improvements

AHO incurs costs necessary to bring older dwellings within its property portfolio to the benchmark condition. When the work undertaken results in the improved dwellings exceeding the original standard of the dwellings, the costs incurred are capitalised.



Aboriginal Housing Office  
Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

## 8. Non-current assets – property, plant and equipment (continued)

### Recognition and measurement (continued)

#### (iv) Revaluation

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 10 for further information regarding fair value.

AHO revalue its lands and buildings annually to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at the reporting date.

For non-specialised assets with short useful lives, these are measured at depreciated historical cost as an approximation of fair value. AHO has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

When revaluing non-current assets using income or market approach the accumulated depreciation of an asset at the revaluation date is eliminated against the asset's gross carrying amount. The resulting net balance in the asset account is increased or decreased to bring the asset's value to fair value.

Revaluation increments are credited directly to revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result. The remaining balance is directly credited to the revaluation reserve.

Revaluation decrements relating to an asset class is first offset against the existing credit balance in the revaluation reserve for that asset class. The remaining balance is recognised as an expense in the net result reported in the Statement of Comprehensive Income.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not against assets that belong to a different asset class.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation reserve in respect of that asset is transferred to accumulated funds.



Aboriginal Housing Office  
Notes to the financial statements  
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(Continued)

**8. Non-current assets – property, plant and equipment (continued)**

**Recognition and measurement (continued)**

(v) Depreciation

Property, plant and equipment, other than land is depreciated on a straight-line basis so as to write off the depreciable amount of each asset as it is consumed over its useful life. All material identifiable components of assets are depreciated separately over their useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end. AHO undertakes ongoing maintenance and upgrades in order to maintain properties at a certain standard.

The depreciation rates are as follows:

	2021	2020
	% Rate	% Rate
<b>Property</b>		
Building	2	2
<b>Plant &amp; Equipment</b>		
Office furniture and fittings	33	33
Office equipment	14	14
Computer equipment	25	25

Leasehold improvements are amortised over the unexpired period of the lease or the estimated useful life of the improvements, whichever is shorter.

(vi) Leases

**Right-of-Use Assets acquired by lessees**

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset for most leases. AHO has elected to present right-of-use assets separately in the Statement of Financial Position.

Further information on leases is contained at Note 9.

(vii) Transfer of Assets

On a regular basis, the NSW Land and Housing Corporation (LAHC) transfers properties (including legal title) to AHO to assist in meeting Aboriginal housing needs. AHO also transfers properties to LAHC, such as when the relevant properties no longer meet the requirements of Aboriginal households. AHO and LAHC regularly undertake a reconciliation of the value of property transfers in and out (quantity and dollar values).

AHO records as revenue the value of properties transferred from LAHC and records as an expense the value of properties transferred to LAHC.

(viii) Impairment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

AHO assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, AHO estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.



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Notes to the financial statements  
For the year ended 30 June 2021  
(Continued)

**8. Non-current assets – property, plant and equipment (continued)**

**Recognition and measurement (continued)**

(viii) Impairment (continued)

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in net result, a reversal of that impairment loss is also recognised in net result.

(ix) Trust's assets

The assets owned by the Trust, upon consolidation, form part of AHO's consolidated financial statements. As part of a Community consultation and mediation process with the beneficiaries of the Trust to decide on the future of these assets, AHO, as the Trustee of the Trust, has the intention to transfer the assets to the beneficiaries. This intention has been ratified by the AHO Board and approved by the Chief Executive, as well as published to the Community. However, the assets will not be derecognised as at the end of 30 June 2021 as:

- the assets are still titled to AHO as the Trustee (and to the Trust) and,
- the decision has not been approved by Treasurer and Minister and,
- AHO does not have acceptance of the beneficiaries for the transfer as at the date of the consolidated Financial Statements.

As a result, AHO will continue recognising the assets until such time the transfer process has been completed.

**9. Leases**

AHO leases various offices for operational use. Lease contracts are typically made for fixed periods of 5 to 6 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. AHO does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by AHO and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

AHO has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new.

During the current financial year, there was an early termination of the office leases at 33 Argyle Street, Parramatta, effective 30th April 2021, as AHO have moved into the DPIE Head Office at 4PSQ, 12 Darcy St, Parramatta. By 30 June 2021, AHO is no longer a party to any office leases and all lease liabilities and right-of-use assets have been de-recognised.



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Notes to the financial statements  
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**9. Leases (continued)**

**(a) Right-of-use assets under leases**

The following tables present right-of-use assets that do not meet the definition of investment property.

<b>PARENT/CONSOLIDATED</b>	<b>Buildings \$'000</b>	<b>Total \$'000</b>
<b>Balance at 1 July 2020</b>	518	518
Additions	-	-
Depreciation expense	(332)	(332)
Lease modification revaluation	(186)	(186)
<b>Balance at 30 June 2021</b>	<u>-</u>	<u>-</u>

<b>PARENT/CONSOLIDATED</b>	<b>Buildings \$'000</b>	<b>Total \$'000</b>
<b>Balance at 1 July 2019</b>	992	992
Additions	-	-
Depreciation expense	(384)	(384)
Impairment on right-of-use assets	(90)	(90)
<b>Balance at 30 June 2020</b>	<u>518</u>	<u>518</u>

**(b) Lease liabilities**

The following table presents liabilities under leases:

<b>PARENT/CONSOLIDATED</b>	<b>Total \$'000</b>
<b>Balance at 1 July 2020</b>	627
Lease modification revaluation	(297)
Interest expenses	4
Payments	(334)
<b>Balance at 30 June 2021</b>	<u>-</u>
<b>Balance at 1 July 2019</b>	1,016
Additions	-
Interest expenses	11
Payments	(400)
<b>Balance at 30 June 2020</b>	<u>627</u>





Aboriginal Housing Office  
Notes to the financial statements  
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(Continued)

**9. Leases (continued)**

**(c) Right-of-use expenses under leases**

The following amounts were recognised in the statement of comprehensive income for the current and prior periods:

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Gain on modification of leases	(110)	-
Depreciation expense of right-of-use assets	332	384
Impairment on right-of-use assets	-	90
Interest expense on lease liabilities	4	11
<b>Total amount recognised in the statement of comprehensive income</b>	<b>226</b>	<b>485</b>

AHO had total cash outflows for leases of \$0.334m in FY2020-21 (\$0.400m in FY2019-20).

**Recognition and measurement**

AHO assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. AHO recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

**i. Right-of-use assets**

AHO recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (50 years for office buildings).

As the lease terms for AHO's right-of-use assets is usually 5 years which is shorter than the useful lives of the assets, these assets are depreciated over the lease term.

If ownership of the leased asset transfers to AHO at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. AHO assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, AHO estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

**ii. Lease liabilities**

At the commencement date of the lease, AHO recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;



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Notes to the financial statements  
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**9. Leases (continued)**

**Recognition and measurement (continued)**

**ii. Lease Liabilities (continued)**

- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by AHO; and
- payments of penalties for terminating the lease, if the lease term reflects AHO exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for AHO's leases, the lessee's incremental borrowing rate is used, being the rate that AHO would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

AHO's lease liabilities are included in borrowings. Refer to Note 12.

**iii. Short-term leases and leases of low-value assets**

AHO applies the short-term lease recognition exemption to its short-term leases of property, plant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term. AHO does not have such leases as at 30 June 2021.

**iv. Leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives**

The initial and subsequent measurement of right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable AHO to further its objectives is same as normal right-of-use assets. They are measured at cost, subject to impairment. AHO does not have such leases as at 30 June 2021.



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Notes to the financial statements  
For the year ended 30 June 2021  
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**10. Fair value measurement of non-financial assets**

(a) Fair value hierarchy

	Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
<b>2021</b>					
<b>PARENT</b>					
<b>Property, plant and equipment</b>					
Land and buildings	8	-	-	2,249,917	2,249,917
		<u>-</u>	<u>-</u>	<u>2,249,917</u>	<u>2,249,917</u>
<b>2021</b>					
<b>CONSOLIDATED</b>					
<b>Property, plant and equipment</b>					
Land and buildings	8	-	-	2,255,589	2,255,589
		<u>-</u>	<u>-</u>	<u>2,255,589</u>	<u>2,255,589</u>

There were no transfers between Level 1 or 2 during the period.

	Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
<b>2020</b>					
<b>PARENT</b>					
<b>Property, plant and equipment</b>					
Land and buildings	8	-	-	2,138,068	2,138,068
		<u>-</u>	<u>-</u>	<u>2,138,068</u>	<u>2,138,068</u>
<b>2020</b>					
<b>CONSOLIDATED</b>					
<b>Property, plant and equipment</b>					
Land and buildings	8	-	-	2,143,450	2,143,450
		<u>-</u>	<u>-</u>	<u>2,143,450</u>	<u>2,143,450</u>

There were no transfers between Level 1 or 2 during the period.

**Recognition and measurement**

**Fair value measurement and hierarchy**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.



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Notes to the financial statements  
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(Continued)

**10. Fair value measurement of non-financial assets (continued)**

**(a) Fair value hierarchy (continued)**

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, AHO categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices in active markets for identical assets / liabilities that AHO can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

AHO recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**(b) Valuation techniques, inputs and processes**

Fair values are determined by applying an annual rolling benchmark valuation approach whereby a third of the benchmark properties are valued by accredited property valuers with reference to market sales comparisons to calculate a market movement index. The market movement index is applied to the remaining two-thirds of the benchmark properties. This has the advantage of engaging an independent assessment annually. All benchmark properties are grouped within thirteen geographical reporting regions. The median value increase in each geographical group is then applied to the entire property portfolio. Adjustments to each property are made for any significant different characteristic from benchmark properties. The rolling benchmark valuation process is calculated annually as at 31 December. As such, an uplift market movement factor is provided from a registered valuer for the six months period ended 30 June 2021.

The uplift/(downward) market movement for the six months ended 30 June 2021 is nil. This methodology involves a physical independent valuation each year of one-third of the benchmark properties.

COVID-19 has created uncertainty in all sectors of the State's economy including the housing market. At the time of preparing these financial statements, there has been no indication of a negative financial impact, if any, on AHO's property, plant and equipment as at 30 June 2021. AHO's residential property portfolio's fair value is determined by the market approach, primarily comparable recent market sales. Management has made enquiries of external parties and has not been made aware of any evidence of a material change in residential property values as a result of COVID-19 that would result in an adjustment to fair value as at 30 June 2021. Management will continue to monitor any changes to the market conditions after 30 June 2021.

**Significant inputs**

- Market sales comparison approach utilising recent sales of comparable properties.
- Adjustments for any different attributes to benchmark properties- number of bedrooms, street appeal, aspect, dwelling size, yard size, internal condition and car accommodation, land size and zoning restrictions
- Where a single title exists over multiple properties, a block title adjustment is made to reflect the required costs for sub-division.
- Market movement for six months ended 30 June.

**Inter-relationship between significant inputs and fair value measurement**

- Higher (lower) market sales values reflect higher (lower) valuations.
- Better / (lesser) attributes for location, condition, size, aspect and street appeal over benchmark properties result in higher / (lower) valuation.
- Depending on the complexity of the conversion to single title, valuations are reduced by conversion costs.
- Higher / (lower) six monthly uplift market movement will result in higher / (lower) valuation.

Due to the extent of extrapolation and calculations for block title adjustments and uplift factors, management considers that an overall type 3 input level is appropriate.

**(c) Reconciliation of Level 3 fair value measurements**

Please refer to Note 8 for a reconciliation of the Level 3 fair value measurements for land & buildings.



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Notes to the financial statements  
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(Continued)

	<u>PARENT</u>		<u>CONSOLIDATED</u>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>11. Current liabilities – payables</b>				
Payable for personnel services - inter-agency	13,854	14,890	13,854	14,890
Creditors - trade	5,530	3,043	5,530	3,043
Creditors - sundry	2,572	2,460	2,572	2,460
Payable to the NSW Treasury	-	2,200	-	2,200
Payable to Crown Finance Entity	-	82	-	82
Payable to the Trust	1,000	-	-	-
Accrued operating expenditure	4,842	2,685	4,842	2,685
Accrued capital expenditure - LAHC	4,528	2,854	4,528	2,854
Accrued capital expenditure - DPIE	170	-	170	-
Accrued capital expenditure - Others	3,895	415	3,895	415
	<u>36,391</u>	<u>28,629</u>	<u>35,391</u>	<u>28,629</u>

In the prior financial year ended 30 June 2020, AHO recorded a payable of \$2.2m to Treasury in relation to grant relief received in advance from NSW Treasury in anticipation that AHO's rental revenue will be impacted as a result of the COVID-19 situation. As there was no evidence of an impact, this grant was returned to NSW Treasury in the current year, with the payable amount reduced to nil.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are included in Note 17.

**Recognition and measurement**

**Trade and other payables**

These represent liabilities for goods and services provided to AHO and other amounts. Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. However, short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Subsequent to initial recognition, trade and other payables are measured at amortised cost using the effective interest method.

Gains and losses are recognised in the net result when the liabilities are de-recognised as well as through the amortisation process.

**12. Current/non-current liabilities – borrowings**

	<u>PARENT</u>		<u>CONSOLIDATED</u>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current lease liability - see Note 9(b)	-	397	-	397
Non-current lease liability - see Note 9(b)	-	230	-	230
	<u>-</u>	<u>627</u>	<u>-</u>	<u>627</u>

During the current financial year, there was an early termination of the office leases at 33 Argyle Street, Parramatta, effective 30th April 2021, as AHO have moved into the DPIE Head Office at 4PSQ, 12 Darcy St, Parramatta. By 30 June 2021, AHO is no longer a party to any office leases and all lease liabilities and right-of-use assets have been de-recognised.

Details regarding liquidity risk, including a maturity analysis of the above borrowings are in Note 17.



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Notes to the financial statements  
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**12. Current/non-current liabilities – borrowings (Continued)**

**Recognition and measurement**

The only borrowing that AHO has relates to lease liabilities. Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

**13. Non-current liabilities – provisions**

	PARENT		CONSOLIDATED	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Property replacement cost	213	213	213	213
Restoration	-	325	-	325
<b>Total Provisions</b>	<b>213</b>	<b>538</b>	<b>213</b>	<b>538</b>

**Reconciliation**

A reconciliation of the provision movements for the current year is set out below:

2021 PARENT	Property replacement \$'000	Restoration \$'000	Total \$'000
	Carrying amount at beginning of the financial year	213	325
Additional provision recognised	-	9	9
Provision settled	-	(334)	(334)
Unwinding/Change in the discount rate	-	-	-
Carrying amount at the end of the financial year	<b>213</b>	<b>-</b>	<b>213</b>

2021 CONSOLIDATED	Property replacement \$'000	Restoration \$'000	Total \$'000
	Carrying amount at beginning of the financial year	213	325
Additional provision recognised	-	9	9
Provision settled	-	(334)	(334)
Unwinding/Change in the discount rate	-	-	-
Carrying amount at the end of the financial year	<b>213</b>	<b>-</b>	<b>213</b>

**Reconciliation**

A reconciliation of the provision movements for the previous year is set out below:

2020 PARENT	Property replacement \$'000	Restoration \$'000	Total \$'000
	Carrying amount at beginning of the financial year	213	328
Additional provision recognised	-	(6)	(6)
Unwinding/Change in the discount rate	-	3	3
Carrying amount at the end of the financial year	<b>213</b>	<b>325</b>	<b>538</b>



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Notes to the financial statements  
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**13. Non-current liabilities – provisions (continued)**

<b>2020 CONSOLIDATED</b>	<b>Property replacement \$'000</b>	<b>Restoration \$'000</b>	<b>Total \$'000</b>
Carrying amount at beginning of the financial year	213	328	541
Additional provision recognised	-	(6)	(6)
Unwinding/Change in the discount rate	-	3	3
Carrying amount at the end of the financial year	<u>213</u>	<u>325</u>	<u>538</u>

**Recognition and measurement**

**Provisions**

AHO has no employees and therefore has no employee related provisions.

A provision is recognised if, as a result of a past event, AHO has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

If the effect of the time value of money is material, provisions are discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time (i.e. unwinding of discount rate) is recognised as a finance cost.

Restoration costs provision is the present value of AHO's obligation to make-good leased premises at the reporting date. The assumed settlement is based on contractual lease term. The amount and timing of each estimate is reassessed annually. Provision for property replacements cost relates to AHO's obligation to purchase suitable replacement properties for the ACHPs. This amount is reassessed on an annual basis.

**14. Commitments for expenditure**

**Capital commitments**

Aggregate capital expenditure contracted for the purpose of providing housing for Aboriginal people at balance date and not provided for:

	<u>PARENT</u>		<u>CONSOLIDATED</u>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Within one year	42,006	9,133	42,006	9,133
Later than one and not later than five years	-	-	-	-
Total (including GST)	<u>42,006</u>	<u>9,133</u>	<u>42,006</u>	<u>9,133</u>

The Capital Commitments for the current year is higher than the prior year as a result of AHO's COVID-19 Economic Response Stimulus Program that is currently in progress, with majority of the new supply and upgrade works to be completed by 30 June 2022.

**15. Contingent Liabilities and Contingent Assets**

There were 7 properties that AHO does not have definitive control over as at 30 June 2021 (2020 - 15 properties). As a result, they will not be recognised until such time as full control is established. The value of these properties is \$2.54m. (2020 - \$4.80m).

There were no contingent liabilities for AHO as at 30 June 2021 (2020 - \$Nil).

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Notes to the financial statements  
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**16. Reconciliation of cash flows from operating activities to net result**

	PARENT		CONSOLIDATED	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Net cash from operating activities</b>	<b>69,058</b>	51,886	<b>69,058</b>	51,886
Losses on disposal, demolitions and write-offs	(3,342)	(9,811)	(3,342)	(9,811)
Depreciation	(21,569)	(20,825)	(21,647)	(20,902)
Assets recognised for the first time	5,130	19,975	5,130	19,975
Non-cash transfer from LAHC	3,415	-	3,415	-
Non-cash transfer to LAHC	(2,197)	-	(2,197)	-
Actuarial loss on superannuation liability	(94)	-	(94)	-
Volunteer service income - rent free arrangement with DPIE	234	-	234	-
Volunteer service expense – rent free arrangement with DPIE	(234)	-	(234)	-
Gain on lease modification	110	-	110	-
Finance costs	(4)	(11)	(4)	(11)
Impairment loss on right-of-use assets	-	(90)	-	(90)
Unwinding of discount on make good provision	-	(3)	-	(3)
Decrease/(Increase) in allowance for impairment	251	(988)	251	(988)
Increase / (decrease) in receivables	2,636	1,422	2,075	1,422
Decrease / (increase) in provisions	325	-	325	-
Decrease / (increase) in payables	(3,622)	(3,686)	(2,622)	(3,686)
Decrease / (increase) in unearned revenue	-	713	-	713
Increase / (decrease) in prepayments and other assets	-	203	-	203
<b>Net result</b>	<b>50,097</b>	38,785	<b>50,458</b>	38,708

**17. Financial instruments**

AHO's principal financial instruments are outlined below. These financial instruments arise directly from AHO's operations or are required to finance AHO's operations. AHO does not enter into or trade financial instruments for speculative purposes. AHO does not use financial derivatives. AHO's main risks arising from financial instruments are outlined below, together with AHO's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial statements.

The Secretary has the overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by AHO, to set risk limits and controls and to monitor risks. AHO works closely with DPIE and participates in the DPIE risk management process to manage these risks. Compliance with policies is reviewed by AHO on a continuous basis.

(a) *Financial instrument categories for consolidated entity*

Financial Assets/Liabilities	Note	Category	2021	2020
Class:			\$'000	\$'000
Cash and cash equivalents	6	Amortised Cost	3,479	10,153
Receivables (1)	7	Amortised Cost Loans and Receivables	5,139	3,123
<b>Total financial assets</b>			8,618	13,276
Payables (2)	11	Financial liabilities measured at amortised cost	35,391	28,629
Borrowings	12	Financial liabilities measured at amortised cost	-	627
<b>Total financial liabilities</b>			35,391	29,256





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**17. Financial Instruments (continued)**

**(a) Financial instrument categories (continued)**

- (1) Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)
- (2) Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

AHO determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

**De-recognition of financial assets and liabilities**

**(i) Financial assets**

Financial assets are de-recognised when the contractual rights to the cash flows from the financial assets expire; or when AHO transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- a) AHO has transferred substantially all the risks and rewards of the asset; or
- b) AHO has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control.

When AHO has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where AHO has neither transferred nor retained substantially all the risks and rewards or transferred control, financial assets are recognised only to the extent of AHO's continuing involvement in the asset. In that case, AHO also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that AHO has retained.

**(ii) Financial liabilities**

Financial liabilities are de-recognised when the obligations specified in the contracts expire, are discharged or cancelled.

**(b) Credit risk**

Credit risk arises when there is a possibility of AHO's debtors defaulting on their contractual obligations, resulting in a financial loss to AHO. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment).

Credit risk arises from the financial assets of AHO, including cash and receivables. No collateral is held by AHO. AHO has not granted any financial guarantees.

AHO considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, AHO may also consider a financial asset to be in default when internal or external information indicates that AHO is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by AHO.

*Cash and cash equivalents*

Cash comprises cash on hand and bank balances with Westpac Banking Corporation. Interest is earned on daily bank balances. Any interest income earned is pooled centrally and retained by NSW Treasury.

*Accounting policy for impairment of trade debtors and other financial assets*

*Receivables - trade debtors*

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

AHO applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.



Aboriginal Housing Office  
Notes to the financial statements  
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**17. Financial Instruments (continued)**

**(b) Credit risk (continued)**

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. AHO has identified the GDP, the unemployment rate and the Commonwealth government welfare transfer payments regime to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 90 days past due.

The loss allowance for trade debtors was determined as follows:

	<b>30 June 2021</b>					<b>Total</b>
	<b>Current</b>	<b>&lt;30 days</b>	<b>30-60 days</b>	<b>61-90 days</b>	<b>&gt;91 days</b>	
Expected credit loss rate	-	-	67%	50%	67%	
Estimated total gross carrying amount at default	-	-	3	4	4,337	4,344
Expected credit loss			2	2	2,917	2,921

	<b>30 June 2020</b>					<b>Total</b>
	<b>Current</b>	<b>&lt;30 days</b>	<b>30-60 days</b>	<b>61-90 days</b>	<b>&gt;91 days</b>	
Expected credit loss rate	-	-	60%	40%	83%	
Estimated total gross carrying amount at default	-	-	5	5	4,094	4,104
Expected credit loss	-	-	3	2	3,399	3,404

Note: The analysis excludes statutory receivables, prepayments, as these are not within the scope of AASB 7. Therefore, the "total" will not reconcile to the receivables total in Note 7.

**(c) Liquidity risk**

Liquidity risk is the risk that AHO will be unable to meet its payment obligations when they fall due. AHO continuously manages risk through monitoring future cash flows and commitments maturities. No assets have been pledged as collateral. AHO's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. NSW TC 11/12 allows the Minister to award interest for late payment. No interest for late payment was made during the 2021 year (2020: \$Nil).



Aboriginal Housing Office  
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**17. Financial Instruments (continued)**

(c) *Liquidity risk (continued)*

The table below summarises the maturity profile of AHO's consolidated entities' financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

At 30 June 2021	Interest rate exposure		Maturity dates		
	Nominal Amount	<1 year	Between 1 and 5 years	> 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Payable for personnel services	13,854	13,854	-	-	13,854
Creditors and accrual expenses	21,537	21,537	-	-	21,537
<b>Total</b>	<b>35,391</b>	<b>35,391</b>	<b>-</b>	<b>-</b>	<b>35,391</b>

At 30 June 2020	Interest rate exposure		Maturity dates		
	Nominal Amount	<1 year	Between 1 and 5 years	> 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Payable for personnel services	14,890	14,890	-	-	14,890
Creditors and accrual expenses	13,739	13,739	-	-	13,739
Borrowings	642	403	239	-	642
<b>Total</b>	<b>29,271</b>	<b>29,032</b>	<b>239</b>	<b>-</b>	<b>29,271</b>

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which AHO can be required to pay.

AHO has access to the following line of credit with Westpac:

	2021	2020
	\$'000	\$'000
Tape Negotiation Authority	20,000	20,000

This facility authorises the bank to debit AHO's operating bank account up to the above limit when processing the electronic payroll and accounts payables.

	2021	2020
	\$'000	\$'000
AHO has access to the following credit card facility with Citibank	500	500

This facility was approved under the Public Authorities Financial Arrangements Act by the Treasurer on 5 July 2018 as a maximum limit for AHO's corporate credit cards.



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Notes to the financial statements  
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**17. Financial Instruments (continued)**

**(d) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. AHO's exposures to market risk are primarily through interest rate risk on cash and cash equivalents. AHO has no exposure to foreign currency risk and does not trade in derivatives of any nature.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change of +/- 1 per cent is used, consistent with current trends in interest rates. This basis will be reviewed annually and amended where there is a structural change in the level of interest volatility. AHO's parent and consolidated entities' exposure to interest rate risk is set out below.

**30 June 2021**

	-1%		+1%	
Carrying amount	Net Result	Equity	Net Result	Equity
\$'000	\$'000	\$'000	\$'000	\$'000

**Financial assets**

Cash and cash equivalents	3,479	(35)	(35)	35	35
<b>Total increase/(decrease)</b>		<u>(35)</u>	<u>(35)</u>	<u>35</u>	<u>35</u>

**30 June 2020**

	-1%		+1%	
Carrying amount	Net Result	Equity	Net Result	Equity
\$'000	\$'000	\$'000	\$'000	\$'000

**Financial assets**

Cash and cash equivalents	10,153	(102)	(102)	102	102
<b>Total increase/(decrease)</b>		<u>(102)</u>	<u>(102)</u>	<u>102</u>	<u>102</u>

**(e) Fair Value compared to carrying amount**

The carrying values of financial asset less any impairment provision and financial liabilities are a reasonable approximation of their fair value due to their short term nature.

**18. Budget review**

**(a) Budgeted amounts**

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual consolidated amounts disclosed on the primary consolidated financial statements are explained below.

**Net Cost of Services (NCOS) (equivalent to Net result)**

The Net Cost of Services (NCOS) was \$50.5m in surplus against the approved budget of \$46.8m. The NCOS was achieved.

The major variances to budget for revenue were:

NPARIH Program grant funding was lower by \$13.5m as the COVID-19 pandemic, major flood events in March 2021, and a pause in exits from Build and Grow agreements with Local Aboriginal Land Councils (LALC's). This work will continue to be carried out over the next 1-2 years as LALCs resume direct responsibility for their property and tenancy management, with the AHO to provide assistance on property condition. As it is Commonwealth funding, all NPARIH Community Upgrades and administrative support funds have been approved for carry-over into future years, with no funds lost.



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For the year ended 30 June 2021  
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**18. Budget review (continued)**

Other income was higher than budget by \$3.1m primarily due to \$5.1m income from assets recognised for the first time during the year and \$2.8m of Small-Scale Technological Certificate income recognised for our solar program. These were largely offset by lower than anticipated insurance claims income (\$4.9m lower) as there were less properties that were lost to fire damage this year.

The major variances to budget for expenditures were:

Personnel services and operating expenses were below budget by \$1m and \$1.6m respectively, primarily due to carry-forwards relating to the Strong Family, Strong Communities and Services Our Way programs. The COVID-19 pandemic and the floods in March 2021 impacted the delivery of these programs and the carry-forwards ensured that no funding was lost.

NPARIH Program grant expense was below budget by \$13.8m as a result of the carry-forward mentioned in the revenue section above.

The above was offset by:

Stimulus community upgrades grant program being ahead of program by \$3.9m, exceeding its target for the year.

**Assets and Liabilities**

The major variances to budget were:

Property, plant and equipment was higher than budget by \$77.5m mainly due to a higher than expected revaluation increment for the property portfolio which reflects the improving property market conditions during the financial year. This is in addition to \$5.1m of properties recognised for the first time during the year, and a net increment of \$1.2m of properties recognised as part of an asset swap arrangement with LAHC.

Receivables is higher than budget by \$2.5m mainly due to timing of cash receipt from rental debtors.

Payables is higher than budget by \$6.2m as a result of additional work orders committed for our Stimulus program which is progressing better than our original target.

Asset Revaluation Reserve is higher than budget by \$67.9m as a result of a higher than expected \$70.5m revaluation increment for our property portfolio as mentioned above.

**Cash Flows**

AHO's cash position as at year-end was \$3.5m which is in line with the budget of \$2.0m.

**19. Program group statement**

AHO operates and reports in one program group. The Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position show the program group information of AHO.



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**20. Defined benefit superannuation plans**

DPIE

	SASS		SANCS		SSS		Total	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020	30/06/2021	30/06/2020	30/06/2021	30/06/2020
Member Numbers								
Contributors	-	-	-	-	-	-	-	-
Pensioners	-	-	-	-	7	-	7	-
Superannuation Position	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Accrued liability	-	-	(11)	(1)	13,372	14,705	13,361	14,704
Estimated reserve account balance	(1)	(1)	(60)	(6)	(3,822)	(3,737)	(3,883)	(3,744)
Net liability recognised in statement of financial position	(1)	(1)	(71)	(7)	9,550	10,968	9,478	10,960

Details of the schemes and key assumptions on the actuarial assessments of the above superannuation position are disclosed in the financial statements of DPIE as employer of these employees.

DPIE provides personnel services to AHO as AHO does not have employees.

**21. Related party disclosures**

A related party is a person or entity that is related to AHO that is preparing consolidated financial statements. AHO is a cluster agency of DPIE. As AHO is a statutory authority 100% controlled by the NSW Government, AHO is a related party of all NSW Government controlled agencies and State Owned Corporations.

**(a) Key management personnel**

In accordance with AASB 124 *Related Parties* disclosures, Key Management Personnel 'KMP' are those having authority and responsibility for planning, directing and controlling the activities of the entity including whether executive or otherwise.

The Minister, the Secretary of DPIE and Chief Executive of the Aboriginal Housing Office have been identified as the KMP of AHO.

Key management personnel compensation

Ministers are compensated by NSW Legislature and AHO is not obligated to reimburse the Legislature. Ministerial compensation has been centrally compiled by Treasury and Department of Premier and Cabinet for distribution to agencies for inclusion in their financial statements. AHO is not aware of any non-monetary benefits provided by AHO to the Minister. The Secretary is remunerated by DPIE as the principal department of the cluster and therefore compensation for the Secretary is also excluded from the table below.



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Notes to the financial statements  
For the year ended 30 June 2021  
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**21. Related party disclosures (continued)**

AHO's key management personnel compensation is as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term employee benefits:	443	369
Post-employment benefits	-	-
Total remuneration	443	369

The above compensation disclosures are based on actual payments made to KMP during the year.

KMP Related party information

There were no other related party transactions that occurred during the year with KMP or close family members of KMP.

**(a) Other related party transactions**

Cluster agencies

AHO does not have any employees. Personnel services to AHO are provided and charged by DPIE. These intercompany personnel services costs are disclosed in Note 2 (a) and Note 11.

A management agreement exists between AHO and LAHC whereby LAHC provides contract administration and repairs and maintenance. During the period to 30 June 2021, AHO incurred \$2.45m (2020: \$2.45m) as management fees and this amount is disclosed in Note 2 (b) Fee for services rendered.

A management agreement exists between AHO, DPIE and DCJ, whereby DCJ provides tenancy and other housing assistance services. During the period to 30 June 2021, AHO incurred \$5.24m (2020: \$5.11m) as management fees to DPIE and this amount is disclosed in Note 2 (b) Fee for services rendered.

A management agreement exists between AHO, DPIE and DCJ whereby DCJ provides finance, human resources, and information technology and business services. During the period to 30 June 2021, AHO incurred \$2.47m (2020: \$2.34m) as management fees to DPIE and this amount is disclosed in Note 2 (b) Business Services fee.

AHO had recognised non-cash grant expense to LAHC of \$2.2m for assets transferred to LAHC. This was disclosed in Note 2 (d) Grants and subsidies..

AHO had recognised grant revenue from DPIE of \$31.3m, which includes \$26.1m from Stimulus program, \$3.3m from Service Our Way program and \$1.9m from OEH grant. These amounts are disclosed in Note 3 (b) Grants and contributions.

AHO had recognised grant revenue from DCJ of \$78.8m, which includes \$31.2 from Stimulus program, \$29.9m from NHHA program, \$6.1m from SFSC program, \$5.2m from NPARIH program, \$4.5m from State Social Housing program and \$2.0m from other grants. These amounts are disclosed in Note 3 (b) Grants and contributions.

AHO had recognised non-cash grant revenue from LAHC of \$3.4m for assets transferred from LAHC as capital donation. This was disclosed in Note 3 (b) Grants and contributions.

AHO had recognised a volunteer service revenue from DPIE (non-cash) of \$0.23m for our rent free arrangement with DPIE in relation to the usage of the office space at 4PSQ from March 2021 to June 2021. This was disclosed in Note 3 (b) Grants and contributions.

Other government agencies

AHO transacts with other government entities in the normal course of business at arm's length.



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Notes to the financial statements  
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(Continued)

**21. Related party disclosures (continued)**

Transaction with the Trust

As disclosed in Note 2(d), AHO has recognised \$nil (2020: \$0.513m) of other grants for forgiveness of liability to the Trust for the period ended 30 June 2021.

Balance with related parties

The aggregate value of the outstanding related party balances with AHO are as follows:-

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Receivables from:</b>		
DPIE (Note 7)	318	409
DCJ (Note 7)	34	6
LAHC (Note 7)	1,860	1,425
The Trust (Note 7)	561	-
<b>Total</b>	<b>2,773</b>	<b>1,840</b>
<b>Payables for personnel services to:</b>		
DPIE (Note 11)	13,854	14,890
<b>Total</b>	<b>13,854</b>	<b>14,890</b>
<b>Accrued capital expenditure to:</b>		
DPIE (Note 11)	170	-
LAHC (Note 11)	4,528	2,854
<b>Total</b>	<b>4,698</b>	<b>2,854</b>
<b>Payable to:</b>		
The Trust (Note 11)	1,000	-
NSW Treasury (Note 11)	-	2,200
Crown Finance Entity (Note 11)	-	82
<b>Total</b>	<b>1,000</b>	<b>2,282</b>

**22. Events after the reporting period**

To support the new National Agreement on Closing the Gap, LAHC will progressively transfer approximately 3,325 social housing dwellings valued currently at approximately \$1.4 billion to the AHO. The dwellings will be transferred by way of a Ministerial vesting, in accordance with the Aboriginal Housing Act 1998 and phased over three years. The first vesting order to transfer 500 dwellings will be issued in May 2023.

The transfers of properties to AHO will be accounted as equity transfers at fair value in accordance with TPP21-08 Contributions by owners made to wholly-owned Public Sector Entities and Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.”







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The Aboriginal Housing Act 1198 No. 47 can be found at:

**<https://legislation.nsw.gov.au/>**

This Annual Report can be found online here:

**<https://www.aho.nsw.gov.au/resources/publications>**

**Principal Officer:**

Jody Broun, DipT BA (Ed) MPhil

Chief Executive, Aboriginal Housing Office,

Deputy Secretary, Aboriginal Strategy and Outcomes

