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To the Chief Executive South Australian Housing Trust

Opinion

I have audited the financial report of the South Australian Housing Trust for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Housing Trust as at 30 June 2022, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chair, the Chief Executive and the Chief Financial Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the South Australian Housing Trust. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive and members of the Board for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The members of the Board are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 27(4) of the *South Australian Housing Trust Act 1995*, I have audited the financial report of the South Australian Housing Trust for the financial year ended 30 June 2022.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the South Australian Housing Trust's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive and the members of the Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General

19 September 2022

**SOUTH AUSTRALIAN
HOUSING TRUST**

FINANCIAL STATEMENTS

FOR THE PERIOD

1 July 2021 TO 30 June 2022

INTERNAL REPRESENTATION LETTER

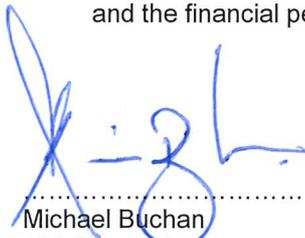
TO THE MEMBERS OF THE SOUTH AUSTRALIAN HOUSING TRUST

We, the undersigned, hereby certify that:

- (a) the attached General Purpose Financial Statement has been prepared pursuant to the *South Australian Housing Trust Act 1995*, the *South Australian Co-operative and Community Housing Act 1991 (SACCH Act)*, and the *Community Housing Providers (National Law) (South Australia) Act 2013* and presents fairly, in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Australian Accounting Standards and other mandatory professional reporting requirements in South Australia, the financial position of the South Australian Housing Trust as at 30 June 2022, its financial performance and its cash flows for the reporting period;
- (b) the attached financial statements are in accordance with the accounts and records of the Trust and give an accurate indication of the financial transactions of the Authority for the reporting period; and
- (c) the internal controls over financial reporting have been effective for the reporting period.

We have taken the necessary action to ensure that:

- (a) all known debts have been written-off and an adequate impairment loss was made;
- (b) all current assets have been recorded at amounts not exceeding the values which, in the ordinary course of business, they may be expected to realise;
- (c) all non-current assets are shown at amounts not exceeding their replacement costs as at 30 June 2022, having regard to their value to the Trust as a going concern;
- (d) the financial statements and accompanying notes contain sufficient detailed information and explanations to prevent them from being misleading by reason of the over-statement of the values of assets or the understatement of liabilities; and
- (e) the financial statements give an accurate indication of the financial position as at the reporting date and the financial performance and cash flows for the reporting period.



.....
Michael Buchan
Chief Executive
South Australian Housing Trust



.....
Nicholas Symons
Chief Financial Officer
South Australian Housing Trust

Dated: 15/9/22

Dated: 15/9/22

CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the:

- financial statements of the South Australian Housing Trust (the Trust):
 - are in accordance with the accounts and records of the Trust;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Trust at 30 June 2022 and the result of its operation and cash flows for the financial year.
- internal controls employed by the Trust for the financial year over its financial reporting and its preparation of financial statements have been effective.



Gary Storkey
Chair
South Australian Housing Trust Board



Michael Buchan
Chief Executive
South Australian Housing Trust



Nicholas Symons
Chief Financial Officer
South Australian Housing Trust

Date 15/09/22

STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2022

	Note No.	2022 \$'000	2021 \$'000
Income			
Rental income	2.1	256 106	245 734
SA Government grants, subsidies and transfers	2.2	7 581	25 462
Recoveries	2.3	23 290	23 801
Interest revenue	2.4	526	1 096
Commonwealth-sourced grants and funding	2.5	665	618
Net gain from disposal of property, plant and equipment	2.6	28 299	19 097
Other revenue	2.7	20 015	20 200
Total income		336 482	336 008
Expenses			
Employee benefits expenses	3.3	77 443	78 171
Rental property expenses	4.1	332 381	330 282
Grants and subsidies	4.2	101 908	99 548
Supplies and services	4.3	40 173	43 007
Depreciation and amortisation	4.4	98 379	98 692
Impairment expenses	4.5	19 730	24 874
Business services fees	4.6	3 526	3 920
Borrowing costs	4.7	686	396
Total Expenses		674 226	678 890
Net result before income tax equivalent		(337 744)	(342 882)
Net result after income tax equivalent		(337 744)	(342 882)
Other Comprehensive Income			
<i>Items that will not be reclassified to net result</i>			
Changes in property, plant and equipment asset revaluation surplus		366 473	206 373
Total comprehensive result		28 729	(136 509)

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note No.	2022 \$'000	2021 \$'000
Current Assets			
Cash and cash equivalents	6.1	112 473	37 810
Receivables	6.2	19 413	23 430
Other financial assets	6.3	290 364	484 499
Inventories	5.5	108 710	129 025
Non-current assets classified as held for sale	5.6	2 165	5 636
Total Current Assets		533 125	680 400
Non-Current Assets			
Receivables	6.2	5 372	5 727
Inventories	5.5	27 841	27 107
Property, plant and equipment	5.1	11 192 182	10 848 506
Intangible assets	5.4	34 863	35 446
Total Non-Current Assets		11 260 258	10 916 786
Total Assets		11 793 383	11 597 186
Current Liabilities			
Payables	7.1	126 564	59 964
Employee benefits liability	3.4	8 771	11 825
Financial liabilities	7.2	2 899	3 034
Provisions	7.3	665	412
Other liabilities	7.4	15 801	14 764
Total Current Liabilities		154 700	89 999
Non-Current Liabilities			
Payables	7.1	1 284	1 429
Employee benefits liability	3.4	13 345	15 204
Financial liabilities	7.2	25 644	27 948
Provisions	7.3	2 228	1 138
Other liabilities	7.4	-	101
Total Non-Current Liabilities		42 501	45 820
Total Liabilities		197 201	135 819
Net Assets		11 596 182	11 461 367
Equity			
Retained earnings		2 804 699	3 084 334
Asset revaluation surplus	8.1	8 089 753	7 781 388
Contributed capital		701 730	595 645
Total Equity		11 596 182	11 461 367

The total equity is attributable to the SA Government as owner

Unrecognised contractual commitments	10.1
Contingent assets and liabilities	10.2

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2022

	Note No.	Contributed Capital \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total \$'000
Balance as at 30 June 2020		466 304	7 648 623	3 353 608	11 468 535
Net Result for 2020-21		-	-	(342 882)	(342 882)
Revaluation of property during 2020-21					
Movement in rental houses due to revaluation:					
Transferred to Capital Works		-	(4 588)	-	(4 588)
Subject to sales contracts		-	843	-	843
Increment in freehold land and buildings due to revaluation	5.2	-	210 118	-	210 118
Total Comprehensive Result for 2020-21		-	206 373	(342 882)	(136 509)
Transfer to retained earnings of increment realised on sale of freehold land and buildings		-	(73 608)	-	(73 608)
Realisation of asset revaluation surplus on sale of freehold land and buildings		-	-	73 608	73 608
Total transfer between equity components 2020-21		-	(73 608)	73 608	-
Equity contribution received	2.2	129 341	-	-	129 341
Total transfer between SA Government as owner 2020-21		129 341	-	-	129 341
Balance as at 30 June 2021		595 645	7 781 388	3 084 334	11 461 367
Net Result for 2021-22		-	-	(337 744)	(337 744)
Revaluation of property during 2021-22					
Movement in rental houses due to revaluation:					
Transferred to Capital Works		-	(4 274)	-	(4 274)
Subject to sales contracts		-	(308)	-	(308)
Increment in freehold land and buildings due to revaluation	5.2	-	371 055	-	371 055
Total Comprehensive Result for 2021-22		-	366 473	(337 744)	28 729
Transfer to retained earnings of increment realised on sale of freehold land and buildings		-	(58 108)	-	(58 108)
Realisation of asset revaluation surplus on sale of freehold land and buildings		-	-	58 108	58 108
Total transfer between equity components 2021-22		-	(58 108)	58 108	-
Equity contribution received	2.2	106 085	-	-	106 085
Total transfer between SA Government as owner 2021-22		106 085	-	-	106 085
Balance as at 30 June 2022		701 730	8 089 753	2 804 699	11 596 182

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2022

	Note No.	2022 \$'000	2021 \$'000
Cash flows from Operating Activities			
Cash Inflows			
Receipts from SA Government grants, subsidies and transfers		7 581	25 462
Rent received		249 521	232 850
Recoveries received		26 516	25 914
Other receipts		20 613	20 341
Receipts from Commonwealth-sourced grants		665	618
Interest received		319	1 315
Proceeds from sale of property		98 102	110 731
Receipts for Paid Parental Leave Scheme		-	127
GST receipts from the Department of Human Services		26 931	24 364
Cash generated from operations		430 248	441 722
Cash Outflows			
Staffing costs		(81 317)	(80 985)
Supplies and services		(43 408)	(58 201)
Business services fee		(3 526)	(4 005)
Rental property payments		(206 284)	(198 265)
Grants and subsidies		(111 711)	(109 723)
Land tax equivalents paid		(74 554)	(353 677)
Payments for Paid Parental Leave Scheme		(11)	-
Development costs		(58 011)	(129 000)
Cash used in operations		(578 822)	(933 856)
Net Cash provided by/(used in) Operating Activities	8.2	(148 574)	(492 134)
Cash flows from Investing Activities			
Cash Inflows			
Affordable assist payments		355	-
Cash generated from investing activities		355	-
Cash Outflows			
Purchase of property, plant and equipment		(66 146)	(26 818)
Purchase of intangibles		(3 227)	(2 773)
Affordable assist payments		-	(4 756)
Cash used in investing activities		(69 373)	(34 347)
Net Cash used in Investing Activities		(69 018)	(34 347)
Cash flows from Financing Activities			
Cash Inflows			
Capital contributions from SA Government		106 085	129 341
Cash generated from financing activities		106 085	129 341
Cash Outflows			
Repayment of principal portion of leases liabilities		(3 511)	(1 842)
Cash used in financing activities		(3 511)	(1 842)
Net Cash provided by Financing Activities		102 574	127 499
Net Increase/(Decrease) in Cash Held		(115 018)	(398 982)
Cash at the beginning of the financial year		512 707	911 689
Cash at the End of the Financial Year	8.2	397 689	512 707

The accompanying notes form part of these financial statements.

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Note 1 About the South Australian Housing Trust

The South Australian Housing Trust (the Trust) is the State's principal housing authority. The Trust's roles and powers are based on the *South Australian Housing Trust Act 1995* (the Act), the *South Australian Co-operative and Community Housing Act 1991* (SACCH Act), *Housing Improvement Act 2016*, and the *Community Housing Providers (National Law) (South Australia) Act 2013*.

As per Section 8 of the Act, the Trust is subject to the control and direction of the Minister for Human Services. The Board of the Trust is responsible to the Minister for overseeing the operations of the Trust with the goals of:

- ensuring the sound administration of the Act and the implementation of the Minister's housing policies and plans
- achieving continuing improvements in the provision of secure and affordable public housing (subsection 16(1)(a))
- providing transparency and value in managing the resources available to the Trust and meeting Government and community expectations as to probity and accountability (subsection 16(1)(b))
- achieving appropriate social justice objectives and the fulfilment of the Trust's community service obligations (subsection 16(1)(c))

The financial statements and accompanying notes include all the controlled activities of the Trust (refer to the disaggregated disclosures for details of the Trust's controlled activities).

Administered Items

The Trust administers, but does not control, certain activities in relation to the Homelessness Social Impact Bond and the HomeStart Shared Equity Funding. Transactions and balances relating to the administered activities are not recognised as the Trust's income, expenses, assets, and liabilities, but are disclosed in the accompanying schedules at Note 12.

1.1 Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

For the purposes of preparing the financial statements, the Trust is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

In accordance with section 25 of the Act, the Trust may be required to pay to the State Government tax equivalents. Tax Equivalent Payments are required in respect of income tax and land tax equivalents.

In determining its income tax equivalent commitments, the Trust utilises the accounting profit model. Under this model, income tax expense is calculated by applying the company income tax rate (currently 30%) to the accounting profit for the year, adjusted for any items approved by the Under Treasurer for exclusion from the profit figure. Treasury reimburses the full cost of an income tax expense resulting in a nil effect of these payments on the net result.

Land Tax equivalent is partially reimbursed by the State Government as part of a budget arrangement.

The Trust is liable for the cost of Payroll Tax, Fringe Benefits Tax, Stamp Duty and Goods and Services Tax (GST).

With respect to GST, the Trust is part of a GST group of which the nominated representative of the group is the Department of Human Services (DHS), which is responsible for paying GST on behalf of the Trust and is entitled to claim input tax credits. Administrative arrangements between DHS and the Trust provide for the reimbursement of the GST consequence incurred/earned by the Trust. The reimbursement receivable from/payable to the Trust has been recognised as a payable/receivable in the statement of financial position.

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

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Trust has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

1.2 Objectives and programs

The objectives of the Trust include the provision of affordable and appropriate housing to households and families on low to moderate incomes, including provision of public and Aboriginal housing, affordable home purchase opportunities, provision of homelessness services, private rental assistance and support services, and the funding and regulation of Community Housing.

The Trust's governing Board of Management (the Board) is responsible to the Minister for overseeing the operations of the Trust.

Trust operations have been organised into the following business activities:

Public Housing

The Trust is responsible for the management of public housing tenancies and assets. Managing tenancies includes allocation of public houses to those meeting eligibility criteria, tenancy management and provision of rental subsidies.

Managing assets includes maintenance, area regeneration and urban renewal programs, stock replacement programs (construction, purchase and disposal), modification of houses for those with disability, security provisions for people experiencing domestic or family violence, and strategic management and planning for future public housing stock needs.

Community Housing

The Trust is responsible for the development, support and promotion of programs or other initiatives within the community housing sector, including administering the *South Australian Co-operative and Community Housing Act 1991* and the *Community Housing Providers (National Law) (South Australia) Act 2013*, and assisting in the establishment, regulation and administration of Housing Co-operatives and Housing Associations in South Australia.

Aboriginal Housing (SOMIH)

The Trust is responsible for managing State Owned and Managed Indigenous Housing (SOMIH) across South Australia. Activities related to managing SOMIH are similar to those undertaken to manage public housing.

Aboriginal Community Housing

The Trust supports the management of tenancies and housing assets within specific Indigenous communities. Activity under this program aims to address issues of overcrowding in remote Indigenous communities by increasing the supply of new houses, improving the condition of existing houses and ensuring ongoing maintenance and management of rental houses in remote Indigenous communities.

Homelessness and Support Services

The Trust is responsible for supporting the homelessness services sector to enable more integrated and responsive service provision. This includes the funding of the Emergency Accommodation Program, special program tenancy support, and the funding and governance of the Homelessness sector.

Private Rental Assistance and Housing Advice

The Trust is responsible for the provision of financial assistance, information, referral, advocacy and advice to assist households who are experiencing instability, poverty, or housing difficulty in the private rental market. This includes assessments and eligibility checking, options appointments, and managing the public and community housing waitlist.

Affordable Housing

The Trust supports the growth of affordable housing, including facilitating outcomes through the planning system, working with the financial sector to address barriers to home ownership and administering programs encouraging affordable housing.

Specialised Housing Programs

The Trust partners with government, non-government organisations and community housing providers registered under the National Regulatory System for Community Housing to provide housing for target cohorts. Specialised housing programs address the needs of people who are homeless, have disability or are disadvantaged. Activities include asset management and head leasing administration.

Staff members employed by the Trust undertake work as required by the *Housing Improvement Act 2016*, including the regulation of housing to ensure it meets prescribed minimum standards for safety and suitability.

Housing System Advisory Services

The Trust leads the promotion and development of the social housing sector, which includes furthering the Government's strategies to address the key issues of affordable housing and homelessness as well as promoting innovation. We partner with private sector organisations and other government agencies on initiatives that contribute to strengthening South Australia's housing system, including the provision of targeted, multi-agency responses.

This activity also supports the provision of information and advice to the Minister for Human Services.

Emergency Relief Support

The Trust is the lead agency responsible for the Emergency Relief Functional Support Group (ERFSG), at the direction of the SA Government, under the state emergency management arrangements. The ERFSG delivers relief and recovery services for the affected community during and after an emergency/disaster (e.g. bushfire, flood or earthquake).

In 2021-22, this included the coordination of inter-jurisdictional deployment of staff to New South Wales to assist in supporting communities affected during the North Coast floods, relief support provided in response to the Far North and Eyre Peninsula storm and flood event in January 2022, continuation of COVID-19 Relief Call Centre, and recovery centres in Kangaroo Island and Lobethal in the continuation of recovery efforts from the 2019-20 bushfires.

The tables on the following pages presents expenses, income, assets and liabilities attributable to each program.

DISAGGREGATED DISCLOSURES - EXPENSES AND REVENUES

For the Year Ended 30 June 2022

	Public Housing	Community Housing	Aboriginal Housing (SOMIH)	Aboriginal Community Housing	Homelessness and Support Services	Private Rental Assistance	Affordable Housing	Specialised Housing Programs	Housing System Advisory Services	Emergency Relief Support	Total
	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000
Income											
Rental income	222 546	13 260	11 050	3 152	-	-	-	6 098	-	-	256 106
SA Government grants, subsidies and transfers	62	1	-	1 001	433	1	5 800	-	3	280	7 581
Recoveries	14 841	39	490	1 566	692	4 613	24	392	139	494	23 290
Interest revenue	526	-	-	-	-	-	-	-	-	-	526
Commonwealth-sourced grants and funding	-	-	-	-	591	-	74	-	-	-	665
Net gain from disposal of property, plant and equipment	16 224	11 241	(782)	(5)	(2)	(2)	1 631	-	(5)	(1)	28 299
Other revenue	19 412	127	31	7	1	1	369	64	3	-	20 015
Total income	273 611	24 668	10 789	5 721	1 715	4 613	7 898	6 554	140	773	336 482
Expenses											
Employee benefits expenses	30 516	5 655	1 726	3 132	8 115	4 188	1 720	1 610	18 825	1 956	77 443
Rental property expenses	271 118	25 930	17 664	5 832	207	105	817	10 157	502	49	332 381
Grants and subsidies	57	152	3	2 630	85 942	7 028	5 499	3	34	560	101 908
Supplies and services	19 319	1 543	767	3 785	2 611	1 576	1 080	1 865	6 505	1 122	40 173
Depreciation and amortisation	64 113	11 965	2 889	12 460	778	449	247	3 353	1 926	199	98 379
Impairment expenses	14 334	460	540	36	75	178	2 587	1 322	179	19	19 730
Business service fees	1 688	182	99	92	223	219	266	167	517	73	3 526
Borrowing costs	275	47	16	26	68	36	25	16	161	16	686
Total Expenses	401 420	45 934	23 704	27 993	98 019	13 779	12 241	18 493	28 649	3 994	674 226
Net Result	(127 809)	(21 266)	(12 915)	(22 272)	(96 304)	(9 166)	(4 343)	(11 939)	(28 509)	(3 221)	(337 744)

DISAGGREGATED DISCLOSURES - EXPENSES AND REVENUES

For the Year Ended 30 June 2021

	Public Housing	Community Housing	Aboriginal Housing (SOMIH)	Aboriginal Community Housing	Homelessness and Support Services	Private Rental Assistance	Affordable Housing	Specialised Housing Programs	Housing System Advisory Services	Emergency Relief Support	Total
	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000
Income											
Rental income	212 586	13 074	10 566	3 239	-	-	-	6 269	-	-	245 734
SA Government grants, subsidies and transfers	9 307	4 000	-	1 000	3 984	-	-	-	-	7 171	25 462
Recoveries	17 035	96	606	84	104	4 538	52	649	275	362	23 801
Interest revenue	259	67	81	106	149	54	85	33	237	25	1 096
Commonwealth-sourced grants and funding	-	-	-	-	618	-	-	-	-	-	618
Net gain from disposal of property, plant and equipment	8 923	6 702	(2 362)	(2)	(5)	(4)	5 849	20	(19)	(5)	19 097
Other revenue	11 214	1 066	424	502	870	2 058	586	528	2 415	537	20 200
Total income	259 324	25 005	9 315	4 929	5 720	6 646	6 572	7 499	2 908	8 090	336 008
Expenses											
Employee benefits expenses	31 704	5 352	1 455	3 261	6 796	3 343	2 015	1 206	18 865	4 174	78 171
Rental property expenses	280 434	21 685	11 629	6 899	17	4	158	9 428	18	10	330 282
Grants and subsidies	112	574	208	998	80 020	6 845	6 939	5	64	3 783	99 548
Supplies and services	19 428	1 551	1 029	3 389	2 640	1 429	2 504	1 798	7 189	2 050	43 007
Depreciation and amortisation	52 538	24 822	2 825	11 841	559	317	211	3 620	1 624	335	98 692
Impairment expenses	11 366	919	618	5 590	203	472	3 963	1 054	564	125	24 874
Business service fees	1 708	232	90	133	250	273	268	117	690	159	3 920
Borrowing costs	161	25	8	17	34	17	14	7	93	20	396
Total Expenses	397 451	55 160	17 862	32 128	90 519	12 700	16 072	17 235	29 107	10 656	678 890
Net Result	(138 127)	(30 155)	(8 547)	(27 199)	(84 799)	(6 054)	(9 500)	(9 736)	(26 199)	(2 566)	(342 882)

DISAGGREGATED DISCLOSURES - ASSETS AND LIABILITIES

For the Year Ended 30 June 2022

	Public Housing	Community Housing	Aboriginal Housing (SOMIH)	Aboriginal Community Housing	Homelessness and Support Services	Private Rental Assistance	Affordable Housing	Specialised Housing Programs	Housing System Advisory Services	Emergency Relief Support	Total
	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000
Assets											
Cash and cash equivalents *	112 473	-	-	-	-	-	-	-	-	-	112 473
Receivables	18 323	541	523	7	-	-	5 372	19	-	-	24 785
Other financial assets *	290 364	-	-	-	-	-	-	-	-	-	290 364
Inventories	99 938	36 067	546	-	-	-	-	-	-	-	136 551
Non-current assets classified as held for sale *	2 165	-	-	-	-	-	-	-	-	-	2 165
Property, plant and equipment	6 670 285	3 367 689	398 965	281 763	7	-	28 405	445 056	-	12	11 192 182
Intangible assets *	34 863	-	-	-	-	-	-	-	-	-	34 863
Total Assets	7 228 411	3 404 297	400 034	281 770	7	-	33 777	445 075	-	12	11 793 383
Liabilities											
Payables	127 848	-	-	-	-	-	-	-	-	-	127 848
Employee benefits liability	8 715	1 615	493	894	2 317	1 196	491	460	5 376	559	22 116
Financial liabilities	28 178	-	4	25	7	-	299	18	-	12	28 543
Provisions *	2 893	-	-	-	-	-	-	-	-	-	2 893
Other liabilities *	15 801	-	-	-	-	-	-	-	-	-	15 801
Total Liabilities	183 435	1 615	497	919	2 324	1 196	790	478	5 376	571	197 201

* These items have been attributed wholly to Public Housing as it was not possible to reliably attribute across other programs.

DISAGGREGATED DISCLOSURES - ASSETS AND LIABILITIES

For the Year Ended 30 June 2021

	Public Housing	Community Housing	Aboriginal Housing (SOMIH)	Aboriginal Community Housing	Homelessness and Support Services	Private Rental Assistance	Affordable Housing	Specialised Housing Programs	Housing System Advisory Services	Emergency Relief Support	Total
	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000
Assets											
Cash and cash equivalents *	37 810	-	-	-	-	-	-	-	-	-	37 810
Receivables	22 603	278	523	5	-	-	5 727	21	-	-	29 157
Other financial assets *	484 499	-	-	-	-	-	-	-	-	-	484 499
Inventories	125 656	29 525	951	-	-	-	-	-	-	-	156 132
Non-current assets classified as held for sale *	5 636	-	-	-	-	-	-	-	-	-	5 636
Property, plant and equipment	6 431 516	3 266 739	388 025	285 661	16	-	11 204	464 518	-	827	10 848 506
Intangible assets *	35 446	-	-	-	-	-	-	-	-	-	35 446
Total Assets	7 143 166	3 296 542	389 499	285 666	16	-	16 931	464 539	-	827	11 597 186
Liabilities											
Payables *	61 393	-	-	-	-	-	-	-	-	-	61 393
Employee benefits liability	10 961	1 851	503	1 128	2 350	1 156	697	417	6 523	1 443	27 029
Financial liabilities	30 857	-	5	49	16	-	-	30	-	25	30 982
Provisions *	1 550	-	-	-	-	-	-	-	-	-	1 550
Other liabilities *	14 865	-	-	-	-	-	-	-	-	-	14 865
Total Liabilities	119 626	1 851	508	1 177	2 366	1 156	697	447	6 523	1 468	135 819

* These items have been attributed wholly to Public Housing as it was not possible to reliably attribute across other programs.

1.3 Impact of COVID-19 pandemic on the Trust

In response to the outbreak of COVID-19, a major emergency was declared in South Australia on 22 March 2020 under the *Emergency Management Act 2004*. The COVID-19 pandemic has impacted on the operations of the Trust and the impacts are included under the relevant disclosure notes. The key impacts in 2021-22 were:

- A COVID-19 Relief Call Centre was set up to help people affected by the COVID-19 emergency. The call center provided information and assistance with such things as:
 - personal hardship support
 - advice on short-term accommodation options for people unable to achieve self-quarantining or self-isolation
 - accommodation for emergency services personnel who are required to quarantine but unable to do so at home.
- Emergency accommodation was provided for people who were required to self-isolate but were rough sleeping. This included support from outreach services and assistance with meals.
- Funding to Specialist Homelessness Services to provide case management support to those rough sleepers in emergency accommodation to transition to longer term sustainable accommodation.
- Accommodation and transport for Indigenous community members required to quarantine prior to returning to remote communities.

The Emergency Management Declaration has concluded on 24 May 2022. The Trust no longer has a role in response to the COVID-19 pandemic. All arrangements for emergency accommodation have reverted to pre pandemic with the response for homelessness provided through the standard Emergency Accommodation Program.

1.4 Significant transactions with government related entities

The Trust had the following significant transactions with government:

- grant funding received of \$7.581 million and an equity contribution of \$106.085 million from the DTF. Revenue for these items are listed in note 2.2,
- water rates payments of \$28.918 million to South Australian Water Corporation. Expenses for these items are listed in note 4.1,
- land tax equivalent payments of \$149.113 million to Revenue SA. Expenses for these items are listed in note 4.1,
- purchase of properties and vacant lands from Department for Infrastructure and Transport (DIT) totaling \$29.190 million. Properties have been included in Note 5.1.
- all motor vehicle lease payments relate to cars supplied by Fleet SA. Expenses for these items are listed in note 4.3, 5.1 and 5.3,
- all accommodation service payments relate to arrangements with the DIT and Department for Child Protection (DCP). Expenses for these items are listed in note 4.3,
- business services fees totaling \$3.526 million include payments made to DHS, Renewal SA (RSA) and Shared Services SA (SSSA) for these services and functions under the Service Level Administrative Arrangements (SLAA's). Expenses for these items are listed in note 4.6.

Note 2 Income

This section presents the sources and amounts of income recognised by the Trust and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

2.1 Rental income

	2022	2021
	\$'000	\$'000
Rent received/receivable from entities external to the SA Government		
Market rent income	429 535	419 512
less rental rebates	(190 121)	(190 037)
Other rent	16 692	16 259
Total rental income	256 106	245 734

Rent receivable in respect of each property is recognised as revenue and charged to tenants weekly, in advance.

The Trust determines a market rent for each property, structured on the basis of regional rental markets. This represents the potential rental income derivable from the rental stock. The Trust's rental policy is that no eligible tenant will be required to pay more than 25 percent of their household income in rent. For tenants with a moderate household income, from 1 July 2021, this percentage will be progressively increased by 1 percent twice a year until it reaches 30 percent. The difference between the assessed rent (\$239.414 million) for the property and the market rent (\$429.535 million) is recognised as a rental rebate subsidy provided to tenants and income forgone by the Trust (\$190.121 million).

2.2 SA Government grants, subsidies and transfers

	2022	2021
	\$'000	\$'000
Build-to-Rent capital grant	5 800	-
Other state grants	1 071	1 625
Homelessness program	431	2 584
Emergency management reimbursement - bushfires	271	2 363
Emergency management reimbursement - COVID-19	8	4 808
General purpose grant	-	8 682
Rough Sleeping Initiatives capital grant	-	4 500
Rough Sleeping Initiatives recurrent grant	-	900
Total SA Government grants, subsidies and transfers	7 581	25 462

Revenues from SA Government are recognised as revenues when the Trust obtains control over the funding. Control over these revenues is normally obtained upon receipt.

Where money has been appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the Trust and the appropriation is recorded as contributed equity. Refer to the Statement of Changes in Equity.

2.3 Recoveries

	2022	2021
	\$'000	\$'000
Water charges	7 695	12 091
Private rental assistance	4 577	4 490
Maintenance	6 564	4 479
Insurance	2 653	1 140
General service recoveries	1 090	1 314
Other	79	199
Grant recoveries	632	88
Total recoveries	23 290	23 801

Recoveries include costs that are on charged to tenants by the Trust including water usage charges, non-fair wear and tear maintenance charges and Private Rental Assistance bonds that are claimed by landlords.

Recoveries for costs on-charged to tenants by the Trust are included as income. These recoveries including maintenance, water charges and private rental assistance are costs incurred by the Trust and subsequently on-charged to the customer. In accordance with AASB 15 *Revenue from Contracts with Customers*, recoveries are recognised once the Trust has satisfied its performance obligation, generally this coincides with a charge being raised to the customer. In regard to water recoveries, the transaction price allocated to the performance obligation over time is estimated based on actual previous billing periods.

2.4 Interest revenue

	2022	2021
	\$'000	\$'000
Interest from entities within the SA Government	526	1 092
Interest from entities external to the SA Government	-	4
Total interest revenue	526	1 096

2.5 Commonwealth-sourced grants and funding

	2022	2021
	\$'000	\$'000
Local Support Coordinator - Domestic & Family Violence	466	175
Keeping Women Safe in their Homes	125	443
National Housing Finance & Investment Corporation Infrastructure Grant	74	-
Total Commonwealth-sourced grants and funding	665	618

2.6 Net gain from disposal of property, plant and equipment

	2022	2021
	\$'000	\$'000
Rental properties		
Net proceeds from disposal	45 787	27 416
Less net book value of assets disposed ⁽¹⁾	(27 219)	(19 733)
Net gain from disposal of rental properties	18 568	7 683
Inventory - developed properties		
Net proceeds from disposal	45 736	79 657
Less net book value of assets disposed ⁽¹⁾	(35 944)	(68 233)
Net gain from disposal of rental properties	9 792	11 424
Inventory – vacant land		
Net proceeds from disposal	1 553	849
Less net book value of assets disposed ⁽¹⁾	(1 591)	(796)
Net gain/(loss) from disposal of vacant land	(38)	53
Plant and equipment		
Net proceeds from disposal	-	-
Less net book value of assets disposed	(23)	(63)
Net loss from disposal of plant and equipment	(23)	(63)
Total assets		
Net proceeds from disposal	93 076	107 922
Less net book value of assets disposed ⁽¹⁾	(64 777)	(88 825)
Total net gain from disposal of property, plant and equipment	28 299	19 097

⁽¹⁾ The net book value of assets disposed comprises the carrying amount of the properties, plus the costs of marketing and agent fees and the cost of separating services and titles in respect of double units sold. In establishing the property value, the valuer includes the impact of capital improvements effected by the tenants. Tenants purchasing properties are allowed discounts consistent with their personal investment in the property.

Gains/losses on disposal of assets are recognised at the date asset control is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are sold, the revaluation surplus is transferred to retained earnings.

2.7 Other revenue

	2022	2021
	\$'000	\$'000
Prior period GST recovered ⁽²⁾	16 444	17 123
Bad debts recovered	2 462	2 366
Sundry revenue	879	571
Shared value mortgages	230	140
Total other revenue	20 015	20 200

⁽²⁾ In 2020-21 the Trust received confirmation from the ATO that the supply of accommodation to eligible tenants with a disability is a GST free supply. As a result, the Trust is able to claim input tax credits for GST incurred on historic costs from September 2016.

Note 3 Board, committees and employees

3.1 Key management personnel

Key management personnel of the Trust include the Minister for Human Services, the Board of Management, the Chief Executive, and members of the Executive Team.

The compensation detailed below excludes salaries and other benefits the Minister for Human Services received. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 the *Parliamentary Remuneration Act 1990*.

	2022	2021
	\$'000	\$'000
Salaries and other short-term employee benefits	1 843	1 872
Post-employment benefits	344	356
Other long-term employment benefits	153	-
Termination benefits	191	-
Total key management personnel compensation	2 531	2 228

Transactions with Key Management Personnel and other related parties

There were no reportable transactions between the Trust and any Key Management Personnel and their related parties.

3.2 Board and committee members

Members during the 2021-22 financial year were:

SAHT Governing Board

(appointed by the Governor)

G Storkey (Chairperson)
 C Bierbaum
 S Reid
 G Bonato
 M Perry (ceased October 2021)
 A Beer
 S Moore (appointed September 2021)
 L Matthews (appointed November 2021)

Audit, Risk & Finance Committee

(appointed by the Board)

C Bierbaum
 G Storkey
 M Perry (ceased October 2021)
 B Morris *
 S Moore (appointed September 2021)

* In accordance with the Premier and Cabinet Circular No. 016. government employees did not receive any remuneration for board/committee duties during the financial year.

The fees paid to Board members in their capacity as Board Members are set by Executive Council.

Board and committee remuneration

	2022	2021
	No.	No.
\$0 - \$19 999	3	3
\$20 000 - \$39 999	2	5
\$40 000 - \$59 999	3	-
\$80,000 - \$99,999	1	1
Total number of members	9	9

The total remuneration received or receivable by members was \$0.302 million (\$0.276 million) including superannuation contributions of \$0.027 million (\$0.024 million). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

3.3 Employee benefits expenses

	2022	2021
	\$'000	\$'000
Salaries and wages	59 356	60 642
Superannuation	7 189	7 164
Annual leave	6 213	5 886
Payroll tax	3 798	3 612
Other employee expenses	2 678	2 559
Long service leave	(473)	(551)
Retention leave	400	382
Workers compensation	2 327	1 312
Targeted voluntary separation packages (refer below)	220	3 857
Rejuvenation payments	1 390	-
Board fees	275	252
Charged to capital program	(5 930)	(6 944)
Total employee benefits expenses	77 443	78 171

In both 2022 and 2021, provision adjustments exceeded long service leave payments resulting in negative long service leave expense.

Employment on-costs – superannuation

The superannuation employment on-cost charge represents the Trust's contributions to superannuation plans in respect of current services of current employees.

The number of staff whose remuneration received or receivable falls within the following bands:

	2022	2021
	No	No
\$154 001 to \$157 000 #	NA	2
\$157 001 to \$177 000	8	6
\$177 001 to \$197 000	1	1
\$197 001 to \$217 000	3	1
\$217 001 to \$237 000	3	3
\$237 001 to \$257 000	1	-
\$257 001 to \$277 000 *	1	2
\$277 001 to \$297 000 *	-	1
\$297 001 to \$317 000 *	1	3
\$377 001 to \$397 000	1	-
\$417 001 to \$437 000	-	1
\$457 001 to \$477 000	1	-
Total number of employees	20	20

This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2020-21.

* The table includes the TVSP component paid in 2020-21 where the employee meets the 2020-21 threshold of \$154,000 on normal remuneration. In 2020-21, there were 4 staff included in the table who received a TVSP.

The total remuneration received by these staff for the year was \$4.487 million (\$4.529 million).

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the Trust.

Targeted Voluntary Separation Packages (TVSPs)

The number of employees who received a TVSP during the reporting period was 2 (42).

	2022	2021
Amount paid during the reporting period to separated employees:	\$'000	\$'000
Targeted voluntary separation packages	220	3 857
Leave paid to separated employees	41	1 613
Net cost to the Trust	261	5 470

3.4 Employee benefits liability

	2022	2021
Current	\$'000	\$'000
Annual leave	6 814	7 320
Long service leave	1 705	1 892
Retention leave	510	520
Accrued salaries and wages ⁽³⁾	(258)	2 093
Total current employee entitlements	8 771	11 825
Non-current		
Long service leave	13 345	15 204
Total non-current employee entitlements	13 345	15 204
Total employee entitlements	22 116	27 029

⁽³⁾ Accrued salaries and wages recognised one day prepayment in 2021-22 resulting in negative accrued salaries and wages.

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave to be taken in future years by staff is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided as note 11.1.

Note 4 Expenses

This section presents the major components of expenditure incurred by the Trust in relation to operating activities during the reporting period. Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Trust will occur and can be reliably measured.

Employee benefits expenses are disclosed in note 3.3.

4.1 Rental property expenses

	2022	2021
	\$'000	\$'000
Land tax equivalent	149 113	139 177
Maintenance	107 185	119 263
Council rates	43 928	43 392
Water rates	28 918	27 477
Construction variances	2 507	357
Other property expenses	551	410
Emergency services levy	176	197
Stamp duty & search fees	3	9
Total rental property expenses	332 381	330 282

4.2 Grants and subsidies

	2022	2021
	\$'000	\$'000
Specialist homelessness services	71 210	70 665
Emergency accommodation assistance	10 918	9 250
Private rental assistance	7 020	6 832
National Rental Affordability Scheme Subsidies	5 495	6 928
Homelessness Prevention Fund	3 061	-
Septic tanks in Aboriginal communities and homelands	1 771	56
Holbrooks Accommodation Program	871	213
National Partnership Agreement: Remote Indigenous Housing	854	1 133
COVID-19 homelessness response	555	3 744
Other recurrent grants	10	14
More Affordable Tenancies in Community Housing	142	556
Emergency management grants	1	25
SA Government Infrastructure Campaign	-	132
Total grants and subsidies	101 908	99 548

4.3 Supplies and services

	2022	2021
	\$'000	\$'000
Computer expenses	10 289	10 419
Accommodation expenses	6 428	9 511
Contractors	4 857	6 532
Insurance	6 952	6 054
Administration expenses	2 447	2 891
Communications	1 083	1 233
Tenant relocation	773	1 036
Fleet management	773	1 022
Printing, stationery and postage	1 113	1 005
Leased property expenses	1 018	960
Consultants	631	846
Other customer related expenses	625	633
Staff development	1 194	600
Audit fees - Auditor-General's Department ⁽⁴⁾	606	585
Travel and accommodation	1 384	528
Agent fees	319	330
Brokerage	95	165
Charged to capital program	(414)	(1 343)
Total supplies and services	40 173	43 007

⁽⁴⁾ Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$0.606 million (\$0.585 million). No other services were provided by the Auditor-General's Department.

4.4 Depreciation and amortisation

	2022	2021
	\$'000	\$'000
Rental properties	55 027	56 325
Assets under arrangement	11 151	11 452
Remote Indigenous leased properties	11 525	11 002
Service concession assets	11 881	12 612
Intangible assets	3 810	4 004
Right-of-use accommodation	2 507	1 253
Plant and equipment	660	583
Right-of-use motor vehicles	511	541
Administrative properties	269	257
Leasehold improvements	946	564
Commercial properties	92	99
Total depreciation and amortisation	98 379	98 692

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Lease incentives in the form of leasehold improvements are capitalised as an asset and depreciated over the remaining term of the lease or estimated useful life of the improvement, whichever is shorter.

Useful Life

Property, plant and equipment assets have a limited useful life and are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential ranging from 3 to 50 years. The useful lives of all major assets held by the Trust are reassessed on an annual basis.

The value of leasehold improvements is amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

Land, vacant land and capital work in progress are not depreciated.

Depreciation/amortisation of property, plant and equipment is determined as follows:

Class of Asset	Depreciation/Amortisation Method	Useful Life (Years)
Rental Properties (Dwellings)*	Straight Line	50
Administrative Properties	Straight Line	20
Commercial Properties	Straight Line	20
Assets under Arrangement	Straight Line	50
Remote Indigenous Leased Properties	Straight Line	30
Right-of-Use Buildings	Straight Line	Lease term
Right-of-Use Motor Vehicles	Straight Line	Lease term
Leasehold Improvements	Straight Line	3 - 10
Plant and Equipment	Straight Line	3 - 10
Intangibles	Straight Line	3 – 10
Service Concession Assets	Straight Line	50

* An estimated useful life of 50 years is assumed for rental dwellings and depreciation expense is calculated at a rate of 2 percent per annum on the opening revalued amount for each property.

The useful lives of intangible assets are assessed to be either finite or indefinite. The Trust only has intangible assets with finite lives.

Review of Accounting Estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

The Trust revalued all its land and buildings in 2022, as disclosed in note 11.2. This resulted in an increment mainly attributed to a significant increase in the value of land, particularly in metropolitan Adelaide, consistent with prevailing market conditions. Depreciation expenses decreased by \$1.969 million as a result of the revaluation.

4.5 Impairment expenses

	2022	2021
	\$'000	\$'000
Asset write-offs ⁽⁵⁾	8 694	15 375
Impairment loss on trade receivables	11 191	7 827
Assets held for sale	(155)	1 672
Total impairment expenses	19 730	24 874

⁽⁵⁾ Expensing of current book value of assets demolished.

Receivables were tested for indications of impairment by way of an actuarial review at 30 June. The impairment loss, which relates entirely to customer debtors, has been offset against receivables and has been recognised in the Statement of Comprehensive Income under Impairment Expenses.

All other non-current tangible and intangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. If the amount by which the asset's carrying amount exceeds the recoverable amount is material, it is recorded as an impairment loss.

For revalued assets, an impairment loss is offset against the asset revaluation surplus.

4.6 Business services fees

	2022	2021
	\$'000	\$'000
SA Government Shared Services	1 281	1 773
Project management services	689	440
Records management and mail services	680	652
Administration premises management	492	546
Motor vehicle hire charges	216	336
Procurement services	80	44
Computing services and processing charges	61	119
Human resources services	43	25
Staff development	-	18
Geographical information services	-	28
Legal & financial services	-	7
GST expense	(16)	(68)
Total business services fees	3 526	3 920

DHS, RSA and SSSA provide services and functions to the Trust pursuant to Service Level Administrative Arrangements (SLAAs) as categorised above. Business Service Fees include payments made to DHS, RSA and SSSA for these services and functions.

Due to the administrative taxation arrangement between DHS and the Trust, the Trust received a reimbursement from DHS due to an overpayment of input taxed credits in 2020-21, resulting in negative GST expense in 2021-22.

4.7 Borrowing costs

	2022	2021
	\$'000	\$'000
Interest expense on lease liabilities	684	396
Interest expense on National Housing Finance & Investment Corporation loan	2	-
Total borrowing costs	686	396

The Trust does not capitalise borrowing costs.

Note 5 Non-financial assets

This section presents the assets that are utilised by the Trust to fulfil its objectives and conduct its activities and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

5.1 Property, plant and equipment

Property, plant and equipment comprises tangible assets owned and right-of-use (leased) assets. The assets presented below do not meet the definition of investment property.

	2022 \$'000	2021 \$'000
Rental properties		
<i>Land</i>		
Land at fair value	4 629 815	4 323 608
<i>Buildings</i>		
Buildings	2 724 601	2 824 556
Accumulated depreciation	(36 520)	(37 822)
Total buildings at fair value	2 688 081	2 786 734
Total rental properties	7 317 896	7 110 342
Administrative properties		
<i>Land</i>		
Land at fair value	2 212	2 223
<i>Buildings</i>		
Buildings	4 599	4 623
Accumulated depreciation	(181)	(221)
Total buildings at fair value	4 418	4 402
<i>Leasehold improvements</i>		
Leasehold improvements	16 480	16 517
Accumulated depreciation	(6 767)	(5 821)
Total leasehold improvements at cost (deemed fair value)	9 713	10 696
Total administrative properties	16 343	17 321
Commercial properties		
<i>Land</i>		
Land at fair value	2 544	233
<i>Buildings</i>		
Buildings	1 739	1 976
Accumulated depreciation	(59)	(68)
Total buildings at fair value	1 680	1 908
Total commercial properties	4 224	2 141
Assets under arrangement		
<i>Land</i>		
Land at fair value	883 909	824 174
<i>Buildings</i>		
Assets under arrangement	544 558	570 191
Accumulated depreciation	(7 383)	(7 661)
Total buildings at fair value	537 175	562 530
Total assets under arrangement	1 421 084	1 386 704

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	2022 \$'000	2021 \$'000
Vacant land		
<i>Land</i>		
Land at fair value	88 951	66 372
Total vacant land	88 951	66 372
Remote Indigenous leased properties		
Remote Indigenous buildings	284 899	282 640
Accumulated amortisation	(19 197)	(7 721)
Total remote Indigenous leased properties at fair value	265 702	274 919
Plant and equipment		
Plant and equipment	7 284	6 560
Accumulated depreciation	(5 179)	(4 587)
Total plant and equipment at cost (deemed fair value)	2 105	1 973
Service concession assets		
<i>Land</i>		
Land at fair value	1 323 975	1 210 545
<i>Buildings</i>		
Buildings at fair value	586 171	634 485
Accumulated depreciation	(7 646)	(8 436)
Total buildings at fair value	578 525	626 049
Total service concession assets	1 902 500	1 836 594
Capital works in progress		
Buildings & land	152 743	128 875
Total capital works in progress at cost	152 743	128 875
Total property, plant and equipment owned by the Trust	11 171 548	10 825 241
Right-of-use motor vehicles		
Right-of-use motor vehicles	1 054	1 570
Accumulated depreciation	(537)	(908)
Total right-of-use motor vehicles at cost	517	662
Right-of-use accommodation		
Right-of-use accommodation	23 876	23 856
Accumulated depreciation	(3 759)	(1 253)
Total right-of-use accommodation at cost	20 117	22 603
Total property, plant and equipment leased by the Trust	20 634	23 265
Total property, plant and equipment	11 192 182	10 848 506
Total property, plant and equipment at fair value	11 077 973	10 745 626
Total property, plant and equipment at cost	201 437	177 378
Total accumulated depreciation/amortisation	(87 228)	(74 498)
Total property, plant and equipment	11 192 182	10 848 506

5.2 Property, plant and equipment owned by the Trust

Property, plant and equipment with a value equal to or in excess of \$5,000 is capitalised, otherwise it is expensed.

Assets acquired at no cost, or minimal cost, are recorded at their fair value in the Statement of Financial Position unless they are acquired as part of a restructuring of administrative arrangement, in which case they are recorded at the value recorded by the transferor prior to transfer. Detail about the Trust's approach to fair value is set out in note 11.2.

All other assets are initially brought to account as follows:

Rental Properties, Administrative Properties, Commercial Properties, Leasehold Improvements, Vacant Land and Plant and Equipment

These assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition and are depreciated as outlined below. The Trust capitalises assets with a value of \$5 000 or greater.

Subsequent costs are included in the asset's carrying amount, as appropriate, including capitalised maintenance costs on rental properties.

Assets Under Arrangement

Assets under arrangement are tenantable properties that have been transferred to a Community Housing Provider (CHP) to manage. In return for the right to manage these properties the CHP has issued a debenture at fair value, or entered into a legal arrangement, with similar provisions. Recognition is based on the Trust's control of the future service potential of the assets and that these are probable and can be reliably measured. Control of these properties resides with the Trust through the *Community Housing Providers (National Law) (South Australia) Act 2013* and Funding Agreements which prescribe how the properties are to be used and managed on behalf of the government, the eligible tenants that are entitled to use them and the rent that can be charged by the CHP.

The SACCH Act provides for members of Housing Co-operatives and tenants of Associations to acquire an interest in the properties they occupy, by the Co-operative or Association issuing a participation entitlement to members. The participation entitlement reflects a percentage, as specified in the Deed, of the market value of a specific Co-operative property.

Assets under arrangement are initially recognised at market value.

Remote Indigenous Leased Properties

The Minister for Human Services has entered into lease arrangements ranging between 40 and 50 years with numerous Indigenous communities to lease parcels of land to allow the construction of new houses and the upgrade of existing houses in remote areas utilising National Partnership Agreement funding. The Trust, as agent for the Minister, will oversee all capital works on the properties and overall management of the agreement. Under the terms of the Ground Lease, ownership of the new dwellings will pass to the governing body that manages the land at the end of the lease term.

The constructed assets are recorded as capital works in progress and once complete are recognised as Remote Indigenous Leased Properties.

Capital Work in Progress

Capital work in progress reflects assets under construction that will be used in the Trust's operations.

The carrying amount for capital work in progress includes all construction-costs, charges for administrative expenses and a revaluation increment or decrement where the property has previously been revalued but excludes any borrowing costs and feasibility or pre-construction-costs.

Service Concession Assets

Service concession assets are properties captured under AASB 1059 *Service Concession Assets* and relate to various arrangements that the Trust has with CHPs where the CHPs provide affordable or social housing services on behalf of the Trust. The Trust controls the services that the CHPs must provide with the properties, to whom it must provide them, and at what price.

Arrangements within the scope of the standard will typically involve the CHPs constructing, developing or upgrading existing properties of the Trust, and operating and maintaining those properties for the period of the arrangement.

AASB 1059 requires that the fair value of the service concession assets be measured at current replacement cost in accordance with the cost approach in AASB 13 Fair Value Measurement. To replace the service capacity of a service concession asset would be to purchase a house and land in a similar location and functionality therefore the market value would drive the current replacement cost. The Trust use Valuer-General (VG) valuations, which is consistent with the Trust valuation policy across other real property assets.

Impairment

All non-current tangible and intangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. If the amount by which the asset's carrying amount exceeds the recoverable amount is material, it is recorded as an impairment loss.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in Note 11.2. For revalued assets, an impairment loss is offset against the asset revaluation surplus.

	Rental Properties – Land		Rental Properties - Buildings		Admin Properties – Land	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Carrying Amount as at 1 July	4 323 608	4 337 858	2 786 734	2 783 323	2 223	2 220
Additions	-	6 527	-	330	-	-
Transfer In from other asset category	35 932	30 381	45 988	42 959	-	96
Maintenance Upgrades	-	-	14 479	21 127	-	-
Assets Classified as Held for Sale	2 259	(1 984)	1 238	(1 091)	-	-
Disposals	(16 532)	(12 869)	(7 527)	(5 889)	-	-
Transfer out to other asset category	(47 316)	(105 899)	(11 196)	(22 426)	(101)	(96)
Revaluation Increment (Decrement)	331 864	69 594	(86 831)	24 428	90	3
Depreciation and Amortisation expenses	-	-	(55 027)	(56 325)	-	-
Depreciation and Amortisation on disposals	-	-	223	298	-	-
Carrying Amount as at 30 June	4 629 815	4 323 608	2 688 081	2 786 734	2 212	2 223

	Admin Properties – Buildings		Admin Properties – Leasehold Improvements		Commercial Property - Land	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Carrying Amount as at 1 July	4 402	4 505	10 696	3 580	233	233
Additions	-	-	135	105	2 202	-
Transfer In from other asset category	201	106	51	7 773	-	-
Maintenance Upgrades	-	-	-	-	-	-
Assets Classified as Held for Sale	-	-	-	-	-	-
Disposals	-	-	(172)	(985)	-	-
Transfer out to other asset category	(104)	(105)	(51)	-	-	-
Revaluation Increment (Decrement)	186	153	-	-	109	-
Depreciation and Amortisation expenses	(269)	(257)	(946)	(564)	-	-
Depreciation and Amortisation on disposals	2	-	-	787	-	-
Carrying Amount as at 30 June	4 418	4 402	9 713	10 696	2 544	233

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	Commercial Property - Buildings		Assets Under Arrangement - Land		Assets Under Arrangement - Buildings	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount as at 1 July	1 908	1 901	824 174	815 004	562 530	561 977
Additions	-	-	-	-	-	-
Transfer In from other asset category	-	-	1 846	5 303	1 565	4 288
Maintenance Upgrades	-	-	-	-	-	-
Assets Classified as Held for Sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfer out to other asset category	-	-	(9 945)	(8 692)	(1 025)	(1 476)
Revaluation Increment (Decrement)	(136)	106	67 834	12 559	(14 763)	9 167
Depreciation and Amortisation expenses	(92)	(99)	-	-	(11 151)	(11 451)
Depreciation and Amortisation on disposals	-	-	-	-	19	25
Carrying Amount as at 30 June	1 680	1 908	883 909	824 174	537 175	562 530

	Vacant Land – Land		Remote Indigenous Leased Properties		Plant and Equipment	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount as at 1 July	66 372	67 328	274 919	220 466	1 973	2 498
Additions	4 115	38	-	-	-	63
Transfer In from other asset category	27 125	11 239	3 336	358	816	2
Maintenance Upgrades	-	-	70	48	-	-
Assets Classified as Held for Sale	-	(514)	-	-	-	-
Disposals	-	-	-	-	(92)	(401)
Transfer out to other asset category	(12 701)	(9 780)	(1 148)	(5 590)	-	-
Revaluation Increment (Decrement)	4 040	(1 939)	-	70 522	-	-
Depreciation and Amortisation expenses	-	-	(11 525)	(11 002)	(660)	(583)
Depreciation and Amortisation on disposals	-	-	50	117	68	394
Carrying Amount as at 30 June	88 951	66 372	265 702	274 919	2 105	1 973

	Service Concession Assets - Land		Service Concession Assets - Building		Capital Work in Progress	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount as at 1 July	1 210 545	1 138 036	626 049	611 765	128 875	124 973
Additions	-	-	136	-	95 261	113 342
Transfer In from other asset category	5 478	67 428	11 336	19 380	67 184	61 628
Maintenance Upgrades	-	-	573	-	-	-
Assets Classified as Held for Sale	-	-	-	-	-	-
Disposals	(1 135)	-	(609)	-	-	-
Transfer out to other asset category	(5 537)	(11 410)	(1 140)	(1 539)	(138 577)	(171 068)
Revaluation Increment (Decrement)	114 624	16 491	(45 962)	9 034	-	-
Depreciation and Amortisation expenses	-	-	(11 881)	(12 612)	-	-
Depreciation and Amortisation on disposals	-	-	23	21	-	-
Carrying Amount as at 30 June	1 323 975	1 210 545	578 525	626 049	152 743	128 875

	Total Property, Plant and Equipment owned by the Trust	
	2022	2021
	\$'000	\$'000
Carrying Amount as at 1 July	10 825 241	10 675 667
Additions	101 849	120 405
Transfer In from other asset category	200 858	250 941
Maintenance Upgrades	15 122	21 175
Assets Classified as Held for Sale	3 497	(3 589)
Disposals	(26 067)	(20 144)
Transfer out to other asset category	(228 841)	(338 081)
Revaluation Increment (Decrement)	371 055	210 118
Depreciation and Amortisation expenses	(91 551)	(92 893)
Depreciation and Amortisation on disposals	385	1 642
Carrying Amount as at 30 June	11 171 548	10 825 241

5.3 Property, plant and equipment leased by the Trust

Property, plant and equipment leased by the Trust is recorded at cost. Additions to leased property, plant and equipment during 2021-22 were \$0.399 million (property, plant and equipment \$24.222 million).

The Trust does not have any short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets.

The Trust has a limited number of leases:

- 85 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 2 years up to 3 years. No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.
- 2 office accommodation leases with the Department for Infrastructure and Transport (DIT). The lease terms are 4 years and 10 years. No contingent rental provisions exist within the lease agreements. Some leases have the options to renew at the end of their term.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The lease liability does not reflect the extension option of the leases as the Trust does not consider it reasonably certain that it would be taken up. The assessment has been made based on a number of factors including accommodation strategy, the length of lease term, the ability to relocate into alternate accommodation if required and past history with renewing lease options. Were this option to be taken up, the total estimated cost over the extension period is \$57.090 million.

The Trust's maturity analysis of its lease liabilities is disclosed in note 11.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in notes 4.4 and 4.7. Cash outflows related to leases are disclosed in note 8.2.

Impairment

Property, plant and equipment leased by the Trust has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

5.4 Intangible assets

	2022	2021
	\$'000	\$'000
Computer software		
Internally generated computer software	43 998	42 623
Accumulated amortisation	(17 211)	(13 401)
Total computer software	26 787	29 222
Work in progress computer system development	8 076	6 224
Total work in progress computer systems development	8 076	6 224
Total intangible assets	34 863	35 446

Intangible assets are measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation.

The useful lives of intangible assets are assessed to be either finite or indefinite. The Trust only has intangible assets with finite lives.

The acquisition or internal development of software is capitalised when the expenditure meets the definition and recognition criteria of an asset as outlined in AASB 138 *Intangible Assets* and when the amount of expenditure is greater than or equal to \$5,000. Amortisation is calculated on a straight-line basis over 3 to 10 years from the date that the asset is ready for use.

All research and development projects that do not meet the capitalisation criteria outlined in AASB 138 *Intangible Assets* are expensed. An expense of \$1.064 million (\$0.792 million) for research and development costs has been recognised in 2021-22.

Reconciliation of intangible assets during 2021-22 and 2020-21

	Internally generated software		Work in progress computer system development		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Opening balance	29 222	32 480	6 224	776	35 446	33 256
Additions	1 375	746	3 227	6 194	4 602	6 940
Transfers to internally generated software	-	-	(1 375)	(746)	(1 375)	(746)
Disposal	-	-	-	-	-	-
Amortisation	(3 810)	(4 004)	-	-	(3 810)	(4 004)
Closing balance	26 787	29 222	8 076	6 224	34 863	35 446

5.5 Inventories

	2022 \$'000	2021 \$'000
Current		
Capital work in progress	97 042	109 487
Developed properties	9 655	16 666
Vacant land	2 013	2 872
Total current inventories	108 710	129 025
Non-current		
Capital work in progress	27 841	27 107
Total non-current inventories	27 841	27 107
Total inventories	136 551	156 132

Inventories include capital work in progress, developed properties and vacant land that are expected to be sold in the ordinary course of business. Inventories are carried at the lower of cost and net realisable value. The amount of any inventory write-down to net realisable value is recognised as an expense in the period the write-down occurred. Any write-down reversals are recognised as an expense reduction.

- Capital work in progress relates to development projects containing both land and building components that are expected to be sold on completion.
- Developed properties relates to land and building components that have been developed and may be sold in their current condition or transferred to capital work in progress as part of a development project. It is carried at cost.
- Vacant land consists of land that is expected to be sold.

5.6 Non-current assets classified as held for sale

	2022	2021
	\$'000	\$'000
Land	1 488	3 721
Buildings	677	1 915
Total non-current assets classified as held for sale	2 165	5 636

Non-current assets classified as held for sale relate to rental properties and administrative properties that are expected to be sold, through the private property market, within the next 12 months. These assets are measured at the lower of their carrying amount and fair value less costs to sell and are no longer depreciated, pending sale. Detail about the Trust's approach to fair value is set out in note 11.2.

Note 6 Financial assets**6.1 Cash and cash equivalents**

	2022	2021
	\$'000	\$'000
Deposits with the Treasurer	111 016	36 353
Cash – Development Projects	1 444	1 443
Cash on hand	13	14
Total cash and cash equivalents	112 473	37 810

Deposits with the Treasurer

The deposits with the Treasurer relates to working cash held in the Commonwealth Bank Working account through DTF.

Cash - Development Projects

The Cash – Development Projects funds are for the purpose of Playford development projects.

6.2 Receivables

	2022	2021
	\$'000	\$'000
Current		
Trade receivables		
From government entities	119	4 523
From non-government entities	32 884	30 450
Less impairment loss on trade receivables	(20 717)	(19 184)
Total trade receivables	12 286	15 789
Statutory receivables		
GST receivable	4 624	4 897
Total statutory receivables	4 624	4 897
Prepayments	2 503	2 744
Total current receivables	19 413	23 430
Non-current		
Affordable Assist Program	5 372	5 727
Total non-current receivables	5 372	5 727
Total receivables	24 785	29 157

Trade receivables mainly arise from the letting of public housing to tenants. Rent is payable by tenants in advance and charged weekly. All other receivables are subject to 30 day terms.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

Other than what is recognised in the impairment loss on trade receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being received on demand. The credit risk is concentrated in the rental area due to the nature of the business of the Trust.

Prepayments and the majority of receivables are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Affordable Assist Program is an integrated finance and property product that can assist more low/moderate income households enter affordable homeownership. The Trust invests equity into a portion of a property to reduce the amount a household needs to contribute to the overall purchase price of the home. Once the purchaser sells or refinances their property in the future, the invested amount is disbursed back to the Trust.

Risk management is disclosed in note 11.3.

Allowance for impairment loss on receivables

	2022	2021
	\$'000	\$'000
Carrying amount at the beginning of the period	19 184	16 443
Increase in the provision	11 191	7 827
Amounts written off	(9 658)	(5 086)
Carrying amount at the end of the period	20 717	19 184

Impairment losses relate to contracts with customers external to SA Government. No impairment loss was recognised in relation to statutory receivables.

Credit risk and the methodology for determining impairment is disclosed in note 11.3.

6.3 Other financial assets

	2022	2021
	\$'000	\$'000
Accrued revenues	5 148	9 602
Cash held at SAFA cash management facility	285 216	474 897
Total other financial assets	290 364	484 499

Accrued revenue is non-interest bearing.

There is no impairment loss on debt securities (being investment with SAFA) due to the rating of the counterparty.

Risk management is disclosed in note 11.3.

Note 7 Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1 Payables

	2022	2021
	\$'000	\$'000
Current		
Trade payables	16 170	15 881
Accrued expenses	34 532	42 361
	<u>50 702</u>	<u>58 242</u>
Statutory payables		
Land tax payable	74 558	-
Employment on-costs	1 304	1 722
Total statutory payables	<u>75 862</u>	<u>1 722</u>
Total current payables	<u>126 564</u>	<u>59 964</u>
Non-current		
Statutory payables		
Employment on-costs	1 284	1 429
Total non-current payables	<u>1 284</u>	<u>1 429</u>
Total payables	<u>127 848</u>	<u>61 393</u>

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts.

The net amount of GST recoverable from the ATO is included as part of payables.

Employment on-costs

Employment on-costs include payroll tax, WorkCover levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The Trust contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has remained unchanged at 42% from 2021, and the average factor for the calculation of employer superannuation on-cost has changed from the 2021 rate (10.1%) to 10.6%. These rates are used in the employment on-cost calculation. The net financial effect of the change in the current financial year is a decrease in the employment on-cost and employee benefits expense of \$0.215 million.

7.2 Financial liabilities

	2022	2021
Current		
Lease liabilities	2 899	3 034
Total current financial liabilities	2 899	3 034
Non-current		
Lease liabilities	25 345	27 948
National Housing Finance & Investment Corporation Loan	299	-
Total non-current financial liabilities	25 644	27 948
Total financial liabilities	28 543	30 982

The Trust measures financial liabilities including borrowings/debt at amortised cost.

Note 5.3 describes possible cash outflows for leases the Trust is exposed to that are not included in lease liabilities.

7.3 Provisions

	2022	2021
Current	\$'000	\$'000
Public risk & professional indemnity	49	67
Workers compensation	616	345
Total current provisions	665	412
Non-current		
Public risk & professional indemnity	284	403
Workers compensation	1 944	735
Total non-current provisions	2 228	1 138
Total provisions	2 893	1 550

A receivable of \$0.043 million (\$0.011 million) for workers compensation recoveries has been recognised for 2021-22.

Measurement of the provision for worker's compensation as at 30 June 2022 includes the impacts of the decision of the Full Court of the Supreme Court of South Australia in *Return to Work Corporation of South Australia vs Summerfield* (Summerfield decision). The Summerfield decision increased the liabilities of the Return to Work Scheme (the Scheme) and the provision for workers compensation across government.

Legislation to reform the *Return to Work Act 2014* was proclaimed in July 2022, with the reforms expected to reduce the overall liability of the Scheme. The impacts of these reforms on the provision for workers compensation across government will be considered when measuring the provision as at 30 June 2023.

Movement in provisions

	2022	2021
Reconciliation of public risk & professional indemnity	\$'000	\$'000
The following table shows the movement of public risk & professional indemnity		
Carrying amount at beginning of financial year	470	462
Additional provisions recognised	101	466
Reduction in provisions	(213)	(299)
Payments made	(25)	(159)
Carrying amount at 30 June	333	470

Reconciliation of workers compensation

The following table shows the movement of Workers Compensation

Carrying amount at beginning of financial year	1 080	819
Additional provisions recognised	2 328	1 312
Reduction in provisions	-	-
Payments made	(848)	(1 051)
Carrying amount at 30 June	2 560	1 080

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Trust is responsible for the payment of workers compensation claims.

7.4 Other liabilities

	2022	2021
	\$'000	\$'000
Current		
Rent received in advance	13 129	11 926
Deposits held:		
Tenant deposits held	2 570	2 435
Sale deposits held	1	1
Unearned revenue	40	159
Managed houses scheme	61	243
Total current other liabilities	15 801	14 764
Non-current		
Unearned revenue	-	40
Managed houses scheme	-	61
Total non-current other liabilities	-	101
Total other liabilities	15 801	14 865

Note 8 Other disclosures**8.1 Equity**

The asset revaluation surplus is used to record increments and decrements in the fair value of property and plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

8.2 Cash flow

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Total cash outflows for leases were \$3.511 million (2021: \$1.842 million).

Cash flow reconciliation

	2022	2021
	\$'000	\$'000
Reconciliation of cash and cash equivalents and other financial assets at the end of the reporting period:		
Cash and cash equivalents disclosed in the Statement of Financial Position	112 473	37 810
Other financial assets disclosed in the Statement of Financial Position	285 216	474 897
Balance as per the Statement of Cash Flows	397 689	512 707
Reconciliation of net cash inflows from operating activities to net result before income tax equivalent:		
Net cash provided by/(used in) operating activities	(148 574)	(492 134)
Add/Less non cash items		
Depreciation and amortisation	(98 379)	(98 692)
Net (loss)/gain from disposal of assets	28 299	19 097
Buildings and other assets written off	(8 539)	(17 047)
Construction variance, surplus on property	(2 507)	(357)
Impairment loss on trade receivables	(1 533)	(2 741)
Provision adjustment	(2 216)	(1 479)
Affordable homes assistance	-	533
Loan amortisation	243	243
	(84 632)	(100 443)
Changes in assets / liabilities		
(Decrease) Increase in receivables	(2 484)	11 077
(Decrease) Increase in other financial assets	(4 454)	910
(Decrease) Increase in contract assets	(2 778)	22 009
(Decrease) Increase in property, plant and equipment	(35 413)	28 810
(Increase) Decrease in payables	(66 455)	213 002
(Increase) Decrease in employee benefits	4 913	2 877
Decrease (Increase) in provisions	873	1 210
Decrease (Increase) in financial liabilities	2 439	(30 131)
(Increase) Decrease in other liabilities	(1 179)	(69)
	(104 538)	249 695
Net result before income tax equivalent	(337 744)	(342 882)

Note 9 Changes in accounting policy

The Trust has early-adopted AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*. The main requirements of this standard amend requirements and guidance relating to what accounting policy information is disclosed and, clarifies the distinction between changes in accounting policy and changes in accounting estimates.

Note 10 Outlook

10.1 Unrecognised commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual sources and are disclosed at their nominal value.

Capital Commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial statements, are payable as follows:

	2022	2021
	\$'000	\$'000
Within one year	33 020	24 598
Later than one year but not longer than five years	7 297	29 250
Total capital commitments	40 317	53 848

The Trust's capital commitments include commitments for a number of capital projects and some capital-related maintenance spend.

Expenditure Commitments

The Trust's expenditure commitments are for agreements for expenditure on operations and maintenance contracted but not provided for and payable, are as follows:

	2022	2021
	\$'000	\$'000
Within one year	84 838	83 080
Later than one year but not longer than five years	17 540	70 572
Later than five years	2 434	4 809
Total expenditure commitments	104 812	158 461

The Trust's expenditure commitments are for agreements for:

- maintenance expenses; and
- grant and subsidy arrangements under *Treasurer's Instructions 15 Grant Funding*.

Management Agreement Commitments

The Trust's management agreement commitments are to manage houses subject to lease arrangements with Funds SA (formerly Colonial First State and Motor Accident Commission) which are contracted but not provided for are payable as follows:

	2022	2021
	\$'000	\$'000
Within one year	324	303
Later than one year but not longer than five years	-	1 244
Total management agreement commitments	324	1 547

Accommodation Commitments

The Trust's accommodation commitments are for agreements for expenditure on accommodation not provided for and payable, are as follows:

	2022	2021
	\$'000	\$'000
Within one year	2 221	3 661
Later than one year but not longer than five years	4 025	8 234
Later than five years	165	794
Total accommodation commitments	6 411	12 689

The Trust's expenditure commitments are for agreements for memoranda of administrative arrangements with the Department for Infrastructure and Transport (DIT) for accommodation.

The commitments include extension options where the Trust considers reasonably certain that they would be taken up. The assessment has been made based on a number of factors including accommodation strategy, the length of lease term, the ability to relocate into alternate accommodation if required and past history with renewing lease options.

10.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Contingent Assets

Shared Value Affordable Home Initiative

The Shared Value Affordable Home Initiative, funded by the Commonwealth Government in conjunction with Local Government, allows eligible buyers the opportunity to purchase a property at a price less than market value. Each purchase is subject to a shared appreciation arrangement and a mortgage is affixed to the property. Under this arrangement when the property is sold or the mortgage discharged, the amount of the original discount, plus a share in any appreciation or depreciation in value, must be paid to the Trust for reinvestment in Affordable Housing outcomes. There are currently 3 (6) properties under this scheme with a total discount provided of \$0.165 million (\$0.360 million). The current share of depreciation of these properties is approximately \$0.015 million (\$0.035 million).

Contingent Liabilities

Progressive Purchase Scheme

Under this scheme the Trust owns portions of properties as tenant in common with other persons. Where the Trust has signed agreements with lending institutions advancing persons mortgage monies, the Trust can be called upon in cases of default to purchase the defaulter's interest at current market value. The 7 (7) properties included in the scheme are subject to mortgages with a collective loan balance of \$0.072 million (\$0.084 million). The Tenant's share of the value of the properties subject to mortgage is estimated to be \$1.192 million (\$1.161 million), based on the Valuer-General's overall capital value.

Rental Purchase and Sale Under Agreement House Purchase Schemes

The rental purchase and sale under agreement portfolio was transferred to HomeStart Finance on 10 December 1993 and due to conditions in some of the agreements, the Trust remains responsible to make good for loss or damage to the subject properties for specific events. There are 4 (5) properties currently under this scheme. The Trust remains the legal owner of these properties until they are transferred to the purchasers upon completion of this agreement. The properties included in the scheme that are subject to indemnity clauses have a collective estimated replacement value of \$1.011 million (\$1.216 million). These properties together with the Trust's rental properties are subject to an agency agreement with South Australian Government Financing Authority, SAICORP Division (SAICORP) and in the event of a claim will be indemnified by the Treasurer so as to limit the exposure of the Trust to \$1.0 million.

Bond Guarantee Scheme

Under the bond guarantee scheme a guarantee for the bond is given to the landlord. In the event of a claim by a landlord, the Office of Consumer and Business Services makes a payment. The Trust then reimburses the Office of Consumer and Business Services and the private rental customer becomes liable to the Trust for the amount. The value of bond guarantees issued and outstanding at 30 June 2022 is \$52.076 million (\$55.347 million). The value of claims made this financial year is \$4.541 million (\$4.484 million).

The Trust pays interest at an agreed market determined rate to the Office of Consumer and Business Services based on the daily outstanding balance of bond guarantees issued.

Equity Shares

The *South Australian Co-operative and Community Housing Act 1991* provided for members of Housing Co-operatives and tenants of Associations to acquire equity in the properties they occupy, by the Co-operative or Association issuing equity shares to members. The equity shares reflect a proportional interest in the value of a specific Co-operative or Association property. The Trust is obliged to repurchase the equity shares from holders who leave relevant Co-operatives or Associations at a value reflecting their proportion of the current value of the property at the time the equity shares are redeemed. The value of these equity shares at 30 June 2022 is \$10.716 million (\$10.436 million).

Note 11 Measurement of risk

11.1 Long service leave liability - measurement

AASB 119 *Employee Benefits* contains the calculation methodology for long service liability.

The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave liability and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA government entities.

AASB 119 requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service liability. The yield on long term Commonwealth Government bonds has increased from 2021 (1.25%) to 2022 (3.50%). This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$2.233 million and employee benefits expense of \$2.448 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by DTF left the salary inflation rate at 2.5% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on previous experience.

11.2 Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment, other than right-of-use assets, is subsequently measured at fair value after allowing for accumulated depreciation.

The valuation process and fair value changes are reviewed by the Chief Financial Officer and the Audit, Risk & Finance Committee at each reporting date.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

Revaluation is undertaken on a regular cycle as detailed below. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Fair value hierarchy

The Trust classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

The Trust's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. Valuation techniques used to derive level 2 and 3 fair values are at Note 5.2 and 5.6.

During 2022 and 2021, the Trust had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

Fair value classification – non-financial assets at 30 June 2022

	\$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurement			
Land (Note 5.1)	6 842 455	6 842 455	-
Buildings (Note 5.1)	3 809 879	3 809 879	-
Vacant land (Note 5.1)	88 951	88 951	-
Leasehold improvements (Note 5.1)	9 713	-	9 713
Plant and equipment (Note 5.1)	2 105	-	2 105
Remote Indigenous leased properties (Note 5.1)	265 702	-	265 702
Capital works in progress (Note 5.1)	152 743	152 743	-
Total recurring fair value measurements	11 171 548	10 894 028	277 520
Non-recurring fair value measurement			
Land held for sale (Note 5.6) ⁽⁶⁾	1 488	1 488	-
Buildings held for sale (Note 5.6) ⁽⁶⁾	677	677	-
Total non-recurring fair value measurements	2 165	2 165	-
Total	11 173 713	10 896 193	277 520

Fair value classification – non-financial assets at 30 June 2021

	\$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurement			
Land (Note 5.1)	6 360 783	6 360 783	-
Buildings (Note 5.1)	3 981 623	3 981 623	-
Vacant land (Note 5.1)	66 372	66 372	-
Leasehold improvements (Note 5.1)	10 696	-	10 696
Plant and equipment (Note 5.1)	1 973	-	1 973
Remote Indigenous leased properties (Note 5.1)	274 919	-	274 919
Capital works in progress (Note 5.1)	128 875	128 875	-
Total recurring fair value measurements	10 825 241	10 537 653	287 588
Non-recurring fair value measurement			
Land held for sale (Note 5.6) ⁽⁶⁾	3 721	3 721	-
Buildings held for sale (Note 5.6) ⁽⁶⁾	1 915	1 915	-
Total non-recurring fair value measurements	5 636	5 636	-
Total	10 830 877	10 543 289	287 588

⁽⁶⁾ The Trust has measured land and buildings held for sale at fair value less costs to sell in accordance with AASB 5 because the assets' fair value less costs to sell is lower than its carrying amount. Non-current assets held for sale is disclosed in Note 5.6.

Rental Properties, Administrative Properties, Commercial Properties, Vacant Land and Assets Under Arrangement

In compliance with AASB 116 *Property, Plant & Equipment*, all land and buildings are subsequently measured at fair value less accumulated depreciation.

The Trust revalue all land and buildings annually using the Valuer-General's values for rating purposes, issued as at 1 July 2021 reflecting "the capital amount that an unencumbered estate of fee simple in the land might reasonably be expected to realise upon sale" in accordance with the *Valuation of Land Act 1971* and is determined in line with the property market evidence at that time. This value is deemed to be fair value for financial reporting purposes.

Revaluation occurred at 31 October 2021, using the 1 July 2021 values, for all land and buildings acquired or completed before 31 October 2020.

Any revaluation increment is credited to the asset revaluation surplus, except to the extent that it reverses a revaluation decrease of the same asset class previously recognised as an expense, in which case the increase is recognised as income. Any revaluation decrease is recognised as an expense, except to the extent that it offsets a previous revaluation increase for the same asset class, in which case the decrease is debited directly to the asset revaluation surplus to the extent of the credit balance existing in revaluations reserve for that asset class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Upon disposal or de-recognition, any revaluation surplus relating to that asset is transferred to retained earnings.

Remote Indigenous Leased Properties

Remote Indigenous Leased Properties are amortised over the life of the building relevant to the ground lease (30 years). Each property is revalued every three years based on their depreciated replacement cost. The replacement cost is derived from information provided by the Trust's construction programs for similarly configured properties being constructed remotely. Due to the remoteness of many of these leased properties, there is no observable market for these properties. The properties were last revalued at 31 October 2020.

Leasehold Improvements

The value of leasehold improvements is recorded at cost (deemed fair value).

Plant and Equipment

Plant and equipment are brought to account at historical cost (deemed fair value).

Reconciliation of level 3 recurring fair value measurements

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

	Plant & equipment	Leasehold improvements	Remote Indigenous properties
	2022 \$'000	2022 \$'000	2022 \$'000
Opening balance at the beginning of the period	1 973	10 696	274 919
Acquisitions	-	135	70
Transfer into level 3 ⁽⁷⁾	816	51	3 336
Transfer out of level 3 ⁽⁷⁾	-	(51)	(1 098)
Disposals	(25)	(172)	-
Total gains (losses) for the period recognised in net result:			
Depreciation and amortisation expenses	(660)	(946)	(11 525)
Revaluation increments	-	-	-
Carrying amount at the end of the period	2 105	9 713	265 702

	Plant & equipment	Leasehold improvements	Remote Indigenous properties
	2021 \$'000	2021 \$'000	2021 \$'000
Opening balance at the beginning of the period	2 498	3 580	220 466
Acquisitions	63	105	48
Transfer into level 3 ⁽⁷⁾	2	7 773	358
Transfer out of level 3 ⁽⁷⁾	-	-	(5 473)
Disposals	(7)	(198)	-
Total gains (losses) for the period recognised in net result:			
Depreciation and amortisation expenses	(583)	(564)	(11 002)
Revaluation increments	-	-	70 522
Carrying amount at the end of the period	1 973	10 696	274 919

⁽⁷⁾ Transfers into and out of level 3 relate to transfers from and to other asset classes disclosed in different fair value hierarchy levels.

11.3 Financial instruments**Financial risk management**

Risk management is managed by the Trust's Finance Division. The Trust's risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The Trust's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk

In relation to liquidity/funding risk, the continued existence of the Trust in its present form, and with its present programs, is dependent on Government policy and associated funding programs for the Trust's administration and outputs.

The Trust works with DTF to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through the SA Government budgetary processed to meet the expected cash flows.

In 2018-19 the Trust received a one-off grant payment of \$602 million, being an up-front payment of grants previously budgeted to be received over the four-year period 2019-20 to 2022-23. This grant is sufficient to fund the net cost of the Trust's approved operations for this period, significantly reducing liquidity risk. The Trust also received equity contributions of \$106.085 million in 2021-22 (\$129.341 million in 2020-21).

Credit risk

Credit risk arises when there is the possibility of the Trust's debtors defaulting on their contractual obligations resulting in financial loss to the Trust. The Trust measures credit risk on a fair value basis and monitors risk on a regular basis.

The Trust is exposed to credit risk associated with the amounts due to it from tenants for rent and other charges. Credit risk is ameliorated by the fact that amounts due from individual tenants are relatively small. The Trust manages credit risk associated with its tenants by establishment of a Credit Policy which is communicated to Trust staff and tenants. The performance of individual tenants and of components of the total population of tenants are monitored and reported upon to Trust management and the Board.

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. Currently the Trust does not hold any collateral as security to any of its financial assets.

Impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss (ECL) using the simplified approach in AASB 9 *Financial Instruments*. An impairment loss is recognised when there is objective evidence that a receivable is impaired. The Trust assesses its debtors for evidence of impairment on a collective basis according to common risk characteristics of the transactions and the debtors to determine where such evidence exists.

The impairment loss on trade receivables is based on an actuarial assessment conducted by the Trust's consulting actuaries Brett & Watson Pty Ltd. They concluded that, in accordance with AASB 9, an appropriate allowance for impairment loss is 63% of debtors at 30 June 2020.

Brett & Watson Pty Ltd determined the percentage by analysing customer debtors at 31 March 2020 to estimate the impairment loss due to:

- discounting the cash flow until the date that payment is expected to be received from the debtor. The discount rate applied was 0.63 per cent per annum based on the risk free rate as at 31 May 2020.
- amounts estimated that will not be received based on common risk characteristics of the transaction and the debtor.

The Trust considers that the assumptions used by the Trust's consulting actuaries are still appropriate for determining the expected credit loss at 30 June 2022.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

The following table provides information about the exposure to credit risk and ECL for non-government debtors.

	Debtor gross carrying amount	Loss %	Lifetime expected losses
	\$'000		\$'000
Customer debtors	31,982	63	20,149
Other debtors	902	63	568
Loss allowance	32,884		20,717

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Trust and a failure to make contractual payments for a period of greater than 18 months past due. Debts that are outsourced are written off and subsequently any monies recovered are recorded as an income.

Receivables with a contractual amount of \$6.370 million written off during the year are still subject to enforcement activity.

Cash and debt investments

The Trust considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

Market risk

The Trust is also exposed to risk arising from property values in the real estate market, due to its reliance on asset sales to fund capital works. The Trust manages any risk of not meeting its sales revenue requirements by regular monitoring and reporting of sales performance.

Categorisation of financial instruments

Details of the material accounting policy information and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

Classification of financial instruments

Category of financial assets and financial liability	Note	2022 Carrying amount / fair value \$'000	2022 Contractual maturities *		
			Within 1 year \$'000	1 - 5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	6.1	112 473	112 473	-	-
Financial assets at amortised cost					
Receivables **	6.2	17 658	12 286	-	5 372
Other financial assets	6.3	290 364	290 364	-	-
Total financial assets		420 495	415 123	-	5 372
Financial liabilities					
Financial liabilities at amortised cost					
Payables **	7.1	49 622	49 622	-	-
Lease liabilities	7.2	28 543	2 899	12 900	12 744
Other liabilities	7.4	2 632	2 632	-	-
Total financial liabilities		80 797	55 153	12 900	12 744

Category of financial assets and financial liability	Note	2021 Carrying amount / fair value \$'000	2021 Contractual maturities *		
			Within 1 year \$'000	1 - 5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	6.1	37 810	37 810	-	-
Financial assets at amortised cost					
Receivables **	6.2	21 516	15 789	-	5 727
Other financial assets	6.3	484 499	484 499	-	-
Total financial assets		543 825	538 098	-	5 727
Financial liabilities					
Financial liabilities at amortised cost					
Payables **	7.1	57 315	57 315	-	-
Lease liabilities	7.2	30 982	3 034	11 984	15 964
Other liabilities	7.4	2 740	2 679	61	-
Total financial liabilities		91 037	63 028	12 045	15 964

*Maturities analysis is presented using the undiscounted cash flows and therefore may not total to equal the carrying amount/fair value of the financial instrument.

** Total amounts disclosed here exclude statutory amounts. Receivables do not include prepayments as these are not financial instruments. Prepayments are presented in note 6.2.

Statutory receivables and payables

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges and Auditor-General's Department audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 *Financial Instruments: Disclosures* will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

Note 12 Disclosure of Administered Items

The following summarises income and expenditure attributable to Homelessness Social Impact Bond and HomeStart Shared Equity Fund protection functions within the administrative unit excluding the allocation of overheads.

Homelessness Social Impact Bond

The South Australian Government has undertaken a Social Impact Bond project in the area of Homelessness in South Australia. A Social Impact Bond is a financial arrangement that pays a return to private investors based on achievement of agreed social outcomes. Under a Social Impact Bond, an investor provides upfront funds to a partner (non-government organisation or intermediary) to provide services to government that will, if successful, reduce future costs to government through improved social outcomes in the relevant area. The control of these funds and administration is specified in the *Social Impact Bond Program Deed 2017 between the Minister for Social Housing and SVA Nominees Pty Ltd as trustee of the Aspire Social Impact Bond Trust and the Deed of Direct Agreement between the Minister for Social Housing and Hutt Street Centre*. State funds are grant funded to the Service Provider to manage the project and deliver outcomes.

HomeStart Shared Equity Fund

The Expansion of the HomeStart Shared Equity Fund was established as part of the Housing Construction Stimulus Package approved by Cabinet in June 2020. The package included expanding HomeStart's existing Shared Equity Option loan to be available for construction of new homes. This measure will allow more households to build a new home and provide a targeted and timely stimulus for the construction industry.

The Trust administers the payment that the Government provides to HomeStart for loans settled or discharged on behalf of the Fund.

**Statement of Comprehensive Income
for the year ended 30 June 2022**

	Homelessness Social		HomeStart Shared		Total	
	Impact Bond		Equity Fund			
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered income						
Revenues from SA Government	6 655	2 089	21 000	-	27 655	2 089
Total administered income	6 655	2 089	21 000	-	27 655	2 089
Administered expenses						
Grants, subsidies and client payments	6 655	2 089	-	-	6 655	2 089
Total administered expenses	6 655	2 089	-	-	6 655	2 089
Net result	-	-	21 000	-	21 000	-

**Statement of Financial Position
for the year ended 30 June 2022**

	Homelessness Social		HomeStart Shared		Total	
	Impact Bond		Equity Fund			
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets						
Cash	-	-	21 000	-	21 000	-
Total administered current assets	-	-	21 000	-	21 000	-
Administered non-current assets						
Receivables	-	-	561	-	561	-
Total administered non-current assets	-	-	561	-	561	-
Total administered assets	-	-	21 561	-	21 561	-
Administered current liabilities						
Payables	-	-	561	-	561	-
Total administered current liabilities	-	-	561	-	561	-
Total administered liabilities	-	-	561	-	561	-
Net administered assets	-	-	21 000	-	21 000	-
Administered equity						
Retained earnings	-	-	21 000	-	21 000	-
Total administered equity	-	-	21 000	-	21 000	-

**Statement of Cash Flows
for the year ended 30 June 2022**

	Homelessness Social		HomeStart Shared		Total	
	Impact Bond		Equity Fund			
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities						
<i>Cash inflows</i>						
Revenues from SA Government	6 655	2 089	21 000	-	27 655	2 089
Cash generated from operations	6 655	2 089	21 000	-	27 655	2 089
<i>Cash outflows</i>						
Grants, subsidies and client payments	6 655	2 089	-	-	6 655	2 089
Cash used in operations	6 655	2 089	-	-	6 655	2 089
Net cash provided by/(used in) operating activities	-	-	21 000	-	21 000	-
Net increase/(decrease) in cash and cash equivalents	-	-	21 000	-	21 000	-
Cash and cash equivalents at beginning of the period	-	-	-	-	-	-
Cash and cash equivalents at the end of the period	-	-	21 000	-	21 000	-