

ISAAC AFFORDABLE HOUSING FUND PTY LTD
ACN: 147 492 993

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2021

ISAAC AFFORDABLE HOUSING FUND PTY LTD
ACN: 147 492 993

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ISAAC AFFORDABLE HOUSING FUND PTY LTD
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DIRECTORS REPORT

Your directors present their report on the company for the financial year ended 30 June 2021.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Mrs Anne M Baker
Mrs Gina T Lacey
Ms Lynette E Jones (Resigned 04/07/2021)
Ms Sandra F Moffat
Ms Carolyn Therese Moriarty (Appointed 23/09/2021)

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

Review of Operations

The profit of the company for the year after providing for income tax amounted to \$Nil (2020:\$Nil).

Significant changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the year.

Principle Activity

The principle activity of the company during the year was to act as trustee of the Isaac Affordable Housing Trust.

No significant change in the nature of these activities occurred during the year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in the future years.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

There were no dividends paid throughout the year (2020:Nil).

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

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DIRECTORS REPORT

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:

Director: x 
Mrs Anne Baker

Director: x 
Mrs Gina T Lacey

Dated this 13th day of December 2021.

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Profit before income tax	-	-
Income tax expense	-	-
Profit after income tax	-	-
Total Comprehensive Income	-	-

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	2021	2020
	\$	\$
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CURRENT ASSETS		
Cash and cash equivalents	1	1
TOTAL CURRENT ASSETS	<u>1</u>	<u>1</u>
TOTAL ASSETS	<u>1</u>	<u>1</u>
NET ASSETS	<u>1</u>	<u>1</u>
EQUITY		
Issued capital	1	1
TOTAL EQUITY	<u>1</u>	<u>1</u>

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	\$	\$	\$
	Retained Earnings	Issued Capital	Total
Balance at 1 July 2019	-	1	1
Operating Surplus/(Deficit)	-	-	-
Balance at 30 June 2020	-	1	1
Balance at 1 July 2020	-	1	1
Operating Surplus/(Deficit)	-	-	-
Balance at 30 June 2021	-	1	1

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
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Cash Flows from operating Activities		
Inflows	-	-
Outflows	-	-
Net Cash Provided By (used by) operating Activities	<hr/> -	<hr/> -
Net increase (decrease) in cash and cash equivalents	<hr/> -	<hr/> -
Cash at beginning of financial period	<hr/> -	<hr/> -
Cash at end of financial period	<hr/> <hr/> -	<hr/> <hr/> -

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 Summary of Significant Accounting Policies

Basis of Preparation

The directors have determined that the company is not a reporting entity on the basis that, in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this is a special purpose financial report, which has been prepared to satisfy the company's financial reporting requirements to its members.

Isaac Affordable Housing Fund Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Isaac Affordable Housing Fund Pty Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' declaration.

The financial report has been prepared in accordance with the recognition and measurement requirements of all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

- AASB 101: Presentation of Financial Statements
- AASB 107: Statement of Cash Flows
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1048 Interpretation of Standards
- AASB 1054: Australian Additional Disclosures

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial report.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The accounting policies that have been adopted in the preparation of these statements are as follows:

a. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

b. Trust Liabilities and Right of Indemnity

The company acts solely as trustee of a trust and liabilities have been incurred on behalf of that trust in the company's capacity as corporate trustee.

Liabilities incurred on behalf of the trust are not recognised in the financial statements if it is not probable that the company will have to meet any of the trust liabilities from its own resources. If the company becomes obligated to meet trust liabilities, the trustee has a right to be indemnified from trust assets. If it is probable that there will be a deficiency in trust assets, a liability is recognised by the company to the extent of the deficiency. Details of the trust liabilities, the offsetting right of indemnity and any deficiency in the right of indemnity are disclosed by the way of notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2 Trust Liabilities and Right of Indemnity

Liabilities of Isaac Affordable Housing Trust not recorded in the financial statements of the company were:

	2021	2020
	\$	\$
Current Liabilities		
Accrued Expenses	12,000	7,000
Payables	15,194	6,793
Total Current Liabilities	<u>27,194</u>	<u>13,793</u>
Non Current Liabilities		
Secured Loan	4,879,019	4,855,466
Total Non Current Liabilities	<u>4,879,019</u>	<u>4,855,466</u>
Total Liabilities	<u>4,879,019</u>	<u>4,855,466</u>
Rights of indemnity for liabilities incurred by the company on behalf of Isaac Affordable Housing Trust not recorded in the financial statements were:	4,906,213	4,869,259

The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the company acting in its own right. The assets of the trust were sufficient to discharge all liabilities of the trust at 30 June 2021.

3 Contingent Liabilities

A contingent liability exists relative to any future claims which may be made against the company arising from dealings on behalf of the trust. No such claims have been made against the company as at the date of these financial statements.

4 Related Party Transactions

The company is a controlled entity of Isaac Regional Council. There were no related party transactions with this entity during the financial year.

5 Remuneration of Directors

The total remuneration of directors of the company during the year was nil. (2020: Nil)

6 Entity Details

The principal place of business is:

ISAAC AFFORDABLE HOUSING FUND PTY LTD
Batchelor Parade
Moranbah Qld 4744

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DIRECTORS DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

1. In the directors opinion, the financial statements give a true and fair view of the company's financial position as at 30 June 2021 and performance for the year ended on that date in accordance with the accounting policies described in note 1 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: ☒ 
Mrs Anne Baker

Director: ☒ 
Mrs Gina T Lacey

Dated this 13th day of December 2021.

INDEPENDENT AUDITOR'S REPORT

To the Members of Isaac Affordable Housing Fund Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Isaac Affordable Housing Fund Pty Ltd (the company).

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2021, and its financial performance and cash flows for the year then ended
- b) complies with the financial reporting framework described in Note 1.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the 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 company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Emphasis of matter – basis of accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial accountability responsibilities. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the company's directors' report for the year ended 30 June 2021, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the directors for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the financial reporting framework described in Note 1, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In fulfilling this responsibility, the company's directors determined that the basis of preparation described in Note 1 is appropriate to meet their accountability requirements.

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, 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 expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company'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 company'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 my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company 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.

I communicate with the company's directors regarding, 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 my audit.



Michael Claydon
as delegate of the Auditor-General

15 December 2021

Queensland Audit Office
Brisbane