

**ISAAC AFFORDABLE HOUSING FUND PTY. LTD.**  
A.C.N. 147 492 993

**AS TRUSTEE FOR**

**ISAAC AFFORDABLE HOUSING TRUST**

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The Financial Statements of the ISAAC AFFORDABLE HOUSING TRUST are special purpose financial reports prepared in accordance with the prescribed requirements per Note 2 of the financial statements.

**ISAAC AFFORDABLE HOUSING TRUST**  
**Statement of Comprehensive Income**  
**For the year ended 30th June 2023**

	Notes	2023 \$	2022 \$
<b>Income</b>			
Revenue and Other Income			
Rent Received		189,124	183,286
Interest Income		64,083	3,446
Grants, Subsidies, Contributions and Donations	13	1,662,678	124,129
Revaluation of Land and Buildings		477,306	
<b>Total Income</b>		<b><u>2,393,191</u></b>	<b><u>310,861</u></b>
<b>Expenses</b>			
Bank Fees		93	276
Depreciation		79,285	79,285
Fees & Subscriptions		24	586
Freight		175	-
Interest		13,917	15,049
Legal Fees		18,769	6,649
Office Supplies		2	-
Property Management	4	81,563	54,694
QAO Audit Fees		10,350	10,350
Rates		94,534	90,908
Secretarial and Accounting Fees	3	87,911	75,778
Water		1,739	933
<b>Total Expenses</b>		<b><u>388,362</u></b>	<b><u>334,508</u></b>
<b>Operating Surplus/(Deficit)</b>		<b><u>2,004,829</u></b>	<b><u>(23,647)</u></b>
<b>Other Comprehensive Income</b>			
<i>Items that will not be reclassified to operating surplus/(deficit)</i>			
Total Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b><u>2,004,829</u></b>	<b><u>(23,647)</u></b>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes

**ISAAC AFFORDABLE HOUSING TRUST**  
**Statement of Financial Position**  
**As at 30th June 2023**

	Notes	2023 \$	2022 \$
<b>Current Assets</b>			
Cash on Hand		10	10
Cash at Bank		3,127,735	2,043,528
Receivables	5	4,630	7,275
Contract Assets	14	71,182	122,365
<b>Total Current Assets</b>		<u>3,203,557</u>	<u>2,173,178</u>
<b>Non Current Assets</b>			
Property, Plant and Equipment	6	7,833,709	5,503,784
<b>Total Non Current Assets</b>		<u>7,833,709</u>	<u>5,503,784</u>
<b>Total Assets</b>		<u>11,037,266</u>	<u>7,676,962</u>
<b>Current Liabilities</b>			
Accrued Expenses	7	12,000	12,000
Payables	8	716,925	33,868
Contract Liabilities	14	658,504	-
<b>Total Current Liabilities</b>		<u>1,387,429</u>	<u>45,868</u>
<b>Non Current liabilities</b>			
Secured Loan	9	4,907,985	4,894,068
<b>Total non Current Liabilities</b>		<u>4,907,985</u>	<u>4,894,068</u>
<b>Total Liabilities</b>		<u>6,295,414</u>	<u>4,939,936</u>
<b>Net Assets</b>		<u>4,741,852</u>	<u>2,737,027</u>
<b>Equity</b>			
Settlement Sum		10	10
Retained Earnings		4,741,842	2,737,017
<b>Net Equity</b>		<u>4,741,852</u>	<u>2,737,027</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes

**ISAAC AFFORDABLE HOUSING TRUST**  
**Statement of Changes in Equity**  
**For the year ended 30th June 2023**

	<b>Settlement Sum</b>	<b>Asset Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2021</b>	10	-	2,760,663	2,760,673
Operating Deficit	-	-	(23,647)	(23,647)
<b>Balance as at 30 June 2022</b>	<b>10</b>	<b>-</b>	<b>2,737,016</b>	<b>2,737,026</b>
	<b>Settlement Sum</b>	<b>Asset Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2022</b>	10	-	2,737,016	2,737,026
Operating Surplus	-	-	2,004,830	2,004,830
<b>Balance as at 30 June 2023</b>	<b>10</b>	<b>-</b>	<b>4,741,842</b>	<b>4,741,852</b>

**ISAAC AFFORDABLE HOUSING TRUST**  
**Statement of Cash Flows**  
**For the year ended 30th June 2023**

	Notes	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
<b>Inflows</b>			
Receipts from Customers		185,757	179,138
Interest		64,083	3,446
Grants, Subsidies, Contributions and Donations		372,365	106,525
Net GST Received		887	29,726
<b>Outflows</b>			
Operating Expenses		(317,145)	(247,711)
<b>Net cash provided by operating activities</b>	<b>10</b>	<u><b>305,947</b></u>	<u><b>71,124</b></u>
<b>Cash flows from investing activities</b>			
<b>Inflows</b>			
RCIF Grant Income		2,200,000	-
<b>Outflows</b>			
Payments for Property, Plant and Equipment		-	(209,370)
RCIF Design & Construction Costs		(1,421,739)	-
<b>Net cash used in investing activities</b>		<u><b>778,261</b></u>	<u><b>(209,370)</b></u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<u><b>1,084,207</b></u>	<u><b>(138,246)</b></u>
<b>Cash at beginning of financial period</b>		<u><b>2,043,528</b></u>	<u><b>2,181,774</b></u>
<b>Cash at end of financial period</b>		<u><u><b>3,127,735</b></u></u>	<u><u><b>2,043,528</b></u></u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes

**ISAAC AFFORDABLE HOUSING TRUST**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30th June 2023**

**1. Objectives of the Trust**

The Isaac Affordable Housing Trust was settled on the 25th November 2010 for the purpose of receipting all gifts of money, or real and personal property for the following objectives of the Trust:

- (a) The establishment of affordable housing for low to middle income tenants.
- (b) The construction and development of the said affordable housing.
- (c) To establish and maintain a public fund to be called the "Isaac Affordable Housing Fund" for the specific purpose of supporting the objectives of the Trust. The Trust is established to receive all gifts of money or property for this purpose and any money received because of such gifts must be credited to its bank account in accordance with section 30-130 of the *Income Tax Assessment Act 1997*.

**2. Summary of Significant Accounting Policies**

**(a) Basis of Preparation**

In the trustee's opinion, the trust is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (the Act).

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

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cashflows

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1048 Interpretation of Standards

AASB 1054 Australian Additional Disclosures

**(b) New and revised accounting standards adopted during the year**

There are a number of new accounting standards and pronouncements issued by the Australian Accounting Standards Board that are applicable for periods ending on or after 1 July 2022. The trust has reviewed these and have determined that none of them have material impact on the company.

**(c) Revenue Recognition**  
**Grants and subsidies**

Where grant revenue is earned under an agreement that is enforceable and contains sufficiently specific performance obligations for the Trust to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 Revenue from Contracts with Customers. In this case, revenue is recognised as the performance obligations are satisfied. This includes revenue received by the Trust under the National Rental Affordability Scheme (NRAS) where the Trust is required to provide affordable housing under the terms of the funding.

Where the above conditions are not satisfied, revenue is accounted for under AASB 1058 Income of Not-for-profit Entities, whereby revenue is recognised upon receipt of the grant funding, except where the funding is received to construct or acquire a recognisable non-financial asset which will subsequently be controlled by the Trust. Such grants are recognised as revenue when (or as) the non-financial asset is acquired or constructed.

**(d) Contract assets and contract liabilities**

Where a performance obligation is satisfied by transferring a promised good or service to the customer before consideration is received or an entitlement to invoice for consideration arises under the terms of the contract/funding agreement, a contract asset is recognised, reflecting the revenue recognised to date in accordance with the accounting policy described in note 1(c).

When consideration is received in advance of performance obligations being satisfied, any excess of consideration received over revenue recorded is presented as a contract liability.

**ISAAC AFFORDABLE HOUSING TRUST**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30th June 2023**

**(e) Cash Assets**

For the purpose of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions.

**(f) Receivables**

Receivables arise from the trust's transactions with its customers and are normally settled within 30 days. Consistent with both the trust's business model for managing the financial assets and the contractual cash flow characteristics of the assets, receivables are subsequently measured at amortised cost.

Allowance is made for expected credit losses on receivables applying the simplified approach prescribed in AASB 9. Under this approach, the trust determines the allowance for credit losses for receivables on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the credit losses that are expected to result from default events over the expected life of the financial asset. As the trust does not have a material level of receivables at 30 June 2023, no allowance for credit losses has been recognised.

The gross carrying amount of a receivable is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the trust has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the trust. Recoveries, if any, are recognised in profit or loss. All known bad debts have been written off as at 30 June.

**(g) Property, plant and equipment**

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

**Acquisition of Assets**

Actual cost is used for the initial recording of all non-current physical assets acquisitions. Cost is determined as the value given as consideration.

**Depreciation**

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the trust commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	1.90%
Land	N/A

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Land and buildings are held by the trust for the purpose of meeting the trust's service delivery objectives in providing affordable housing to low and middle income tenants. Land and buildings held for this purpose do not meet the definition of investment property under AASB 140 Investment property

**ISAAC AFFORDABLE HOUSING TRUST**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30th June 2023**

**Valuations**

Land and improvements and buildings are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3 years. This process involves the valuer physically sighting a representative sample of the Trust's assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection. In the intervening years the trust engages independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate asset class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class. On revaluation, accumulated depreciation is eliminated against the gross carrying amount of the asset, such that the gross carrying amount of the asset is revalued to the fair value of the asset, and accumulated depreciation is adjusted to nil. The gross carrying amount of the asset is subsequently depreciated over the asset's remaining useful life.

Land and building assets were valued at 30 June 2021 by Assetic Pty Ltd and APV Valuers and Asset Management respectively. All land and building values have been determined using level 2 valuation inputs. The most significant inputs into this valuation approach are price per square metre, determined by reference to sales prices of comparable assets having due regard to differences in key attributes such as zoning and property size. Sales evidence was sourced through RP Data Pty Ltd and the web site realestate.com.au.

Assets were not subject to independent valuation as at 30 June 2022 or 30 June 2023. The Trust completed an assessment of potential 24 months changes in value, an output of which was an indexation percentage of 4.40% for land and 11.79% for buildings, representing the estimated percentage change in valuation in the past 24 months. These indexation percentages were determined having regard to observable market sales data and indexation percentages disclosed by Isaac Regional Council.

As the cumulative assessed change in value for land since the assets were last subject to comprehensive valuation is less than 5%, the change is not considered to be material and has not been recognised in these financial statements.

As the cumulative assessed change in value for buildings since these assets were last subject to a comprehensive valuation has shown an increase of 11.79%, this change is considered material and has been taken up in the accounts of the trust at 30 June 2023.

**(h) Payables**

Trade creditors are recognised on receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

**(i) Borrowings**

Borrowings and other financial liabilities are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. Interest is calculated at commercial rate of interest using Queensland Treasury Corporation rates as the basis. The Loans are from Isaac Regional Council and are secured over the land and assets of the Trust.

**(j) Financial Instruments**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the trust commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

**Classification**

The trust's only financial assets are cash and receivables, which are subsequently measured at amortised cost. Financial liabilities of the trust, being payables and secured loan debt, are subsequently measured at amortised cost.

**(k) Taxation**

The Trust is subject to Goods and Services Tax (GST) and as such, GST credits receivable from/payable to the Australian Taxation Office are recognised and accrued. The Trust has endorsement as an Income Tax Exempt Charity and is not liable for income tax.



**ISAAC AFFORDABLE HOUSING TRUST**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30th June 2023**

**(l) Critical accounting judgements and key sources of estimation uncertainty**

In the application of the trust's accounting policies, the trustee is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

The only judgements, estimates and assumptions that have a potential significant effect on the financial statements are those relating to valuation and depreciation of property, plant and equipment. Further information regarding these is provided in note 1(g).

**(m) Comparatives**

Where required by the Accounting Standards comparative figures have been adjusted to conform with changes in presentation in the current financial period.

**(n) Date of authorisation**

The financial report was authorised for issue on the date it was submitted to the Auditors for final signature. This is the date the trustees declaration is signed.

**(o) Currency**

The Trust uses the Australian dollar as its functional currency and its presentation currency.

**(p) Leases**

*The Trust as a lessee*

The Trust is not a lessee under any leasing arrangements.

*The Trust as a lessor*

Each lease is classified as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Trust has not entered into any finance leases.

Underlying assets subject to operating leases are presented in the statement of financial position according to the nature of the underlying asset.

Lease payments from operating leases are recognised as income on either a straight-line basis or another systematic basis, if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

**(q) Rounding off of amounts**

Amounts in the financial report have been rounded to the nearest dollar, unless otherwise stated.

**(r) New Accounting Standards of Application in Future Periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The trustee has decided not to early adopt any of the new and amended pronouncements. There are no such standards or interpretations expected to have a significant impact on the financial statements of the Trust in the period of initial application.

**ISAAC AFFORDABLE HOUSING TRUST**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30th June 2023**

	2023 \$	2022 \$
<b>3. Secretarial and Accounting Fees</b>		
Accounting Monthly Fee	28,800	27,250
Secretarial Services	59,111	48,528
	<u>87,911</u>	<u>75,778</u>
<b>4. Property Management</b>		
Cleaning	2,358	2,773
Consulting - RCIF	-	17,591
Maintenance & Repairs	78,655	34,330
Pest Control	550	-
	<u>81,563</u>	<u>54,694</u>
<b>5. Accounts Receivable</b>		
Accounts receivable detailed below.		
Australian Taxation Office	-	5,511
Rental Arrears	4,630	1,764
	<u>4,630</u>	<u>7,275</u>
<b>6. Property, Plant and Equipment</b>		
Land - Fair Value	<u>1,088,000</u>	<u>1,088,000</u>
Buildings - Fair Value	4,702,949	4,206,950
less Accumulated Depreciation	<u>(177,263)</u>	<u>(79,285)</u>
	<u>4,525,686</u>	<u>4,127,665</u>
Capital Works in Progress - Bushlark Grove	78,747	78,748
Land & Design Costs - 121 Mills Avenue	<u>2,141,276</u>	<u>209,371</u>
	<u>2,220,023</u>	<u>288,119</u>
Total Property, Plant and Equipment	<u>7,833,709</u>	<u>5,503,784</u>
<b>7. Accrued Expenses</b>		
Queensland Audit Office	12,000	12,000
	<u>12,000</u>	<u>12,000</u>
<p>Audit fees are paid to the Queensland Audit Office in relation to the audit of the financial statements. No non-audit services were provided. Total audit fees paid to the Queensland Audit Office relating to the audit of the 2022-23 financial statements was \$10,350 (2021-22: \$10,350).</p>		
<b>8. Payables</b>		
Australian Taxation Office	62,084	-
Trade Creditors	651,841	30,366
Rent received in advance	3,000	3,502
	<u>716,925</u>	<u>33,868</u>
<b>9. Secured Loan</b>		
Isaac Regional Council has made secured loans to the Trust.		
Borrowings from Isaac Regional Council		
Opening balance	4,894,068	4,879,019
Interest Charged	13,917	15,049
	<u>4,907,985</u>	<u>4,894,068</u>

**ISAAC AFFORDABLE HOUSING TRUST**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30th June 2023**

**10. Reconciliation of Operating Surplus to Net Cash Provided by Operating Activities**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Operating Surplus/(Deficit)</b>	2,004,829	(23,647)
Non-Cash Operating Items		
Depreciation	79,285	79,285
Interest	13,917	15,049
Asset Revaluation Increase	(477,306)	-
RCIF Grant-Capital Revenue	(1,341,496)	-
Change in assets and liabilities-		
(Increase)/Decrease in Contract Assets	51,182	(15,840)
(Increase)/Decrease in Receivables	(2,866)	(2,396)
Increase/(Decrease) in Operating Payables	(21,598)	18,673
<b>Net cash provided by (used in) operating activities</b>	<b>305,947</b>	<b>71,124</b>

**11. Contingencies**

As at 30 June 2023 there were no known contingent assets or liabilities of a material nature (2022:nil).

**12. Related party transactions**

As at 30 June 2023, the statement of financial position includes a unsecured loan of \$4,907,984 from the Isaac Regional Council. The mortgagor (IAHT) must abide by the following:

- (1) The Principal sum must be repaid by 1 July 2024
- (2) The mortgagor must pay the interest on the principal sum calculated on a monthly basis
- (3) Interest on the principal sum accrues from 1 July 2012
- (4) The loan was interest free prior to 1 July 2014. Interest is payable on the first day of each month but is permitted to be capitalised into the outstanding loan balance.

Interest Calculation:

Resolution 3246 states that interest to be charged at a rate equal to the lowest investment rate.  
 Lowest Investment Rate of QTC Cash Fund in June 2023 is 0.284% (2022: 0.308%).

Isaac Regional Council is the parent entity of the Isaac Affordable Housing Fund Pty Ltd. Isaac Regional Council has the Power of Appointment of the trustee under the terms of the Trust Deed.

Isaac Regional Council representatives are also the Directors of the trustee company Isaac Affordable Housing Fund Pty Ltd.

**13. Grants, Subsidies, Contributions and Donations**

**Recurrent**

National Rental Affordability Scheme Income	71,182	124,129
Mining House Grant	250,000	-

**Capital**

Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. Capital revenue is taken up as RCIF Grant Funding-Capital Revenue in the Statement of Comprehensive Income on a proportional basis, which is based on the completion percentage of the entire project.

RCIF Capital Revenue	1,341,496	-
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Isaac Affordable Housing Trust was awarded a Resource Community Infrastructure Grant of \$8 million on 7 June 2022. The grant is for the construction of 16 affordable accommodation units at 121 Mills Avenue Moranbah.

**14. Contract Balances**

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, the entity presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Isaac Affordable Housing Trust recognises a receivable.

When an amount of consideration is received from a customer/fund provider prior to the entity transferring a good or service to the customer, the trust presents the funds which exceed revenue recognised as a contract liability. The contract liabilities in relation to capital grants relate to fundings received prior to the work being performed since revenue is recognised as the trust constructs the assets. The trust expects to recognise the contract liability as income in the next financial year.

<b>Contract Assets</b>		
National rental Affordability Scheme Income	71,182	122,365
<b>Contract Liabilities</b>		
RCIF Grant Revenue Contract Liability	658,504	-

#### 15. Trust Details

The business address of Isaac Affordable Housing Trust is located at:  
Grosvenor Complex, Batchelor Parade, Moranbah, Qld, 4744.

#### 16. Events After Balance Date

There were no other events after balance date that impact these financial statements.

**ANNUAL DECLARATION OF THE TRUSTEE**  
**For the year ended 30th June 2023**

The trustee of Isaac Affordable Housing Trust declare that in their opinion:

(a) the financial statements and notes of the entity are in accordance with the subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Act 2012*, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2023 and of its performance for the period ended on that date; and
- (ii) complying with the basis of preparation as disclosed in note 2 to the financial statements and the *Australian Charities and Not-for-profit Commission Act 2012*

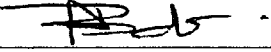
(b) There are reasonable grounds to believe the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.


**Trustee's Declaration**

The Annual Resolution of the Trustee for the year ended 30th June 2023 be approved and signed by Anne Baker and Gina Lacey, Directors of the Trustee Company on behalf of the Trustee Company.

Anne Baker

  
\_\_\_\_\_  
Director

Gina T Lacey

  
\_\_\_\_\_  
Director

Date

13 December 2023  
\_\_\_\_\_

## INDEPENDENT AUDITOR'S REPORT

To the Members of Isaac Affordable Housing Fund Pty Ltd as trustee for the Isaac Affordable Housing Trust

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Isaac Affordable Housing Trust (the trust).

In my opinion, the financial report:

- a) gives a true and fair view of the trust's financial position as at 30 June 2023 and its financial performance and cash flows for the year then ended
- b) complies with the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2022* and the financial reporting framework described in Note 2(a).

The financial report comprises the statement of financial position as at 30 June 2023, 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 trustees' 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 trust in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 2(a) to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the trustees' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

### **Responsibilities of the trust for the financial report**

The trustees 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 2(a), and for such internal control as the trustees 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 trustees determined that the basis of preparation described in Note 2(a) is appropriate to meet their accountability requirements.

The trustees are also responsible for assessing the trust'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 trust 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 trust's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the trust.
- Conclude on the appropriateness of the trust'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 trust'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 trust 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 trustees 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.



David Adams  
as delegate of the Auditor-General

15 December 2023

Queensland Audit Office  
Brisbane