



# Country Housing Authority Annual Report 2021- 2022

Administrated on behalf of  
Country Housing Authority by

**Keystart.**

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### Contact Details

Postal:  
PO Box 2016  
Subiaco  
WA 6904

Street:  
Level 3  
502 Hay Street  
Subiaco  
WA 6008

Internet: [www.keystart.com.au](http://www.keystart.com.au)

Email : [info@keystart.com.au](mailto:info@keystart.com.au)

Telephone: 1800 158 200

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## STATEMENT OF COMPLIANCE

**For year ended 30 June 2022**

**HON. JOHN CAREY MLA**

**MINISTER FOR HOUSING**

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Country Housing Authority for the financial year ended 30 June 2022.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Glyn Yates  
Chairman of  
Country Housing Authority

31 August 2022



Caterina Prodonovich  
Board Member of  
Country Housing Authority

31 August 2022

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## OVERVIEW

### CHAIRMAN'S REPORT

The Authority offers unique housing and home improvement funding options to the farmers, pastoralists and employers of rural and remote Western Australia that are unavailable or have limited availability from the major lenders.

Country Housing Authority has been able to continue to meet the needs of our customers. Limited demand for the Authority's home loan program continued in FY2022, with 6 loans being approved during the financial year at a value of \$1,410,900.

The challenges of the COVID-19 pandemic persisted in FY2022, but high vaccination rates and substantial policy support has seen the Australian economy recovering. The Reserve Bank of Australia (RBA) has increased the cash rate by 175bps over the last four months, as a move towards withdrawing record levels of monetary support. With a 50 year low unemployment rate of 3.4 percent and inflation increasing significantly this level of support is no longer required. This is the first time increases in the RBA cash rate have been experienced in over a decade, resulting in a cash rate of 1.85% at 31<sup>st</sup> August 2022. Whilst further steps may be taken to normalise monetary conditions over the coming months, uncertainty still remains around disruptions to supply chains and the impact on global energy markets as result of the conflict between Ukraine and Russia.

The Authority is well capitalised and provides rural customers with financial assistance through its operating activities, placing no demand on the consolidated funds of the Western Australian Government.

The Country Housing Authority Board meets on a periodic basis to provide sound governance direction on the activities and future of the Authority. I would like to express appreciation to the Board members for their contribution over the last 12 months as they continue the provision of quality and affordable housing across rural and remote Western Australia.

Operationally Keystart Home Loans provides the services on behalf of the Country Housing Authority which have been well-accepted and well-delivered in rural communities across Western Australia. I would like to acknowledge the CEO and staff of Keystart Home Loans for their efforts throughout the past year and look forward to an equally successful and productive 2022-23.



Mr Glyn Yates  
Country Housing Authority  
Chairman

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## OPERATIONAL STRUCTURE

### Role

The role of the Authority is to lend for affordable housing in rural and remote Western Australia to farmers, pastoralists, rural businesses and local government, where home loan finance options are otherwise limited.

While the Authority's lending practices may differ from commercial lenders, the Authority recognises the need to deliver its service in a sustainable way by minimising risk and maximising delivery to those who require the Authority's services. Its lending philosophy takes into account changing seasonal circumstances in rural and remote Western Australia. The Authority also considers lending for innovative housing solutions including energy efficiency options.

The Authority's clients are generally farmers, pastoralists and rural businesses (including local government) residing or operating in rural and remote Western Australia.

Housing finance can be used for the placement or erection of a dwelling, additions and alterations to modernise an existing dwelling, installation of renewable energy systems (farmers only), and the purchase of land on which to erect a dwelling.

### Enabling Legislation

The Authority was established in July 1998, to carry out the functions under the *Country Housing Act 1998*.

The purpose of the legislation is to facilitate the provision of:

- housing in rural areas for farmers, their employees and retired farmers; and
- adequate and suitable housing in rural areas for persons engaged in certain businesses and occupations.

### Responsible Minister

The Authority is a statutory authority, being directly responsible to the Minister for Housing, Hon. John Carey MLA, for the administration of the *Country Housing Act 1998* for the period ending 30 June 2022.

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## ORGANISATIONAL STRUCTURE

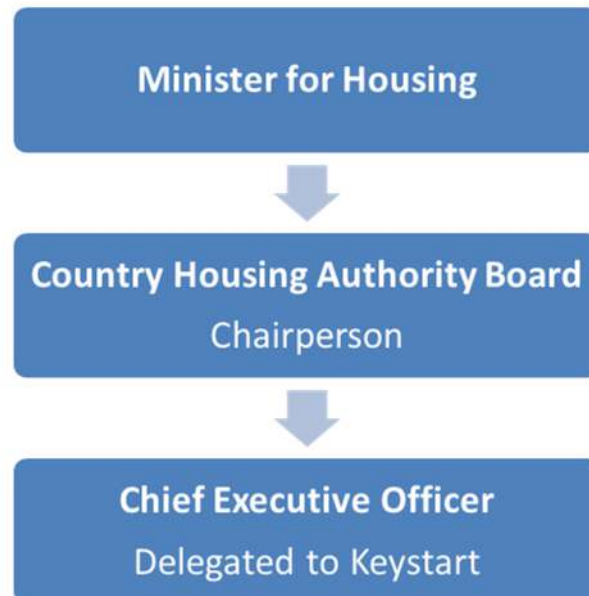
### Mission

To provide housing loans to Western Australian farmers and rural businesses where finance options are limited.

### Organisational Chart

A Service Level Agreement (SLA) was established in 2009 which prescribes that Keystart Loans Ltd (“Keystart”) is to administer the operations of the Authority on its behalf. This SLA remains in place and is reviewed on an periodic basis by the Board to ensure it remains effective.

The Chief Finance Officer of the Authority is the Keystart Chief Financial Officer.



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## Country Housing Authority Board

The Authority is governed by a board accountable to the Minister for Housing, and Keystart staff provide the management service. Mr Glyn Yates was paid \$44,419, Ms Donna Lynch was paid \$20,070 and Ms Caterina Prodonovich was paid \$10,560 in 2021-22.

The *Country Housing Act 1998* requires up to six board members and is to include three members who have knowledge of and experience in any of the fields of planning, housing, finance, farming, industry, commerce or any other field relevant to the functions of the Authority. The remaining member during the year was an officer from the Department of Treasury who is not remunerated by the Authority.

Board members bring a broad background of knowledge and experience from professional and business areas, including planning, commerce, finance, the housing industry, local government and farming.

### Board Profiles

#### **Mr Glyn Yates (Chairman)**

Mr Yates has extensive experience in the community banking and financial services industry (community bank director and Chair), local government (councillor and Deputy Shire President) and as a director of SMEs in regional Western Australia.

*Appointed August 2015 to current*

#### **Ms Donna Lynch**

Ms Lynch has comprehensive expertise in rural policy development and experience in rural production in Western Australia.

*Appointed August 2011 to current*

#### **Ms Caterina Prodonovich**

Ms Prodonovich is the CEO of the Regional Chambers of Commerce and Industry of WA and sits on varied business stakeholder bodies and committees. She brings extensive knowledge and experience in the small businesses sector, housing affordability and community and economic development in regional communities throughout Western Australia.

*Appointed August 2015 to current*

#### **Mr Sean Cameron**

Mr Cameron is currently Director, Resourcing at WA Treasury and has oversight of approximately 50 agencies. He has over 30 years' experience in this industry.

*Appointed October 2014 to current*

The number of Board meetings and number of meetings attended by each of the Board members during the financial year are:

	Full Board of Directors		Audit Committee	
	A	B	A	B
Glyn Yates	5	5	-	-
Donna Lynch	5	5	-	-
Sean Cameron	5	5	2	2
Caterina Prodonovich	5	5	2	2

A = Meetings held during the time the Board member was in Office

B = Number of meetings attended

### Committee membership

During the year governance practices were reviewed and an Audit Committee formed in accordance with Treasurer's Instruction 1201.

### Functions of the Board

As a statutory authority, the Board is the Authority's governing body and is responsible for administering the *Country Housing Act 1998*.

### Accountability and Independence

The *Country Housing Act 1998* outlines the required standards for board members under the *Statutory Corporations (Liability of Directors) Act 1996*. Board members acknowledge their position of trust in making decisions that affect the welfare, rights or entitlements of the community and individuals that are serviced by the Authority. Board members act with professional integrity, possess a clear understanding of their public duties and legal responsibilities, act honestly and exercise due care and diligence.

The Board has the independence to determine policies and control the activities of the Authority, subject to the provisions contained within the *Country Housing Act 1998* and other statutes.

Ministerial approval is required for transactions relating to non-commercial assistance.

### Contracts with Senior Officers

Board members do not have an interest in any existing or proposed contract made with the Authority. The Authority does not employ any senior officers. Keystart staff administer the operations of the Authority in accordance with the Service Level Agreement (SLA) that exists between Keystart and the Authority.



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## **Indemnification of the Board**

During the period ending 30 June 2022, the Authority paid insurance premiums in respect of Directors' and Officers' liability insurance on a claims basis for any past, present or future board member, secretary, executive officer or employee of the Authority.

## **Business Risk**

The Authority has implemented a risk management program in accordance with Treasurer's Instruction 825 and is aligned with Australia-New Zealand ISO 31000:2018.

The Authority sources external expert advice on risk management as required on specific issues and procedures, and ensures the risk management processes and procedures are current and incorporated within the operating and Board reporting systems.

## **Financial Risk**

The Authority manages financial exposure on an ongoing basis, having regard for interest rates, liquidity and credit risks. Monitoring financial ratios against targets and regular reporting to the Board ensures the Authority manages risks associated with finance and treasury activities.

The Authority's customer base is situated in rural and remote areas of Western Australia. Factors such as seasonal conditions and commodity prices can impact on the stability of local economies. The risk associated with this was recognised in the development and management of financial policies. The Authority is not materially exposed to any particular sector or region of the State.

## **Internal Audit**

The Authority uses the internal audit services of an international accounting firm under contract by Keystart. The Authority's Audit Committee oversees the delivery of internal audit services in accordance with the internal audit plan.

## **Organisation Behaviour and Ethics**

The Board of the Authority has adopted a Code of Ethics and Conduct for its members, reflecting a commitment to the highest levels of service and ethical standards.

The Keystart Code of Ethics and Conduct Policy applies to those Keystart staff who administer the operations of the Authority, in accordance with the SLA that exists between Keystart and the Authority.

The Board and Managers of the Authority maintain the highest professional and ethical standards and strive for relationships that are based on fairness, honesty and trust.

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## **Ethical Consumer Compliance Policy**

As a consumer organisation, Keystart has ethical responsibilities and legal obligations in the way it interacts with clients.

This policy is an adjunct to the Keystart Code of Ethics and Conduct policy. The Authority, through its contract arrangements, abides by Keystart's Ethical Consumer Compliance policy.

## **Code of Conduct**

In compliance with the Western Australian Public Sector Code of Ethics, the Authority has adopted Keystart's Code of Ethics and Conduct.

## **Training and Development**

Training and development is provided to Keystart staff who administer the operations of the Authority in accordance with the SLA that exists between Keystart and the Authority.

## **Financial Management**

The Authority's comprehensive policy and procedural recommendations on risk management issues, capital adequacy and other financial operations have been implemented.

The Authority has a formalised Loan Risk Management Policy in place. Each application for assistance is assessed in accordance with that policy.

## **Occupational Health and Safety**

Keystart ensures staff are apprised of occupational health and safety issues and their personal obligations to ensure a safe working environment. No claims were received under occupational health and safety provisions during 2021-22.

## **Equity and Access**

Keystart provides staffing to administer the operations of the Authority. Keystart is responsible for ensuring adherence to disability service plan requirements. The current premises are accessible to staff and visitors. Keystart's premises meet the disability access requirements.

The majority of the Authority's customers are country-based and officers conduct business primarily through telecommunications and personal visits.

## **Customer Complaints**

There were 8 hardship applications during the financial year, all of which have been resolved with customers being approved for the financial hardship scheme. Other than these hardship applications there were three formal complaints received from customers, these have also been resolved. This is reflective of the Authority's commitment to customer satisfaction and delivering a personalised service.

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## **Freedom of Information**

The *Freedom of Information Act 1992* created a general right of access to documents held by state and local government agencies. The Act requires agencies to make available details about the kind of information they hold and enables persons to ensure that personal information held by Government agencies about them is “accurate, complete, up to date and not misleading”.

Records and files held by the Authority cover two main areas: policy and administration files, and property files. This information can be viewed by members of the public upon application to the FOI Coordinator, Corporate Information, Department of Communities, Locked Bag 5000, Fremantle WA 6959.

During the 2021-22 reporting period, no applications were received for access to personal information under the Act.

## **Marketing, Promotion and Sponsorship and Advertising**

The Authority’s home loan products are promoted by Keystart, through advertisements and exhibits at regional events including agricultural field days and expos. Due to COVID-19 restrictions a number of these events were cancelled during 2021-22. The housing loan products are also promoted on the Keystart website at [www.keystart.com.au](http://www.keystart.com.au).

Section 175ZE of the *Electoral Act 1907* requires public agencies to report details of expenditure to organisations providing services in relation to advertising, market research, polling, direct mailing and media advertising. The Authority has not incurred expenditure of this nature.

## **Publications**

Application forms for each of the Authority’s loan programs are provided including detailed explanatory information and current terms and conditions of the loan, which are updated regularly to ensure accuracy. Application forms can be obtained by calling the Country Housing office toll free on 1800 158 200; or by making an online enquiry at [www.keystart.com.au](http://www.keystart.com.au).

The Annual Report is available on request from the Authority or via the website [www.keystart.com.au/about-us/useful-publications](http://www.keystart.com.au/about-us/useful-publications).

## **Record Keeping**

The Department of Communities provides records services for the Authority and compliance with the *State Records Act 2000*.

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## Administered Legislation

The Authority administers the *Country Housing Act 1998* and in the conduct of its business is subject to a wide range of State and Commonwealth statutes.

## Other Key Legislation Impacting on the Authority's Activities

In the performance of its functions, the Authority has exercised all reasonable care to comply with relevant written laws, as amended from time to time, including:

- *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*
- *Auditor General Act 2006*
- *Disability Services Act 1993*
- *Electoral Act 1907*
- *Equal Opportunity Act 1984*
- *Fair Trading Act 2010*
- *Financial Management Act 2006*
- *Freedom of Information Act 1992*
- *Housing Act 1980*
- *Land Administration Act 1997*
- *Local Government Act 1995*
- *National Consumer Credit Protection Act 2009 (Cth)*
- *Work Health and Safety Act 2020*
- *Public Interest Disclosure Act 2003*
- *Public Sector Management Act 1994*
- *State Records Act 2000*
- *Statutory Corporations (Liability of Directors) Act 1996*
- *Transfer of Land Act 1893*
- *Competition and Consumer Act 2010 (Cth)*
- *Electronic Transaction Act 2011*
- *Spam Act 2003 (Cth)*
- *Trademarks Act 1995 (Cth)*

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## AGENCY PERFORMANCE

### Report on Operations

#### VALUES

The Authority places importance on its values as they shape the way the Authority operates.

**Accountability** – Taking responsibility for actions and outcomes.

**Integrity** – Abiding by company policies to protect clients, staff and the business.

**Professionalism** – Working in a team environment to carry out duties in a way that instils confidence in clients and colleagues.

**Loyalty** – Dedication to commitments and obligations in the workplace.

**Confidentiality** – Respecting the privacy principles of the business and the privacy rights of others.

**Commitment to customer service** – Striving to meet the needs of customers in an environment of regular change.

#### KEY DRIVERS

The Authority identified the following key drivers and strategic goals as being essential for the effective performance of its functions.

##### Affordable Housing Loan Products

- To provide affordable and accessible home loans that meet the needs of the Authority's clients where housing finance options are otherwise limited.

##### Awareness and Education

- To develop community awareness of the Authority's role through a Strategic Marketing Plan.
- Use networks effectively to obtain customer feedback and gather market intelligence.

##### Customer Service

- To offer a professional service to Authority customers and provide a holistic approach throughout the life of the loan.
- Establish best practice turn-around timeframes and achieve customer satisfaction for both new and existing clients.
- Effective utilisation of the SLA between the Authority and Keystart Loans Ltd.
- To maintain good corporate governance and fiduciary duties and meet compliance obligations.
- To adhere to the Authority's lending philosophy and its policies.

##### Compliance

- To comply with all relevant legislation, statutes and government policy.
- To maintain good corporate governance and fiduciary duties and meet compliance obligations.
- To stay within government borrowing limits.
- To adhere to the Authority's lending policies.

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## **Major products provided by Country Housing Authority**

### **Housing Finance Access Programme (HFAP)**

HFAP was developed in recognition of affordable housing finance not necessarily being readily available in some country areas of Western Australia compared with availability and access in metropolitan and/or major regional areas.

Assistance is provided to farmers, pastoralists and rural employers, including local government, for housing themselves or their employees. By ensuring that farmers and rural employers have access to housing for themselves, their dependants and their employees, the Authority encourages the sustainment and development of country communities.

Security for HFAP loans is generally in the form of a registered mortgage.

In 2021-22, 6 farmers, pastoralists and businesses were approved assistance under the HFAP, with loan approvals totalling \$1,410,900.

### **Natural Disasters**

In late 2011 the Board approved a natural disaster programme. When a natural disaster occurs, the Board will meet to determine the amount of support that the Authority will provide.

The immediate responsiveness to disaster situations enables the individuals and regional communities to restore services, by providing essential housing to employees and owners of businesses and farming operations.

Applicants are eligible for assistance under this programme if their operations are in or near the area affected by the natural disaster, and the financial assistance must add to, repair or replace housing damaged or destroyed by the natural disaster.

No assistance was required as a result of a natural disaster. This program now sits within the HFAP as explained above.

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## SIGNIFICANT ISSUES AFFECTING THE AGENCY

### Loans Management

The Authority's programs are funded by borrowings from the Western Australian Treasury Corporation or from internally generated sources.

### Interest Rates

The standard interest rate moved twice during the 2021-22 financial year. Note: the Authority currently operates a standard and grand-fathered rate.

<i>Rate start date</i>	<i>Repayment start date</i>	<i>Pre Oct 2009</i>		<i>Post Oct 2009</i>	
		<i>Old rate</i>	<i>New rate</i>	<i>Old Rate</i>	<i>New Rate</i>
20 May 2022	20 June 2022	3.76%	3.98%	4.54%	4.76%
23 June 2022	23 July 2022	3.98%	4.48%	4.76%	5.26%

### Loan Fees

The Authority does not charge application or loan management fees, or for lump sum or extra payments on standard loans.

### Loans Portfolio

The Authority's funded loan portfolio of 219 loans has an outstanding balance of \$27,828,304 at 30 June 2022.

### Current and emerging issues

The Authority will continue to provide home loan options for farmers, pastoralists and rural employers who cannot access normal bank finance. The outstanding balance of loans is expected to continue to decrease over time as discharges and repayments exceed new loans disbursed.

### Economic and social trends

The Western Australian economy continues to be stable, expanding by 2.6% in 2020-21 compared to 1.5% growth Australia wide and is forecast for 3.5% growth in 2021-22<sup>1</sup>.

Overall financial performance of Western Australian broad acre farms remained strong. The median price per hectare of farmland in Western Australia continues to increase, 36.3% in 2021 compound annual growth over the last 20 years<sup>2</sup>.

The limited demand for Country Housing Authority loan continued in 2021/22 due to reduced marketing and recent interest rate increases, with six loan applications approved. The majority of loans approved were to intergenerational farmers evidencing the stability of applicants, and from the Wheatbelt and Great Southern regions. The purpose of the approved loans this financial year varied from constructing a home, to purchasing transportable or established homes. The economic and social trends occurring throughout rural and remote Western Australia will continue to be monitored.

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## **Changes in Written Law**

There were no changes in any written law that affected the Authority during the financial year.

## **Likely future developments**

The Authority will continue to monitor the housing needs of rural and remote Western Australians and respond accordingly.

## References:

- 1 Western Australia Treasury Corporation, May 2022 WATC-Investor-May-2022.pdf
- 2 Rural Bank – Western Australia: Australian Farmland Values 2022, [Australian Farmland Values 2022 report \(ruralbank.com.au\)](https://www.ruralbank.com.au)





## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2022 Country Housing Authority

To the Parliament of Western Australia

## Report on the audit of the financial statements

### Opinion

I have audited the financial statements of the Country Housing Authority (Authority) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Country Housing Authority for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

### Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

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

### Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the Board is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

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

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are 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 the financial statements. 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.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

## **Report on the audit of controls**

### **Opinion**

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Country Housing Authority. The controls exercised by the Board are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Country Housing Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2022.

### **The Board's responsibilities**

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

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## Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

## Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

## Report on the audit of the key performance indicators

### Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Country Housing Authority for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Country Housing Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2022.

### The Board's responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such internal control as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 Key Performance *Indicators*.

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## Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

## My independence and quality control relating to the reports on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Other information

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinion on the financial statements and key performance indicators 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 statements and key performance indicators, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators, 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.

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## **Matters relating to the electronic publication of the audited financial statements and key performance indicators**

This auditor's report relates to the financial statements, and key performance indicators of the Country Housing Authority for the year ended 30 June 2022 included in the annual report on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.

*Mark Ambrose*

Mark Ambrose  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
8 September 2022

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## COUNTRY HOUSING AUTHORITY

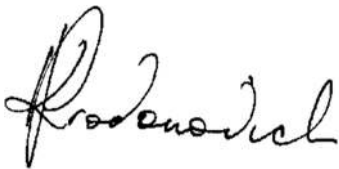
### CERTIFICATION OF KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2022

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Country Housing Authority's performance, and fairly represent the performance of the Country Housing Authority for the financial year ended 30 June 2022.



Glyn Yates  
Chairperson of the Accountable Authority

31 August 2022



Caterina Prodonovich  
Board Member of the Accountable Authority

31 August 2022

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## PERFORMANCE INDICATORS

### GOVERNMENT GOAL

To facilitate the provision of adequate and suitable housing in rural areas for farmers, their employees and retired farmers.

### DESIRED OUTCOME

To provide access to residential housing in rural areas for eligible clients through mortgage lending. The Authority achieves this desired outcome by providing housing loans directly and via facilitation and housing incentives services.

Despite the promotion of the Country Housing Authority's products in rural areas, there is limited demand or need for such products, as evidenced by applications from prospective borrowers.

### EFFECTIVENESS INDICATOR

The percentage of eligible applicants who are assisted and the total number of eligible applicants.

	2018/19	2019/20	2020/21	2021/22
Eligible applicants brought forward <sup>1</sup>	2	1	4	5
Eligible applications to be assessed brought forward <sup>2</sup>	1	-	-	-
Plus eligible applications received	9	8	7	3
Less eligible applications to be assessed <sup>2</sup>	-	-	-	-
Less eligible applications withdrawn	3	2	2	2
Net applications assessed	9	7	9	6
Number of clients assisted	8	3	4	6
Eligible applicants carried forward <sup>1</sup>	1	4	5	-
Actual % assisted	89	43	44	100
Target % assisted	87	87	87	87
<sup>1</sup> Application documentation has been successfully received and assessed, moving the applicant into pre-approval stage of the loan process.				
<sup>2</sup> Application documentation lodged, but still to be assessed.				

Applications carried forward from 2020/21 & new applications received in 2021/22 progressed through the approval process prior to 30<sup>th</sup> June 2022 resulting in 100% of applicants being assisted.

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## EFFICIENCY INDICATOR

### Service 1: Housing Loan provision and facilitation

Efficiency indicator: The average cost in each year in administering housing loans.

	2018/19	2019/20	2020/21	2021/22
Average cost of loan administered	\$ 1,421	\$ 1,654	\$ 1,703	\$ 1,840

The 2021/22 average cost of loan administration is \$1,840 per annualised active loan, which is higher than the prior year as the monthly fixed overhead costs are spread across a lower base of loans managed.

The average cost of loan administered continues to increase as the number of loans reduces and costs remain relatively steady.



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## CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The accompanying financial statements of the Country Housing Authority have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2022 and the financial position as at 30 June 2022.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



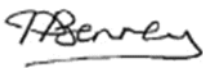
Glyn Yates  
Chairperson of the Accountable  
Authority

31 August 2022



Caterina Prodonovich  
Board Member of the Accountable  
Authority

31 August 2022



Pauline Benney  
Acting Chief Finance Officer

31 August 2022

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$'000	2021 \$'000
<b>INCOME</b>			
<b>Revenue</b>			
Interest revenue	4	1,375	1,751
Other income	5	<u>521</u>	<u>178</u>
<b>Total Income</b>		<u>1,896</u>	<u>1,929</u>
<b>EXPENSES</b>			
Finance costs	8	89	186
Board member fees	6	75	75
Administration expense	7	368	413
Credit loss/(recovery) on financial assets	9	(220)	(106)
Other expenses	10	<u>54</u>	<u>52</u>
<b>Total Expenses</b>		<u>366</u>	<u>620</u>
<b>PROFIT FOR THE PERIOD</b>		<u>1,530</u>	<u>1,309</u>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be classified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		<u>-</u>	<u>-</u>
Total other comprehensive income		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>1,530</u>	<u>1,309</u>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

	Note	2022 \$'000	2021 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	13 (a)	3,588	2,738
Receivables	11 a) i)	185	193
Loans and advances	11 a) ii)	4,844	7,029
<b>Total Current Assets</b>		<u>8,617</u>	<u>9,960</u>
<b>Non-Current Assets</b>			
Loans and advances	11 a) ii)	22,879	27,083
<b>Total Non-Current Assets</b>		<u>22,879</u>	<u>27,083</u>
<b>TOTAL ASSETS</b>		<u>31,496</u>	<u>37,043</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	11 b) i)	93	105
Amounts due to the Treasurer	11 b) ii)	57	54
Borrowings	11 b) iii)	4,517	6,700
<b>Total Current Liabilities</b>		<u>4,667</u>	<u>6,859</u>
<b>Non-Current Liabilities</b>			
Amounts due to the Treasurer	11 b) ii)	1,579	2,158
Borrowings	11 b) iii)	1,853	4,850
<b>Total Non-Current Liabilities</b>		<u>3,432</u>	<u>7,008</u>
<b>TOTAL LIABILITIES</b>		<u>8,099</u>	<u>13,867</u>
<b>NET ASSETS</b>		<u>23,397</u>	<u>23,176</u>
<b>EQUITY</b>			
Contributed equity	12	13,000	13,000
Retained earnings	12	10,397	10,176
<b>TOTAL EQUITY</b>		<u>23,397</u>	<u>23,176</u>

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

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022**

	<b>Contributed Equity \$'000</b>	<b>Retained Earnings \$'000</b>	<b>Total Equity \$'000</b>
<b>Balance at 1 July 2020</b>	13,000	9,557	22,557
Total comprehensive income for the period	-	1,309	1,309
Distribution to the Treasurer	-	(690)	(690)
	<hr/>		
<b>Balance at 30 June 2021</b>	<u>13,000</u>	<u>10,176</u>	<u>23,176</u>
<b>Balance at 1 July 2021</b>	13,000	10,176	23,176
Total comprehensive income for the period	-	1,530	1,530
Distribution to the Treasurer	-	(1,309)	(1,309)
	<hr/>		
<b>Balance at 30 June 2022</b>	<u>13,000</u>	<u>10,397</u>	<u>23,397</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$'000	2021 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Interest received		2,038	1,682
Loan repayments received		7,243	8,070
<b>Payments</b>			
Finance costs		(98)	(207)
Supplies and services		(558)	(605)
New loans advanced		<u>(1,232)</u>	<u>(944)</u>
<b>Net cash provided by operating activities</b>		<u>7,393</u>	<u>7,996</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		<u>(5,234)</u>	<u>(7,007)</u>
<b>Net cash used in financing activities</b>		<u>(5,234)</u>	<u>(7,007)</u>
<b>CASH FLOWS TO STATE GOVERNMENT</b>			
Distribution to the Treasurer		<u>(1,309)</u>	<u>(690)</u>
<b>Net cash used by State Government</b>		<u>(1,309)</u>	<u>(690)</u>
<b>Net increase in cash and cash equivalents</b>		850	299
Cash and cash equivalents at the beginning of the period		<u>2,738</u>	<u>2,439</u>
<b>CASH AND CASH EQUIVALENTS ASSETS AT THE END OF THE FINANCIAL YEAR</b>	13 (a)	<u>3,588</u>	<u>2,738</u>

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

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 1. Basis of preparation

The Authority is a statutory authority under the Country Housing Act 1998 and is controlled by the State of Western Australia. The Authority's principal place of business is 502 Hay Street, Subiaco WA 6008. The Authority is a not-for-profit entity, as profit is not its principal objective.

The Authority's primary objective is to lend to farmers, pastoralists, rural businesses and local government residing and operating in rural and remote Western Australia for affordable housing, where home loan finance options are otherwise limited.

### Statement of compliance

These general purpose financial statements are prepared in accordance with:

- 1) The Financial Management Act 2006 (FMA)
- 2) The Treasurer's Instructions (TIs)
- 3) Australian Accounting Standards: AASB 1060 – *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.
- 4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied

The FMA and the TIs are legislative provisions governing the preparation of financial statements and take precedence over AASs. Several AASs are modified by TIs to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention except for liability amounts due to the Treasurer, which are at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

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## Judgements and estimates

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included at Note 2 'Judgements Made by Management in Applying Accounting Policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included at Note 3 'Key sources of estimation uncertainty'.

### 2. Judgements Made By Management In Applying Accounting Policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Authority evaluates these judgements regularly.

The following judgements have been made in the process of applying accounting policies that have a significant effect on the amounts recognised in the financial statements:

#### Coronavirus (COVID-19)

COVID-19, which is a respiratory illness caused by a new virus, was declared a world-wide pandemic by the World Health Organisation in March 2020. COVID-19, as well as measures to slow the spread of the virus, has since had a significant impact on global economies and equity, debt and commodity markets. The Authority has considered the impact of COVID-19 and other market volatility in preparing its financial statements.

While COVID-19 did not result in the identification of any further areas of judgement and critical accounting estimates in addition to that disclosed above, it did result in the application of additional judgement. Given the dynamic and evolving nature of COVID-19, and continuing uncertainty about the economic and financial recovery from the pandemic, changes to the estimates and outcomes that have been applied in the measurement of the Authority's assets and liabilities may arise in the future.

#### Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

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## 2. Judgements Made By Management In Applying Accounting Policies (continued)

### Amortisation of loan origination fees

The amortisation of loan origination fees is based on an estimate of the average life of the loans which is subject to assumptions of future events. The average life is determined by assessing the loan portfolio on a regular basis.

### **Impairment of financial assets**

Considerable judgement is exercised in determining the extent of the loan loss provision (impairment) for financial assets assessed for impairment both individually and collectively. The loan loss provision for financial assets are based on assumptions about risk of default and expected loss rates. The Authority uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Authority's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Changes in such judgements and analyses may lead to changes in the loan loss provisions over time. The key judgement areas are the assumptions used to measure expected credit losses, including the use of forward-looking and macro-economic information for individual and collective impairment assessment.

Individually assessed loans (Stage 3): Individual provisions are calculated using the discounted expected future cash flow method. To determine expected future cash flows, one or more scenarios are used. Each scenario is analysed based on the probability of occurrence and including forward looking information. In determining the scenarios, all relevant factors impacting the future cash flows are taken into account. These include expected developments in credit quality, business and economic forecasts, and estimates of if/when recoveries will occur, taking into account the structure of the financial asset and the Authority's restructuring/recovery strategy. The macro-economic forecast is captured, as the expected future macro-economic situation serves as a basis for the cash flows in the scenarios. For the individual assessment, with granular (company or deal-specific) scenarios, specific factors can have a larger impact on the future cash flows than macro-economic factors (i.e. for the country as a whole).

Collectively assessed loans (Stages 1 to 2): For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated. Expected future cash flows in a portfolio of financial assets that are collectively evaluated for impairment, are estimated on the basis of the contractual cash flows of the assets in the portfolio and historical loss experience for assets with credit risk characteristics similar to those in the portfolio. The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. The outcome of the models reflects forward looking and macro-economic information.

The use of different assumptions could produce significantly different estimates of ECL. As the inclusion of forward-looking macro-economic scenarios requires judgement, the Authority has established an annual process whereby forward-looking macro-economic scenarios are developed for ECL calculation purposes. Forecasts of these economic variables (the "base economic scenario") are provided by the Department of Treasury, providing key impairment drivers such as GDP, unemployment and house prices.



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## 2. Judgements Made By Management In Applying Accounting Policies (continued)

The following criteria and definitions are applied for impairment:

- **The criteria for identifying a significant increase in credit risk**

When determining whether the credit risk on a financial asset has increased significantly, the Authority considers reasonable and supportable information available to compare the risk of default occurring at the quarterly reporting date with the risk of a default occurring at initial recognition of the financial asset.

A financial asset moves from Stage 1 to Stage 2 when there is a significant increase in credit risk since initial recognition. A framework was established that incorporates quantitative and qualitative information to identify this on an asset level applying a relative assessment. Each financial asset is assessed at the reporting date on the triggers for significant increase in credit risk. Keystart assesses significant increase in credit risk using:

- hardship status, and
- 30 days or more past due as back stop for Stage 1 to Stage 2 transfers.

- **The definition of default**

Judgement is exercised in management's evaluation of whether there is objective evidence that an impairment loss on an asset has been incurred. Significant judgement is required in assessing evidence of credit-impairment and estimation of the amount and timing of future cash flows when determining expected credit losses.

The Authority defines a financial instrument as in default, which is aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

### **Quantitative criteria**

The borrower is more than 90 days past due on its contractual payments, and/or the Authority considers the borrower unlikely to make its payments in full without recourse action on the Authority's part, such as taking formal possession of any collateral held.

### **Qualitative criteria**

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is deceased
- The borrower is insolvent
- It is becoming probable that the borrower will enter bankruptcy

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## 2. Judgements Made By Management In Applying Accounting Policies (continued)

The criteria above have been applied to all financial instruments held by the Authority and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) throughout the Authority's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of three months. This period of three months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

## 3. Key Sources Of Estimation Uncertainty

The Authority makes key estimates and assumptions concerning the future. These estimates and assumptions are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

### Impairment of loans and advances

The Authority determines whether loans and advances are impaired on an ongoing basis. This requires an estimation of the value of the future cash flows. The policy for the assessment of impairment of loans and advances is disclosed in Note 11.

## 4. Interest Revenue

	2022 \$'000	2021 \$'000
Interest on loans and advances	1,362	1,745
Interest on bank account	13	6
	<u>1,375</u>	<u>1,751</u>

Revenue is recognised as the interest accrues using the effective interest rate method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets (except for financial assets that have been subsequently become credit-impaired (or 'Stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost).

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## 5. Other income

	2022 \$'000	2021 \$'000
Fair value adjustment on amounts due to the Treasurer	521	178
	<u>521</u>	<u>178</u>

## 6. Board Member Fees and Employee Benefits Expenses

Board member fees	70	70
Superannuation - defined contribution plans	5	5
	<u>75</u>	<u>75</u>

## 7. Administration Expense

Administration fee *	368	413
	<u>368</u>	<u>413</u>

\* The Authority has a contractual agreement whereby Keystart Loans Ltd manages the Authority for a fee of \$1,250 (2021: \$1,250) per loan managed and \$5,100 (2021: \$5,100) per loan approved for the year.

## 8. Finance Costs

Interest expense	89	186
	<u>89</u>	<u>186</u>

Interest expense is calculated by applying the effective interest rate to the gross carrying amount of financial liabilities.

## 9. Credit loss/(recovery) on Financial Assets

Credit loss recovery	(220)	(106)
	<u>(220)</u>	<u>(106)</u>

## 10. Other Expenses

External audit fees	40	40
Other	14	12
	<u>54</u>	<u>52</u>

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## 11. Financial Instruments

The Authority has two categories of financial instruments:

(i) *Loans and Receivables*

(ii) *Non-Trading Financial Liabilities (borrowings, payables and amounts due to the Treasurer)*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Authority commits to purchase or sell the asset.

At initial recognition, the Authority measures a financial asset or financial liability at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost, as described in Note 2, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

The Authority assesses on a forward looking basis the ECL associated with its loans and receivables carried at amortised cost. The Authority recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

### a) Financial assets

#### **Classification and subsequent measurement**

The Authority has applied AASB 9 and classifies its cash and bank balances, receivables and loans and advances at amortised cost.

Subsequent measurement of financial assets depend on:

- the Authority's business model for managing the asset; and
- the cash flow characteristics of the asset.

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## 11. Financial Instruments (continued)

**Business model:** the business model reflects how the Authority manages the financial assets in order to generate cash flows. That is, whether the Authority's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Authority in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. For example, the Authority's business model for the mortgage loan book is to hold to collect contractual cash flows.

**Cash flow characteristics:** Where the business model is to hold financial assets to collect contractual cash flows or to collect contractual cash flows and sell, the Authority assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Authority considers whether the contractual cash flows are consistent with a basic lending arrangement (i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement). Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

### i) Receivables

	2022	2021
	\$'000	\$'000
Interest receivable	185	848
Provision for impairment of receivables	-	(655)
	<u>185</u>	<u>193</u>

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for expected credit loss is raised when there is objective evidence that the Authority will not be able to collect its debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

## 11. Financial Instruments (continued)

### ii) Loans and advances

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Loans	4,949	8,358
Provision for impairment of loans	<u>(105)</u>	<u>(1,329)</u>
	4,844	7,029
<b>Non-current</b>		
Loans	<u>22,879</u>	<u>27,083</u>
	<u>27,723</u>	<u>34,112</u>

At initial recognition, loans and advances are measured at fair value. Transaction costs are included in the measurement of all loans and advances. Subsequent measurement is at amortised cost using the effective interest rate method.

The Authority has formal processes in place to assess the credit worthiness of its clients including credit checks with credit reporting agencies. Fully performing receivables are considered to be of good quality when taking into consideration the security being held against the outstanding amount.

Reconciliation of changes in the allowance for impairment of loans and advances:

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at start of year	1,329	1,663
Credit loss expense	(220)	(106)
Amounts written off during the year <sup>1</sup>	<u>(1,004)</u>	<u>(228)</u>
Balance at end of year	<u>105</u>	<u>1,329</u>

<sup>1</sup>FY2022 includes reversal of impairment in accrued interest in receivables of \$655k from prior years (FY2021 \$111k & FY2020 \$544k) following the sale and write-off of the residual amount on one loan in Newdegate and three loans in Karratha totalling \$1,004k).

The collective provision for impairment of loans and advances includes all loans that are not individually impaired. Loans are assessed individually when they are in arrears more than 90 days, assigned as financial hardship more than 90 days or repossessed loans.

Loans that are past due, but not individually impaired are not considered to be at significant risk as collateral security is held under mortgage to secure these advances.

There has been a reversal in the expected credit loss provision (ECL) as a result of several Mortgagee in Possession accounts where the security property have been revalued upwards.

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## 11. Financial Instruments (continued)

### Financial Hardship Scheme

This scheme is offered to clients who require assistance because of changes in their financial situation. In most cases, assistance is granted for short terms of up to six months. At the end of the current financial period, there were 5 loans on the Financial Hardship Scheme with a total loan amount of \$508,000 (2021: \$360,000).

### Reposessed Loans

Mortgagee sales are considered the last resort in relation to continually defaulting borrowers. The execution of the mortgagee sales must comply with the *National Consumer Credit Protection Act 2009* and National Credit Code, where appropriate.

Reposessed collateral is sold at the best possible market price, with any surpluses being returned to the borrowers concerned. Any shortfalls are written-off against the provision.

	2022 \$'000	2021 \$'000
<u>Outstanding balance on loans for which collateral will be reposessed</u>		
Balance	-	1,889
Provision for impairment	-	(1,208)
	-	681
Fair value of collateral obtained in terms of exercising the rights under the mortgages	-	705
Interest forgone on reposessed loans	38	84

### **Collateral held**

Collateral is in the form of registered first or second mortgages over residential properties in Western Australia purchased with the proceeds of loans from the Authority. The parties granting the mortgage must be the same as the borrowers of the Authority.

The terms and conditions associated with the use of collateral are such that should a borrower breach the terms and conditions of their mortgage, the Authority has the facility to recover all or part of the outstanding exposure by exercising its rights under the mortgage, including the power of sale and exercising any rights available under law.

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## 11. Financial Instruments (continued)

### Write-off

The Authority writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Authority's recovery method is taking possession of collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Authority may write-off financial assets that are still subject to enforcement activity. The Authority still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

### b) Financial liabilities

#### Classification and subsequent measurement

Financial liabilities are classified and subsequently measured at amortised cost with the exception of Amounts due to the Treasurer, which are measured at FVTPL.

#### i) Payables

	2022 \$'000	2021 \$'000
Administration expenses	53	65
Audit fees	40	40
	<u>93</u>	<u>105</u>

Payables are recognised as the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

#### ii) Amounts due to The Treasurer

##### Current

Amounts due to the Treasurer	<u>57</u>	<u>54</u>
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##### Non-current

Amounts due to the Treasurer	<u>1,579</u>	<u>2,158</u>
	<u>1,636</u>	<u>2,212</u>



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## 11. Financial Instruments (continued)

The amount due to the Department of Treasury ('Treasurer') is in respect of a former loan to the Industrial and Commercial Employees Housing Authority (ICEHA). ICEHA was amalgamated with the Rural Housing Authority to establish the Country Housing Authority on 1 July 1998. The loan is interest free and is repayable in monthly instalments in accordance with the agreement. The loan will be fully repaid in 2048.

The amount was initially recognised at fair value of the net proceeds received. Subsequent measurement is at fair value through the profit and loss.

### **Fair Value**

The fair value of the financial liabilities traded in active markets is based on quoted market prices at the statement of financial position date. If the market for a financial liability is not active, the Authority establishes fair value by using valuation techniques, such as discounted cash flow analysis.

#### **iii) Borrowings**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
WATC variable interest loans	<u>4,517</u>	<u>6,700</u>
	4,517	6,700
<b>Non-current</b>		
WATC variable interest loans	<u>1,853</u>	<u>4,850</u>
	1,853	4,850
Total	<u><u>6,370</u></u>	<u><u>11,550</u></u>

All interest bearing borrowings are initially recognised at the fair value of the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method.

At 30 June 2022 the Authority has access to borrowings from the Western Australian Treasury Corporation ('WATC') to a limit of \$9,920,000 (2021: \$12,079,000). At 30 June 2022 the unused portion of this facility amounted to \$3,550,000 (2021: \$529,000).

No assets of the Authority have been pledged as security for the borrowings.

## 12. Equity

	2022 \$'000	2021 \$'000
<b>Contributed equity</b>		
Balance at the start of the year	<u>13,000</u>	<u>13,000</u>
Balance at the end of the year	<u>13,000</u>	<u>13,000</u>

The Authority was established on 1 July 1998 by the amalgamation of the former Rural Housing Authority and the Industrial and Commercial Employees Housing Authority. The fair value of assets and liabilities transferred has been recognised as an injection of equity totalling \$13,000,000 by the State Government.

<b>Retained earnings</b>		
Balance at the start of the year	10,176	9,557
Distribution to the Treasurer	(1,309)	(690)
Result for the period	<u>1,530</u>	<u>1,309</u>
Balance at the end of the year	<u>10,397</u>	<u>10,176</u>

## 13. Notes to the Statement of Cash Flows

### (a) Cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Cash and cash equivalents	<u>3,588</u>	<u>2,738</u>
	<u>3,588</u>	<u>2,738</u>

For the purpose of the Statement of Cash Flows, cash and cash equivalents (and restricted cash and cash equivalents) comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### (b) Non-cash financing and investing activities

During the year there were no assets/liabilities transferred from other government agencies not reflected in the Statement of Cash Flows.

## 14. Commitments

Loans approved but not yet fully funded	<u>68</u>	<u>208</u>
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## 15. Distribution of surplus

Distributions of surplus to the Treasurer are made in accordance with the Country Housing Act 1998. They are disclosed as cash flows to State Government in the Statement of Cash Flows.

## 16. Contingent Liabilities and Contingent Assets

The Authority has no contingent liabilities or assets.

## 17. Events Occurring after the Balance Sheet Date

No event after the reporting date has occurred which would cause the financial statements to be misleading or affect the Authority as a going concern.

## 18. Initial application of Australian Accounting Standards

The Authority adopted AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*, AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*, AASB 2020-9 *Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments*. The adoption of these standards had no significant impact on the Authority.

## 19. Related Party Information

(a) All Ministers and their close family members, and their controlled or jointly controlled entities.

(b) The board members of the Authority during the year ended 30 June 2022 were:

	APPOINTED	CEASED
G Yates	August 2015	
C Prodonovich	August 2015	
D Lynch	August 2011	
S Cameron	October 2014	

### Significant transactions with government related entities

The Housing Authority acts as settlement agents for Country Housing Authority. Fees are incurred by the borrower and are paid at arm's length and provided at commercial rates. There is no cost to the Authority.

The Authority transacts with a number of Western Australian State Government authorities, agencies and government trading enterprises. All transactions with related parties are made on normal terms and conditions and will be settled in cash. Unless stated below all outstanding balances are unsecured.

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## 19. Related Party Information (continued)

The Authority has an interest free loan payable to the Department of Treasury. The loan is to be fully repaid in 2048. Amounts paid during the year for the loan amounted to \$54,000 (2021: \$52,000). The undiscounted balance outstanding on the loan is \$2,709,000 (2021: \$2,763,000).

To fund operations, the Authority borrows directly from the West Australian Treasury Corporation (WATC). During the year, the Authority had the following transactions with WATC:

- Repayment of Borrowings	\$	5,234,000	(2021: \$7,007,000)
- Loan Guarantee fee charged	\$	57,000	(2021: \$ 105,000)
- Interest charged	\$	32,000	(2021: \$ 81,000)

The Authority has \$6,370,000 in borrowings payable to WATC at 30 June 2022 (2021: \$11,550,000). The Interest and Loan Guarantee fee payable to WATC at 30 June 2022 is \$8,000 and \$12,000 (2021: \$8,000 and \$21,000).

In 2010, the Authority entered into a contractual agreement with Keystart Loan Ltd, whereby Keystart manages the Authority for a fee. Keystart is a related party of the Authority by nature of common directors on the board of both entities and reporting to the Minister of Housing. The management fee charged by Keystart during the year was \$368,000 (2021: \$413,000), with \$31,000 of this outstanding at the end of the financial year (2021: \$38,000).

The Office of the Auditor General audits the financial statements of the Authority. The value of the services provided by the OAG during the year was \$40,000. This balance is payable at 30 June 2022 (2021: \$35,000).

### Significant transactions with other related parties

The Authority had no material related party transactions with Ministers/senior officers or their close family members or their controlled (or jointly controlled) entities for disclosure.

## 20. Compensation of Key Management Personnel

The Authority has determined that key management personnel include Ministers and board members of the Authority. However, the Authority is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the *Annual Report on State Finances*.

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## 20. Compensation of Key Management Personnel (continued)

### (a) Remuneration of members of the Accountable Authority

The numbers of members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

	2022	2021
	No's	No's
\$ 0 - \$10,000	1	1
\$10,001 - \$20,000	1	1
\$20,001 - \$30,000	1	1
\$30,001 - \$40,000	-	-
\$40,001 - \$50,000	1	1
	<b>\$'000</b>	<b>\$'000</b>
Short term employee benefits	70	70
Post employment benefits	5	5
The total remuneration of members of the Authority	<u>75</u>	<u>75</u>

Post-employment benefits represent the superannuation expense incurred by the Authority in respect of members of the Accountable Authority. Some members are appointed to the board as part of their public sector duties and are paid by other government agencies.

### (b) Remuneration of senior officers

During the financial year, there were no employees as management is provided by Keystart Scheme Management Pty Ltd on a cost recovery basis in accordance with contractual arrangements.

## 21. Remuneration of the Auditor

Remuneration payable to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	<u>40</u>	<u>40</u>
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## 22. Supplementary Financial Information

### (a) Write offs

During the year no public property was written off by the Minister.

### (b) Losses through theft, default and other causes

During the year there were four loans written off in an amount of \$1,004,000 (refer note 11).

## 23. Explanatory Statement

This statement provides the details of any major variations between estimates and actual results for 2022 and between the actual results for 2021 and 2022. Major variations for the Statement of Comprehensive Income and Statement of Cash flows are considered to be those greater than 10% and greater than a dollar aggregate of 1% multiplied by Total Cost of Services when compared with the estimate or prior period actuals. Major variances for the Statement of Financial Position are considered to be those greater than 10% and greater than a dollar aggregate of 1% of Total Assets when compared with the estimate or prior period actuals (variances relating to cash assets, receivables, payables, contributed equity and accumulated surplus are excluded from the definition).

### (i) *Major variances between actual and estimated results for the current financial year (\$'000)*

#### STATEMENT OF COMPREHENSIVE INCOME

	2022			
	Actual \$'000	Estimate \$'000	Variance \$'000	%
<b>Income</b>				
Interest revenue	1,375	1,609	(234)	(15%)
Other income	521	-	521	-
<b>Expenses</b>				
Finance costs	89	112	(23)	(21%)
Board member fees	75	88	(13)	(15%)
Credit loss/(recovery) on financial assets	(220)	84	(304)	(362%)

#### Explanation of variations

##### Interest revenue

Interest income was lower in 2022 due to a lower average balance in the mortgage portfolio than forecast.

##### Other income

An increase in the 10 year Bond rate used to discount the amounts due to the Treasurer resulted in a positive fair value adjustment of \$521,000.

##### Finance costs

Finance costs were lower in 2022 as a result of lower funding costs and a lower level of borrowings than forecast.

##### Board member fees

Variance due to lower fees and allowances paid during 2022 than forecast.

##### Credit loss/(recovery) on financial assets

A reversal of the expected credit loss provision following four Mortgagee in Possession accounts being written off as bad debts at a lower rate than provided for.

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## 23. Explanatory Statement (continued)

### STATEMENT OF FINANCIAL POSITION

	2022			
	Actual \$'000	Estimate \$'000	Variance \$'000	%
<b>Non-Current Assets</b>				
Loans and advances	22,879	27,333	(4,454)	(16%)
<b>Non-current Liabilities</b>				
Amounts due to the Treasurer	1,579	2,351	(772)	(33%)
Borrowings	1,853	4,973	(3,120)	(63%)

### Explanation of variations

#### Loans and advances

Limited demand for CHA loan products continued into 2022 and repayments and discharges exceeded new loans funded. This resulted in a lower loan book portfolio.

#### Amounts due to the Treasurer

An increase in the discount rate used in the fair value adjustment on amounts due to the Treasurer resulted in a decrease to the liability.

#### Borrowings

A lower loan book portfolio has led to lower borrowing requirements in 2022 as surplus cash was used to repay debt.

## 23. Explanatory Statement (continued)

STATEMENT OF CASH FLOWS	2022			
	Actual \$'000	Estimate \$'000	Variance \$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Interest received	2,038	1,609	429	27%
Loan repayments received	7,243	5,214	2,029	39%
<b>Payments</b>				
Finance costs	98	112	(14)	(13%)
New loans advanced	1,232	2,457	(1,225)	(50%)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayments of borrowings	5,234	2,600	2,634	101%
<b>CASH FLOWS TO STATE GOVERNMENT</b>				
Distribution to the Treasurer	1,309	1,062	247	23%

### Explanation of variations

#### Interest received

Variance due to realisation of interest on 4 Mortgagee in Possession properties from prior years.

#### Loan repayments received

Higher levels of repayments received than forecast due to a higher volume of discharges during 2022.

#### Finance costs

Variance due to lower funding costs and a lower level of borrowings than forecast.

#### New loans advances

Limited demand from customers have resulted in lower funding during 2022 than forecast.

#### Repayment of borrowings

Surplus cash used to repay debt as a lower loan book portfolio led to lower borrowing requirements in 2022.

#### Distribution to the Treasurer

The distribution declared each financial year relates to the total comprehensive income from the prior year. A higher comprehensive income than forecast for 2021 has resulted in a higher distribution payment than forecast.



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## 23. Explanatory Statement (continued)

### (ii) Major variances between current year actual and prior year actual (\$'000)

STATEMENT OF COMPREHENSIVE INCOME	2022 Actual \$'000	2021 Actual \$'000	Variance	
			\$'000	%
<b>Income</b>				
Interest revenue	1,375	1,751	(376)	(21%)
Other income	521	178	343	193%
<b>Expenses</b>				
Administration expense	368	413	(45)	(11%)
Credit loss/(recovery) on financial assets	(220)	(106)	(114)	108%
Finance costs	89	186	(97)	(52%)

### Explanation of variations

#### Interest revenue

Lower new lending volumes and higher levels of discharges have resulted in a declining loan book portfolio and lower interest revenue charged.

#### Other income

An increase in the 10 year Bond rate used to discount the amounts due to the Treasurer. This resulted in a positive fair value adjustment of \$521,000.

#### Administration expense

The Authority is charged a fee on a unit cost recovery basis for Administration expenses. The loan volumes were lower during the year which resulted in lower origination costs.

#### Credit loss/(recovery) on financial assets

A reversal of the expected credit loss provision following four Mortgagee in Possession accounts being written off as bad debts at a lower rate than provided for in 2021.

#### Finance costs

Variance due to lower funding costs and a lower level of borrowings than 2021.

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## 23. Explanatory Statement (continued)

STATEMENT OF FINANCIAL POSITION	2022	2021	Variance	
	Actual \$'000	Actual \$'000	\$'000	%
<b>Current Assets</b>				
Loans and advances	4,844	9,960	(5,116)	(51%)
<b>Non-Current Assets</b>				
Loans and advances	22,879	27,083	(4,204)	(16%)
<b>Current Liabilities</b>				
Borrowings	4,517	6,700	(2,183)	(33%)
<b>Non-current Liabilities</b>				
Amounts due to the Treasurer	1,579	2,158	(579)	(27%)
Borrowings	1,853	4,850	(2,997)	(62%)

### Explanation of variations

#### Loans and advances

Lower demand for loan products and higher discharges have resulted in a lower loan book portfolio.

#### Borrowings

The lower loan book portfolio results in lower borrowing requirements in 2022.

#### Amounts due to the Treasurer

An increase in the discount rate used in the fair value adjustment on amounts due to the Treasurer resulted in a decrease to the liability.

## 23. Explanatory Statement (continued)

STATEMENT OF CASH FLOWS	2022	2021	Variance	
	Actual \$'000	Actual \$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Interest received	2,038	1,682	356	21%
<b>Payments</b>				
Finance costs	98	207	(109)	(53%)
New loans advanced	1,232	944	288	30%
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayments of borrowings	5,234	7,007	(1,773)	(25%)
<b>CASH FLOWS TO STATE GOVERNMENT</b>				
Distribution to the Treasurer	1,309	690	619	90%

### Explanation of variations

#### Interest received

Variance due to realisation of interest on 4 Mortgagee in Possession properties from prior years.

#### Finance costs

Due to lower new lending volumes and higher loan repayments, higher levels of debt were being retired in 2022.

#### New loans advances

Higher new loans advanced during 2022 due to funding undisbursed commitments from 2021.

#### Distribution to the Treasurer

The distribution declared each financial year relates to the total comprehensive income from the prior year.

The distribution for 2020/21 is based on total comprehensive income of \$691,000 for 2019/20 and 2021/22 is based on total comprehensive income of \$1,309,000 for 2020/21. The income for 2019/20 was lower than 2020/21, resulting in a higher distribution payment in 2021/22 than in 2020/21.

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## ANNUAL ESTIMATES

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

2022/23  
\$'000

#### INCOME

##### Revenue

Interest revenue 1,481

**Total Income** 1,481

#### EXPENSES

Finance costs 80

Administration expense 313

Other expenses 168

Bad debts written off 32

**Total expenses** 593

**PROFIT** 888

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023**

**2022/23**

**\$'000**

**ASSETS**

**Current Assets**

Cash and cash equivalents 1,568

Receivables 862

Loans and advances 6,386

**Total Current Assets** 8,816

**Non-Current Assets**

Loans and advances 21,452

**Total Non-Current Assets** 21,452

**TOTAL ASSETS** 30,268

**LIABILITIES**

**Current Liabilities**

Payables 99

Amounts due to the Treasurer 59

Borrowings 3,903

**Total Current Liabilities** 4,061

**Non-Current Liabilities**

Amounts due to the Treasurer 2,042

Borrowings 1,410

**Total Non-Current Liabilities** 3,452

**TOTAL LIABILITIES** 7,513

**NET ASSETS** 22,755

**EQUITY**

Contributed equity 13,000

Retained earnings 9,755

**TOTAL EQUITY** 22,755

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2023**

**2022/23**

**\$'000**

**CASH FLOWS FROM OPERATING ACTIVITIES**

**Receipts**

Interest received	1,481
Loan repayments received	4,601

**Payments**

Finance costs	80
Supplies and services	485
New loans advanced	21

<b>Net cash provided by operating activities</b>	<b>5,496</b>
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from borrowings	-
Repayment of borrowings	4,663

<b>Net cash provided by financing activities</b>	<b>4,663</b>
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**CASH FLOWS TO STATE GOVERNMENT**

Distribution to the Treasurer	833
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<b>Net cash provided by State Government</b>	<b>833</b>
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<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-</b>
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Cash and cash equivalents at the beginning of the period	1,568
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<b>CASH AND CASH EQUIVALENTS ASSETS AT THE END OF THE FINANCIAL YEAR</b>	<b>1,568</b>
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## CONTACT INFORMATION

The Office of the Country Housing Authority is located at:

Level 3, 502 Hay Street Subiaco WA 6008

This office is the headquarters for all country loans as part of the alliance between Keystart and the Country Housing Authority.

Mailing Address:

Country Housing Authority  
C/o Keystart  
PO Box 2016  
Subiaco WA 6904  
Telephone: 1800 158 200  
Email: [info@keystart.com.au](mailto:info@keystart.com.au)

Country Housing and Keystart website can be accessed via:

**[www.keystart.com.au/loans-and-tools/rural-home-loan](http://www.keystart.com.au/loans-and-tools/rural-home-loan) or  
[www.keystart.com.au](http://www.keystart.com.au)**

Visit the Department of Communities website:

**[www.communities.wa.gov.au](http://www.communities.wa.gov.au)**

[keystart.com.au](http://keystart.com.au)

Keystart Loans Ltd ABN 27 009 427 034  
Australian Credit Licence: 381437  
As agents for the Country Housing Authority  
ABN: 76 667 185 896