

# Homes Tasmania

Building homes,  
creating communities.



**Annual Report  
2023-24**



## Acknowledgement

Homes Tasmania acknowledges Tasmanian Aboriginal communities, their culture and their rights as the first peoples of this Land, the island of lutruwita/Tasmania.

Homes Tasmania is committed to a safe and inclusive community for people of LGBTIQ+ communities and their families.



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# Submission to the Minister

Section 26 of the *Homes Tasmania Act 2022* requires the Homes Tasmania Board to prepare an annual report for each financial year that includes the following information and documents:

- A summary of the corporate plan in force for the financial year and a report on the performance of Homes Tasmania, including the targets to be met by Homes Tasmania in achieving its objectives, policies, programs and financial plans, and the criteria for assessment of those targets.
- Details of the Ministerial Statement of Expectations in force for the financial year and a report on actions taken by Homes Tasmania with respect to the Statement of Expectations, together with a report on the operations of Homes Tasmania during the financial year.
- Details of each Ministerial direction and Homes Tasmania's response to each direction.
- A report on all contracts or other arrangements to develop land or buildings, or both, where Homes Tasmania is to expend more than the prescribed amount or more than \$8 000 000, whichever is greater.
- The Homes Tasmania financial statements, including a copy of the opinion of the Auditor-General in respect of those financial statements.
- Any other information the Minister has requested, or the Homes Tasmania Board considers relevant, appropriate or necessary.

Accordingly, we have pleasure in submitting to you for presentation to Parliament the report on the affairs and activities of Homes Tasmania for the financial year ending 30 June 2024.

Yours sincerely



**Michele Adair**  
Chair  
Homes Tasmania Board



**Eleri Morgan-Thomas**  
Chief Executive Officer  
Homes Tasmania

October 2024

# Executive Statements



## Chair's statement

The fundamental importance of housing in a fair, healthy society is enshrined in Tasmania as a Human Right. Homes Tasmania was established to provide housing assistance and support to Tasmanians in need and to strategically inform and support the whole housing system. It has been a privilege to have led the Board since the inception of Homes Tasmania and now for its first full year of operation.

In recent years, Tasmania has experienced a substantial surge in housing demand, driven by population growth. This contributed to a decline in housing affordability due to low rental vacancy rates and rising house prices. Despite these challenges, Tasmania has performed well in terms of increasing social housing supply compared to population growth. In the period from 2016 to 2023 Tasmania had a 7.2 per cent increase in social housing compared to a national average of 4.2 per cent. Population growth was comparable at 10.8 per cent and 10.2 per cent respectively. Tasmania also has a

high proportion of social housing dwellings compared to all dwellings at 5.6 per cent. Homes Tasmania has also performed well in responding to social housing demand, limiting the increase in the Housing Register to 2.4 per cent between June 2023 and June 2024.

There are now indications that population growth is slowing, returning to long-term averages. Similarly, the housing market is beginning to stabilise, with improving affordability as population growth slows. Rental and purchase prices for homes are settling, and vacancy rates for private rentals are easing. Median rental prices increased by only 2.1 per cent in the year to March 2024 compared to a 40 per cent increase over the previous five years. Similarly, median house prices rose by just 0.2 per cent over the past year, compared to a 63 per cent increase over the previous five years. Vacancy rates in major regions such as Hobart, Burnie and Launceston have also stabilised. Only decreasing on average by 0.1 per cent to 0.4 per cent in the year to June 2024, vacancy rates remain well below 3 per cent which is considered a balanced market.

Homes Tasmania's efforts in constructing new social and affordable housing for low to moderate-income households are also beginning to show positive results with an increase of 3 620 from 1 October 2020 to June 2024.

A key milestone for Homes Tasmania this year was co-ordinating the delivery of the Tasmanian Housing Strategy 2023-2043 on behalf of the Tasmanian Government. It is the only 20-year, inter-agency Housing Strategy in Australia and sets the ambitious vision to "end homelessness" through

a well-functioning housing system that provides safe, appropriate and affordable housing for all Tasmanians.

The Tasmanian Housing Strategy, with the ambitious vision to “end homelessness” was launched in November 2023. Featured on the cover of the strategy is Glenson Place. The facility provides housing for NDIS participants, staff areas and communal living spaces to promote a

sense of community and comfort with support provided by Richmond Futures, 24 hours a day, seven days a week.

Homes Tasmania is leading significant activity and working alongside our partners to deliver the initiatives in the Strategy’s first Action Plan 2023-2027. One of our priorities, to improve private market affordability and sustainability, received increased support this year with the

## Tasmanian Housing Strategy

The Tasmanian Housing Strategy, with the ambitious vision to end homelessness in Tasmania, was launched in November 2023. Featured on the cover of the strategy is Glenson Place. The facility provides housing for National Disability Insurance Scheme participants, staff areas and communal living spaces to promote a sense of community and comfort with support provided by Richmond Futures, 24 hours a day, seven days a week.



Construction completed at Glenson Place | Photo Rob Burnett

Tasmanian Government's commitment to more Private Rental Incentives (PRI) properties and more home ownership assistance through MyHome shared equity program, which will be available in the coming year.

As at 30 June 2024, 435 households have been assisted into home ownership through the MyHome shared equity program since its inception on 1 July 2022. We expect the popularity and success of this program will continue well into the future.

This equity contribution is interest free for the life of the mortgage and repayable when the property is sold, or the mortgage is refinanced by the owner.

The Tasmanian Housing Strategy Action Plan also commits Homes Tasmania to enabling actions that underpin the successful delivery of our priorities, including the establishment of the Board's three advisory committees under the *Homes Tasmania Act 2022*.

Consultation and engagement are critical functions in designing and delivering a well-functioning housing system and at their heart, three advisory committees provide these functions to the Board. The committees – Housing and Homelessness; Building, Construction and Planning; and Finance, Risk and Audit – include specialists from Tasmania's community, business and academic sectors. Each committee met twice before the end of the financial year. My Board colleagues and I greatly value the contributions and look forward to their ongoing input.

This year, the Board also welcomed Kerry Adby as a director. Kerry brings extensive capital finance and investment skills and experience from the government, ASX-listed, not-for-profit and international boards. She chairs the Finance, Risk and Audit Committee.

The scope of Homes Tasmania's work, the range of issues being addressed and the deepening housing crisis are being thoughtfully considered by the Board. We met on 11 occasions this past year to providing measured, timely guidance and governance of Homes Tasmania.

I thank and acknowledge the efforts of our CEO Eleri Morgan-Thomas, the Homes Tasmania executive and staff, and my Board and Committee colleagues for their outstanding work and dedication to improving the lives of Tasmanians.

I am extremely proud of the work of Homes Tasmania, and I am very pleased to present the Homes Tasmania Annual Report 2023-2024.

## Homes Tasmania Advisory Committees

Consultation and engagement are critical functions in designing and delivering a well-functioning housing system and at their heart, the three advisory committees established under the *Homes Tasmania Act 2022* provide these functions to the Board.

The committees – Housing and Homelessness; Building, Construction and Planning; and Finance, Risk and Audit – include membership from community, business and academia.



## MyHome milestone

As at 30 June 2024, 435 households had been assisted into home ownership through MyHome since the shared equity program began on 1 July 2022.

The expansion of the program from 1 July 2024 will see Homes Tasmania's shared equity contribution increase from \$200 000 to \$300 000 or 40 per cent (whichever is the lesser amount of the purchase price for new homes), supported by an increase to income limits for these purchases.

In line with the Tasmanian Government's assistance in eliminating stamp duty for first homeowners when purchasing properties up to \$750 000, the purchase price cap for existing homes through MyHome will also increase to \$750 000.

This equity contribution is interest free for the life of the mortgage and repayable when the property is sold, or the mortgage is refinanced by the owner.



*MyHome customers Jarrod and Billy | Photo Grant Wells*





## CEO's statement

Homes Tasmania was established to strategically manage and develop housing across the entire system so the current and future housing needs of all Tasmanians can be met.

This role includes providing essential emergency and crisis accommodation to Tasmanians most in need, delivering housing models that improve affordability and increasing supply by influencing different touchpoints across the housing market.

Homes Tasmania and our Housing Connect partners are committed to improving the lives of Tasmanians facing homelessness. This year, improvements to the statewide Housing Connect service were introduced to deliver better outcomes for Tasmanians with support provided based on each person's life stage and circumstances. The new service delivery model was co-designed with Housing Connect partners and informed by lived experience. It included new ways of working and support for practitioners with new role descriptions, a practice framework and online training modules.

The Request for Grant Proposal to deliver this new model was finalised and funding contracts awarded with the successful

## Improving services for Tasmanians facing homelessness

This year, new ways of working were introduced to support Housing Connect practitioners implement the improved, co-designed Housing Connect model, including new role descriptions, practice framework and online training modules.



*Ewan, Julia and Sam at the Housing Connect front door in Hobart*

proponents. The foundation for the improved Housing Connect system is the Advantaged Thinking practice model, which is an approach that builds on each person's inherent skills and capabilities with personalised support tailored to their life stage so they can have a good life.

Thank you to our Housing Connect partners for their ongoing commitment to service improvements and their efforts to support service users during the transition to the new Housing Connect model.

We have also been focused on the effective management of Homes Tasmania tenancies. According to the 2023 National Social Housing Survey, Homes Tasmania's tenants were more satisfied with their homes compared with the national average.

The Australia and State and Territory funding arrangements were a major focus for housing agencies nationally. Tasmania was successful under the Social Housing Accelerator Payment, receiving funding of \$50 million to deliver 128 new social housing dwellings.

The National Agreement on Social Housing and Homelessness (NASHH) was also renegotiated for the next five years. This was a disappointing outcome which resulted in a real funding reduction that will require Tasmania to increase investment to sustain critical services and the ongoing management of our social housing properties.

A key priority of the Tasmanian Housing Strategy is to enable local prosperity,

## Supporting key workers in northern Tasmania

In partnership with the Department of Health, the former Aberdeen Court Motel will be used to provide accommodation to nurses, locums and health workers on short-term contracts.

Providing key worker accommodation for health workers in northern Tasmania supports the delivery of critical health services in the region. It also allows dwellings rented by the Department of Health to be released back into the private market for long-term rental accommodation for Tasmanian families.



*Key worker accommodation in Punchbowl | Photo Adam Gibson*

collaborating with governments and the private sector to deliver key worker housing. Providing appropriate housing in regional areas is essential to attracting and retaining a skilled workforce that benefits local communities and Tasmania as a whole.

This year, Homes Tasmania initiated a key worker accommodation program purchasing the redeveloped 24-unit, former Aberdeen Court Motel in the Launceston suburb of Punchbowl.

Homes Tasmania also implemented the Tasmanian Government's plan to incentivise medium-density developments. Under the pilot Apartment Development Purchase Program, Homes Tasmania will guarantee the purchase of 10 per cent of units off the plan to be managed as affordable rental housing, up to a total of 15 units across at least three new apartment developments with units ready for occupation by 30 June 2027. The tender for the pilot was prepared and the pilot listed as a future opportunity.

I look forward to the outcome of the procurement process early next financial year and progressing more opportunities to work with our partners to increase housing supply and improve housing outcomes for Tasmanians.



### **Incentives to deliver affordable rental supply**

The pilot Apartment Development Purchase Program, registered as a future opportunity in June, aims to bring forward new residential apartment developments with a minimum of 25 units, in well-located areas where Tasmanians want to live.

# About Homes Tasmania

Homes Tasmania's role is to deliver housing opportunities across the housing system that assist Tasmanians with housing need. This includes crisis accommodation, supported accommodation, social housing, affordable housing, release of affordable land parcels and affordable home ownership assistance.

Homes Tasmania has a total portfolio of property and land assets valued at \$4.44 billion.

Homes Tasmania provides social housing directly to tenants and delivers crisis accommodation and support, supported accommodation, and specialist disability services through a range of funding arrangements, including head leasing social housing properties to provide accommodation services and capital funding to deliver homes.

Homes Tasmania manages tenancies in suburbs statewide from three regional service delivery offices.



## Mission Australia Housing Tasmania

Mission Australia Housing Tasmania (MAHT) is one of Tasmania's four Tier 1 community housing providers and manages over 1 250 properties.

MAHT provides social and affordable rental housing to low- and moderate-income households

and offers tailored support coordination services to help tenants develop plans and connect to education, training, employment and other support services.

Recently, tenants worked with the MAHT tenancy team to rebuild and plant a community garden.



MAHT tenants at the community garden | Photo MAHT

Homes Tasmania's  
portfolio of  
**13 200**  
social housing  
properties includes:



**5 200**

properties allocated to  
Homes Tasmania tenants



**1 500**

properties leased to supported  
accommodation providers



**6 400**

properties managed by  
four Tier 1 community  
housing partners



**100**

properties managed as  
Neighbourhood Houses  
or other arrangements



Over

**300**

properties allocated to  
Aboriginal Tasmanian households.

Homes Tasmania’s tenants are significantly more satisfied with their homes compared with the national average. The 2023 National Social Housing Survey showed more than three-quarters (75.2 per cent) of Homes Tasmania’s tenants were satisfied with the services provided by the organisation, compared with the national average of 66.7 per cent. Homes Tasmania tenants’ satisfaction rose from 73 per cent in 2021, against a backdrop of falling public housing satisfaction nationally, which was down from 72 per cent.

Almost 85 per cent of Homes Tasmania’s tenants were satisfied with the thermal comfort of their homes – up from 83.1 per cent in 2021 and 60.4 per cent in 2014 – and significantly ahead of the national average of just 67.9 per cent. Energy efficiency also rated highly, with 85.6 per cent of tenants having their needs met, up from 80 per cent in 2021, and well above the national average of 71.9 per cent (down from 77 per cent).

## 2023 National Social Housing Survey Homes Tasmania tenant satisfaction highlights



Ease of access and entry

**95.5%**

compared with **92.1% nationally.**



Structural modifications for special needs

**80.9%**

compared with **75.1% nationally.**



Safety and security in their neighbourhood

**78.5%**

compared with **70.5% nationally.**



Satisfaction with day-to-day maintenance

**67.9%**

compared with **60.6% nationally.**

## Homes Tasmania tenants

**5 019**  
tenants

**440**  
identify as Aboriginal  
or Torres Strait Islander

Average  
**54.9**  
years of age

**2 778**  
are living with  
disability

Average  
**11.3**  
years living in  
Homes Tasmania  
social housing

**87.7%**  
receive a  
Government benefit

We are a public non-financial corporation.

**Homes  
Tasmania**

Building homes,  
creating communities.

## Reducing the cost of living with energy efficiency

Homes Tasmania is committed to helping reduce the cost of living by improving the energy efficiency of social homes. More than 1 600 households will have energy efficiency upgrades to their homes under a \$16.6 million program co-funded by the Australian Government, Homes Tasmania and community housing providers under the Australian Government's Energy Savings Package.

Cameron is responsible for rolling out the program in Homes Tasmania-managed homes. Although he started his time in tenancy services, he has spent most of his career in property maintenance services.

"As Project Manager Planned Maintenance, I am implementing the energy efficiency program, which is making a real difference for tenants," Cameron said.

"I had one tenant who told me he hadn't used his gas heater in years because of the cost."

The energy efficiency upgrades are being rolled out through three different packages prioritising older properties that have had minimal energy efficiency upgrades in the past and that are prone to mould and damp issues.

Read more about Cameron:  
[www.homestasmania.com.au/cameron](http://www.homestasmania.com.au/cameron)



*Project Manager Planned Maintenance, Cameron*

## Connecting you to support

Cerin, an Assistant Contract Manager with Homes Tasmania, provides advice to people on the services that are available to them. A key part of this role is responding to written requests for assistance.

“People are in heartbreaking situations and need to be housed. I help through the advice I give in my response to them,” she said.

“Through my work, I look at individual circumstances and see how I can advocate on behalf of the applicant.”

Some of the most important advice is encouraging them to be in contact with Housing Connect, Tasmania’s front door for housing assistance, for advice and support on their housing options.



*Assistant Contract Manager, Cerin*

“No one wants to be homeless or waiting for social housing, but I always say to contact Housing Connect so they can put you in contact with a support worker.”

Read more about Cerin:  
[www.homestasmania.com.au/cerin](http://www.homestasmania.com.au/cerin)



*Devonport SDA | Photo Alastair Bett*

## New homes for people with special needs

Two Specialist Disability Accommodation (SDA) robust housing developments have now been completed.

These are designed for people with disability who have special accommodation needs, and their support staff. Devonport and Launceston were completed in late 2023 and tenanted in early 2024.



The Housing Dashboard shows the performance of Homes Tasmania in managing dwellings and tenancies as well as other social housing providers. The rolling 12-month average occupancy rate for Homes Tasmania-managed properties at the end of June was over 90 per cent. In the 12 months to May 2024, Homes Tasmania completed more than 15 000 work orders on the properties it manages. This is an average of over 1 300 work orders each month.

The majority of allocations to social housing were to applicants assessed as priority (94.8 per cent at 30 June 2024) and this proportion has been trending upwards.

In addition to the more than 14 500 households already living in social housing, in the past year 3 797 households were assisted through social housing, Private Rental Assistance, the Private Rental Incentives program, Family Violence Rapid Rehousing or into home ownership.

Homes Tasmania has been tasked with the Tasmanian Government's commitment of 1 October 2020 to deliver 10 000 social and affordable homes by 30 June 2032, including 2 000 social housing homes from 30 June 2023 to 30 June 2027. Homes Tasmania delivered 350 homes towards the 2 000 social homes target as at 30 June 2024.

By 30 June 2024, Homes Tasmania and our partners had delivered well over a third, or a total of 3 620 homes. An additional 833 homes are in the pipeline of works. The completed builds and pipeline include:

- 113 crisis accommodation, with an additional six units in the pipeline
- 1 781 social housing and supported accommodation, with an additional 522 homes in the pipeline

## Homes Tasmania funding arrangements:

**\$55.7 million**

in grant funding to housing and homelessness services, including:

- **\$45 million** to 17 community organisations that manage 20 homelessness shelters, transitional accommodation, and three Safe Spaces across the state for Tasmanians who are homeless or at risk of homelessness.
- **\$1.7 million** in grant funding to deliver 15 long-term supported accommodation facilities run by three community organisations – Anglicare, Wintringham and St Vincent de Paul.
- **\$9 million** in grant funding for private rental programs, Youth2Independence homes, Indigenous community housing, peak body funding and other minor grants.

**28 disability support providers**

delivered supported accommodation for people living with disability across 689 sites.

**\$76.3 million**

in capital grants that delivered \$220.1 million in direct and indirect economic benefit to the Tasmanian economy.

- 718 affordable rentals, with an additional 32 homes in the pipeline
- 598 affordable home purchases
- 410 residential lots, with an additional 273 homes and lots in the pipeline.\*

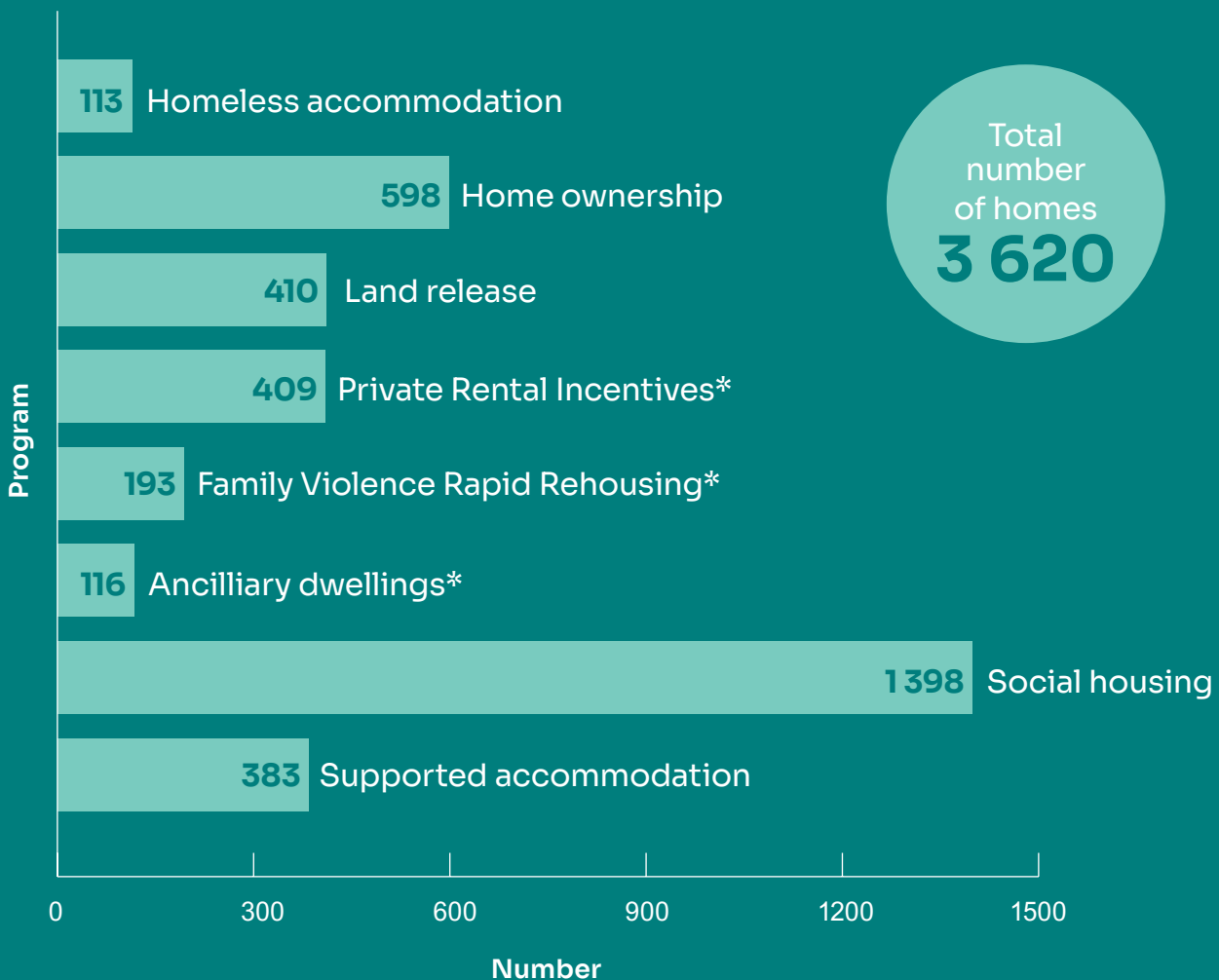
\*Pipeline reporting is now consistent with reporting on all housing opportunities delivered towards the 10 000 target with the recognition of the additional 273 residential lots that were available in the

pipeline at 30 June 2024.

Homes Tasmania’s pipeline of works reports on projects with secured funding, land or contracts in place. For example MyHome shared equity assistance is counted in the pipeline once a sale contract is executed.

As at 30 June 2023, the net increase was 2 135 social and affordable homes towards the 10 000 homes target. Annual progress is reported every January when

## 10 000 homes by program – progress to end June 2024.



\*affordable housing

the Productivity Commission’s Report on Government Services (RoGS) is released and reports on progress for the previous financial year. Homes Tasmania’s net increase is calculated using RoGS social housing data and Homes Tasmania data for crisis accommodation and affordable rental accommodation as outlined in the Tasmanian Housing Strategy Action Plan 2023-2027.

While work is on track to achieve the 10 000 target, there continues to be strong demand for social housing. As at 30 June 2024, 4 709 Tasmanians had applications on the Housing Register. Approximately 90 per cent of all applicants were in secure or temporary accommodation. There are encouraging signs that growth of the Housing Register has stabilised with only a 2.4 per cent increase from June 2023 to June 2024.

### Dedicated men’s crisis accommodation on the Coast

Marram House, the first dedicated shelter for men on the North-West Coast, was opened in December. Managed by CatholicCare, the facility provides accommodation in a home-like environment for up to eight men with or without children.



Marram House | Photo Rob Burnett

### About Housing Register applicants



**79%**  
are priority.



**58%**  
are female.



**48%**  
have a preference to live in the South.



**45%**  
are families with children.



**10%**  
are without conventional accommodation.



**55%**  
are eligible for one-bedroom units.

## Infill and inner-city residential development

Detached homes are contributing to reduced affordability, urban sprawl, higher infrastructure costs and demand for services. Projections indicate that by 2041, an additional 38 000 dwellings will be required to accommodate the projected increase of over 80 000 residents.

To meet this demand, Homes Tasmania supports the delivery of more medium-density developments to improve accessibility to amenity and accommodate the diverse needs of Tasmania's changing population.

Showcasing quality and appropriate medium-density, well-located, infill housing, a new social housing complex of 29 units in North Hobart was delivered under round one of the Community Housing Grant Program. The land was purchased by Homes Tasmania and the development completed by Centacare Evolve Housing.

The site includes innovative design, with multiple access points, including from the adjoining highway, meaning that accessibility requirements were met without the need to install a lift in the building.



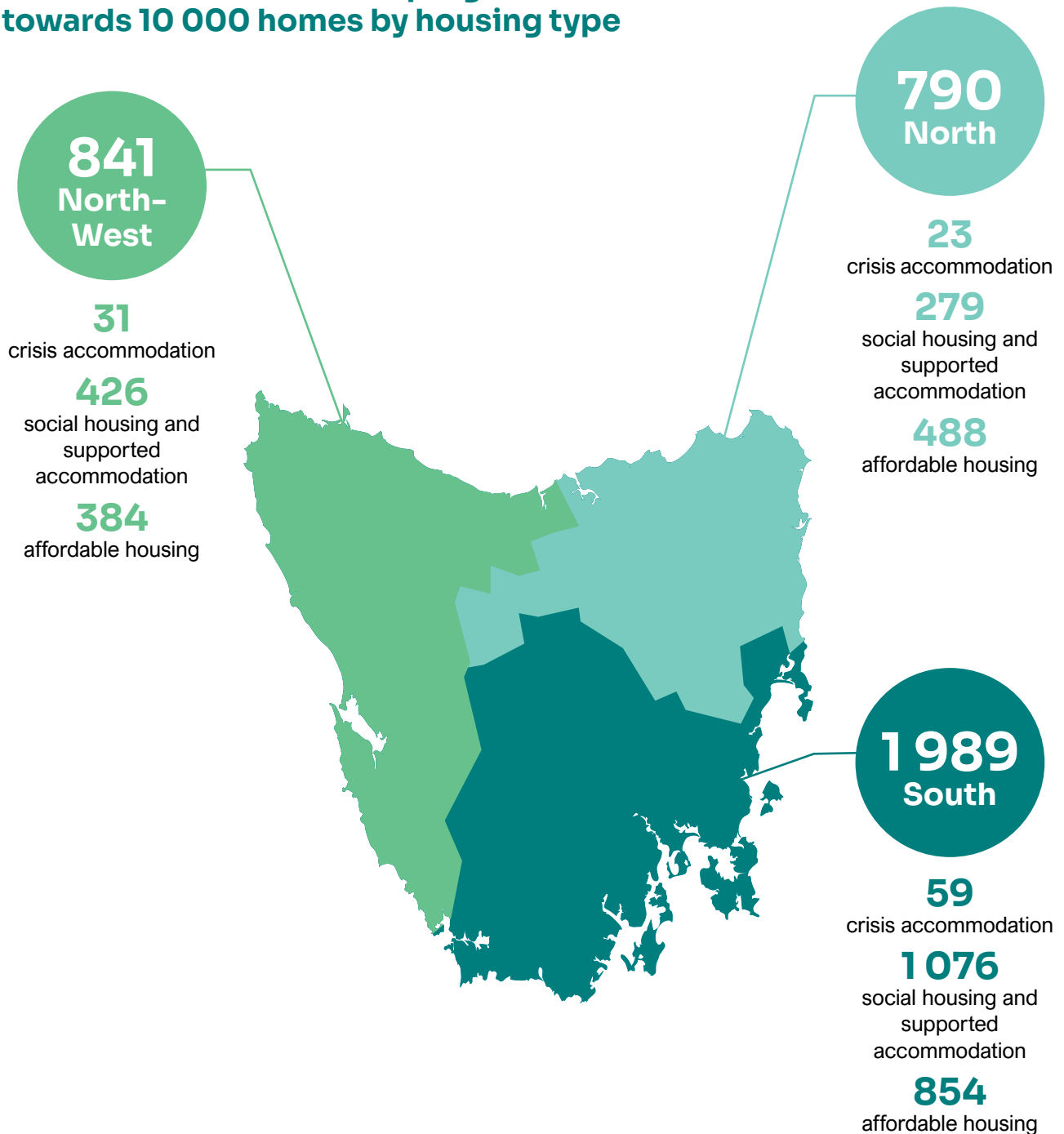
Letitia Street | Photo Rob Burnett



## Supply delivery partners

11 housing providers and around 25 building companies to deliver homes.

## Statewide distribution of progress towards 10 000 homes by housing type





*Caladenia Court | Photo CHL*

### **More homes in northern Tasmania**

The first four of 31 new dwellings across multiple sites on Caladenia Court, Rocherlea have been delivered by Community Housing Limited (CHL) and will be used for social housing. The total construction cost for the 27 two-bedroom and four three-bedroom units was \$9.59 million. Eight units have been funded by Homes Tasmania.

## Homes where Tasmanians want to live

Eleven new units in Campbell Town were completed. The units will house applicants from the Housing Register, including three units allocated to applicants aged over 55, and are managed by Centacare Evolve Housing.

The project was funded under the Community Housing Growth Program, for a total \$1.485 million.



*High Street development | Photo [primeperspectives.com.au](http://primeperspectives.com.au)*

# Homes Tasmania Board

Homes Tasmania is governed by a skills-based Board, whose Directors are appointed by the Minister under section 14 of the *Homes Tasmania Act 2022*, ensuring they in aggregate have –

- (a) the relevant knowledge and skills to ensure that the functions and powers of Homes Tasmania are performed and exercised appropriately; and
- (b) commercial skills and experience; and
- (c) skills and experience in the provision or management of housing and homelessness services.

Homes Tasmania’s seventh Director, Kerry Adby, was appointed on 13 February 2024 for a three-year period and attended her first meeting in March 2024.

During the 2023-24 financial year, the Board met on 11 occasions.

For more information on our Board, visit [www.homestasmania.com.au/ourboard](http://www.homestasmania.com.au/ourboard)

## Huntingfield site visit



*Board members on site at Huntingfield.*



## Michele Adair (Chair)

Michele is the Managing Director of Housing Trust, New South Wales, former Chair of the Community Housing Industry Association (CHIA) in NSW and a former member of the Illawarra Property Council Committee.

Michele attended 11 meetings of the Board.





### **Daryl Lamb**

Daryl is a highly experienced Senior Executive with 40 years' experience in the community services industry, including senior positions with Anglicare in Tasmania.

Daryl is the Chair of the Housing and Homelessness Advisory Committee.

Daryl attended 10 meetings of the Board.



### **Robert Pradolin**

Rob is a qualified engineer and has been active in the property industry for over 30 years. He is the founder and Director of Housing All Australians.

Robert is the Chair of the Building, Construction and Planning Advisory Committee.

Robert attended 10 meetings of the Board.



### **Ellen Witte**

Ellen is a strategic planning consultant and economist with over 20 years of experience. She is Principal & Partner at SGS Economics & Planning. She has specialist expertise in housing policy.

Ellen is a member of the Building, Construction and Planning Advisory Committee.

Ellen attended 11 meetings of the Board.



### **Alice Spizzo**

Alice is the founder and director of Alice Spizzo Advisory, a law firm that specialises in planning and environmental law.

She is Chair of the Women's Housing Company in NSW.

Alice is a member of the Housing and Homelessness Advisory Committee.

Alice attended 11 meetings of the Board.



### **Tim Gourlay**

Tim has had an extensive career with experience in building and construction, education, governance, Board directorships, and delivering social and affordable housing and support services to Tasmanians in need.

Tim is a member of the Finance, Risk and Audit Committee.

Tim attended 11 meetings of the Board.



### **Kerry Adby**

Kerry is an established non-executive director with experience on government, ASX-listed, not-for-profit, and international boards across a range of industries, including finance, infrastructure, energy, development and technology.

She has extensive experience as a Member and Chair of Audit and Risk, Investment, and Governance.

Kerry is the Chair of the Finance, Risk and Audit Committee.

Kerry attended three meetings of the Board.

# Homes Tasmania Corporate Plan

Under section 26 of the *Homes Tasmania Act 2022*, Homes Tasmania is required to provide a summary of the corporate plan and report on its performance against the actions and targets of the corporate plan. The corporate plan provides Homes Tasmania's statement of intent and its response to the Ministerial Statement of Expectations.

## Homes Tasmania Statement of Intent

Our proposal is to develop new housing models and ensure housing solutions best meet the diverse needs of all Tasmanians and are informed by lived experience, the expertise of our housing and homelessness system, and collaboration with our partners.

## Corporate plan summary

Homes Tasmania's purpose is to provide housing and housing assistance to eligible Tasmanians and to strategically manage and develop housing across Tasmania, giving consideration to the requirements of the complete housing continuum, and

to best meet the needs of all Tasmanians, both now and into the future.

The Corporate Plan 2023-26, delivered on 15 August 2023, provides Homes Tasmania's strategic direction, objectives and actions against these objectives for the financial year.

## Homes Tasmania's corporate objectives

- 1 Increase housing supply
- 2 Collaboration and partnership
- 3 Improving the operating environment
- 4 Support and develop people

Homes Tasmania is a values-based organisation, supporting our people, partners and infrastructure to achieve our goals.



### Our values:

We will be bold.

We will have heart.

We will show trust  
and be trusted.

We will adapt.



## Digital inclusion for tenants

Access to the internet is now considered a basic utility. Digital exclusion can increase disadvantage for people on low incomes. It is critical to improving education, employment, health and social outcomes – it is fundamental to living your best life.

The national School Student Broadband Initiative (SSBI) provided free internet service for eligible households for 12 months through the NBN. Homes Tasmania led the rollout in Tasmania with our social housing tenants.

*Chantelle, SSBI program participant*

# Achieving Homes Tasmania Objectives

## 1. Increase housing supply

Actions	Performance
<b>Make substantial progress towards delivering 2 000 social housing homes by 2027.</b>	<p>Homes Tasmania delivered 350 homes towards the 2 000 social homes target as at 30 June 2024. The annual progress towards this target will be reported in January when RoGS becomes available.</p>
<b>Research innovative subsidy and incentive models that can assist people to obtain and sustain private rental.</b>	<p>High rents and low vacancy rates in the private rental market are signals there is a lack of supply. An emerging asset class in long-term build-to-rent is promising but will have a different application in Tasmania from major city developments on the mainland.</p> <p>Homes Tasmania has met with investors and other stakeholders to understand what build-to-rent might look like in Tasmania and what role government can play to support its development in Tasmania.</p> <p>This work is innovative, complex and seeks to deliver at scale. Further development will be undertaken during next financial year.</p> <p>Homes Tasmania also undertook a review of the Private Rental Incentives program to understand ways that program could be enhanced.</p>
<b>Develop a 40-year Strategic Asset Management Plan (SAMP) that covers all Homes Tasmania-owned assets.</b>	<p>Homes Tasmania is committed to ensuring the longevity and quality of its housing assets. A comprehensive 40-year SAMP is being developed, covering all Homes Tasmania-owned properties, aiming to guide the redevelopment and renewal of these assets.</p> <p>The initial strategic positioning paper has been developed, marking a significant step forward in this long-term initiative.</p> <p>A high-level review of Homes Tasmania's Specialist Disability Accommodation demonstrated the need to develop a proactive approach to managing the portfolio. Engagement with disability sector stakeholders in 2023 identified the need for Homes Tasmania to become a registered Specialist Disability Accommodation provider with the National Disability Insurance Agency in 2024.</p>

**Develop a financial investment plan to profile investment required over the next 20–40 years to deliver on the Tasmanian Housing Strategy and achieve the Tasmanian Government’s commitment informed by the Homes Tasmania risk appetite.**

The financial investment plan will outline the required investment by Homes Tasmania over the next 20 to 40 years. The plan is being developed in tandem with the SAMP and to support the SAMP’s implementation and to reflect the Tasmanian Government’s commitments under the Tasmanian Housing Strategy.

A preliminary plan has been developed with more detailed work to be progressed during the next financial year. The plan is linked to the work on financial strategies to deliver the 10 000 homes target.

## Pathways to construction

Modular construction is one of the strategies Homes Tasmania employs to deliver social homes.

The ModHomes program will deliver at least 200 modular social housing units – or around 50 units each year for four years – on land owned by Homes Tasmania.

Podmatrix is one of our ModHomes partners and delivers two-bedroom units for the program. Podmatrix can factory-build and install a modular home in around 14 weeks.

The ModHomes program incorporates a training opportunity for young Tasmanians, 16–24 years, who are underrepresented in the construction industry.

The first participants of the Podmatrix Pathway Program graduated in March this year. Participants in the six-week

program learnt skills to deliver a cubby house or ‘cubby pod’, which is a small version of the housing pods Podmatrix produce.



*Cubby House | Photo TasTAFE*

## Compassion, love and respect – supporting tenants live a good life

For Caleb, the Client Support Coordinator role is about taking an intentional, person-centred approach to tenancy management work.

Client Support Coordinators help tenants who are struggling to manage their home and who are at risk of eviction by talking about their needs and referring them to appropriate support services.

“My way of taking a person-centred approach is showing our tenants compassion, love and respect,” Caleb said.

“I really believe that if a person is in a good space physically, emotionally and mentally, they’ll take care of their home.”

[www.homestasmania.com.au/caleb](http://www.homestasmania.com.au/caleb)



*Client Support Coordinator, Caleb*

### Continue to revise modelling to forecast future demand across all tenure types in locations across Tasmania to address emerging or challenging trends.

Forecasting future demand is another crucial aspect of Homes Tasmania’s strategic planning. In January 2024, the organisation reviewed future housing demand as part of its strategic investment plan development.

This ongoing process involves regular updates from the Department of Treasury and Finance to address emerging trends and ensure that the investment profile remains accurate and responsive to future needs.

Homes Tasmania has been a significant participant in two priority data projects overseen by the Housing and Homelessness Ministerial Council to investigate construction workforce supply needs and housing stress indicators.

Homes Tasmania will continue to engage in state and national research that considers trends in demand and supply to inform modelling of housing needs at regional levels.

**Continue the management of Homes Tasmania's social housing portfolio using supportive tenancy management, focused on tenant and community stability.**

Homes Tasmania continues to manage its social housing portfolio, focusing on outcomes for tenants and the community they live in. Homes Tasmania's tenants are significantly more satisfied with their homes compared with the national average. The 2023 National Social Housing Survey showed more than three-quarters (75.2 per cent) of Homes Tasmania's tenants were satisfied with the services provided by the organisation, compared with the national average of 66.7 per cent.

Homes Tasmania has doubled its workforce dedicated to tenancy support, allowing for proactive strategies at the start of tenancies and early intervention in the event of tenancy breaches. This approach underlines Homes Tasmania's commitment to providing supportive tenancy management, building homes and creating communities.

**Research innovative subsidy and incentive models that can assist people obtain and sustain private rentals.**

Homes Tasmania conducted financial and housing market modelling to improve the incentives to be delivered through the Private Rental Incentives program (PRI) from 1 July 2024. Feedback was provided by landlords and the PRI provider, Centacare Evolve Housing, on key issues to inform improvements to the program, including incentive amounts and management arrangements for the program.



*James, General Manager Housing Operations, CEH | Photo CEH*

### **More landlord incentives for affordable rentals**

Planning to deliver an additional 200 affordable rentals commenced along with financial modelling to support contemporary incentives for Tasmania's current housing market.

The program expansion will bring the number of homes available in the PRI program to 400. The PRI program is delivered in partnership with Centacare Evolve Housing (CEH).

## 2. Collaboration and partnership

Actions	Performance
<p>Consult with peak and industry bodies and their members on the Tasmanian Housing Strategy.</p>	<p>Comprehensive stakeholder and public consultation statewide, including peak and industry bodies, non-government and government organisations, and people with lived experience, was completed to support the development of the Tasmanian Housing Strategy 2023-2043.</p>
<p>Assist the Tasmanian Government to release the Tasmanian Housing Strategy and next action plan in consultation with other Tasmanian government agencies, our partners and the Tasmanian community.</p>	<p>The Tasmanian Housing Strategy 2023-2043 and Tasmanian Housing Strategy Action Plan 2023-2027 were released in November 2023.</p> <p>For more information, visit the dedicated webpage established to host the Tasmanian Housing Strategy - <a href="http://www.tasmanianhousingstrategy.tas.gov.au">www.tasmanianhousingstrategy.tas.gov.au</a></p>
<p>Establish three Advisory Committees in relation to homelessness and housing services, development and construction, and finances and risk, which include representation from relevant sectors and organisations to inform decision-making by the Homes Tasmania Board.</p>	<p>Homes Tasmania established the three advisory committees, which met several times before June 2024.</p> <p>Building, Construction and Planning Advisory Committee membership (three meetings):</p> <ul style="list-style-type: none"> <li>• Rob Pradolín (Chair)</li> <li>• Ellen Witte</li> <li>• Rob Olsen</li> <li>• Tony Streefland</li> <li>• Louise Wallis</li> <li>• Ben Wilson</li> </ul> <p>Housing and Homelessness Advisory Committee membership (three meetings):</p> <ul style="list-style-type: none"> <li>• Daryl Lamb (Chair)</li> <li>• Alice Spizzo</li> <li>• Pattie Chugg</li> <li>• Jed Donohue</li> <li>• Julia Mangan</li> </ul> <p>Finance, Risk and Audit Advisory Committee membership (two meetings):</p> <ul style="list-style-type: none"> <li>• Kerry Adby (Chair)</li> <li>• Tim Gourlay</li> <li>• Amara Doyle</li> <li>• Andrew Hugo</li> </ul> <p>Read the charters for each advisory committee - <a href="http://www.homestasmania.com.au/ourboard">www.homestasmania.com.au/ourboard</a></p>





Huntingfield | Photo DCS Civil (Tas) Pty Ltd

## Huntingfield land release

The Huntingfield subdivision will deliver a modern, mixed residential design of around 460 lots. Some smaller lots and terraces will allow more families an opportunity for home ownership and housing that is suitable for older Tasmanians to age in place.

The subdivision is a large and complex development involving numerous statutory assessments and consultation periods, and civil and subdivision construction works. It is being delivered in stages so that we can deliver land parcels at every opportunity.

**Work closely with local government to identify land suitable for housing development and ways to work together. Provide input into a memorandum of understanding with the Local Government Association of Tasmania.**

Engagement has taken place with the Local Government Association of Tasmania and local governments on strategic housing policy development to inform master planning and improve housing outcomes and community engagement with communities.

A memorandum of understanding with the Central Coast Council has been signed to support community engagement and the strategic development of land in Penguin. The land at 1 Ironcliffe Road has been transferred to Homes Tasmania.

**Work with Housing Connect providers to reform how we deliver housing assistance to move towards a Housing First approach.**

Homes Tasmania introduced the improved, co-designed Housing Connect model, including new role descriptions, practice framework and online training modules by 30 June 2024.

Further work will continue in the coming year as we work closely with stakeholders to develop a Housing First approach to addressing primary homelessness in Tasmania.

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**Work closely with the Department for Education, Children and Young People to improve pathways for young people at risk or young people in transition from out-of-home care and youth detention**

Homes Tasmania is committed to improving pathways for young people at risk, including those transitioning from care and detention arrangements. This year Homes Tasmania continued to roll out the Youth2Independence (Y2I) program delivering the fourth facility and second in Hobart, the 26-bed Campbell Street Y2I, and more dispersed and share Y2I homes statewide.

Homes Tasmania has also entered into a Service Level Agreement with the Department for Education, Children, and Young People (DECYP) to support transitions and housing outcomes for these young people.

Homes Tasmania is collaborating with DECYP on the Blueprint for Youth Justice Reform, now part of the Youth Justice Reform Taskforce under the Department of Premier and Cabinet. Innovative accommodation models for youth in the justice system are being developed, including young people on bail.

Young people (16-24) are a key focus in the reformed Housing Connect service model, which tailors support to their unique needs. A Youth Housing and Support Community of Practice, including DECYP representatives, has been established under this model.

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**Provide input into the review of the Residential Tenancy Act 1997 in consultation with peaks and non-government housing and homelessness providers.**

The review of the *Residential Tenancy Act 1997* (the Act), as committed to in the Tasmanian Housing Strategy Action Plan 2023-2027, is yet to commence under the leadership of the Department of Justice. Homes Tasmania is committed to playing a significant role in the review and providing detailed input once the review commences.

Homes Tasmania supported proposed changes to the Act to require window coverings to be installed for privacy in social housing properties. Effective from 7 May 2024, Homes Tasmania has been installing window furnishings in all primary living areas of properties subject to new tenancy agreements. Homes Tasmania also supports in principle proposed amendments that would allow renters to keep a pet as a right and has provided feedback to the Department of Justice regarding procedural issues for its consideration.

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## Y2I Campbell Street, Hobart

Tenants of the new 26-bed Youth2Independence (Y2I) Campbell Street accommodation facility moved in during February to begin the new academic year.

The facility is managed by Anglicare and supports young people aged 16–24 years to become independent by participating in education and training. The Campbell Street facility is the second in Hobart and fourth in the State with a fifth facility being constructed in Burnie.



Y2I Campbell Street, Hobart | Photo Natasha Mulhall

**Deliver an implementation plan for the Social Housing Accelerator fund by 30 September 2023.**

Homes Tasmania developed Tasmania's implementation plan for the Australian Government's Social Housing Accelerator Payment, which will result in approximately 128 new homes, including 116 homes funded by the Australian Government.

**Provide input into and collaborate on the implementation of the Housing Affordability Future Fund Facility (HAFFF) or other Australian Government funding.**

Homes Tasmania and community housing providers participated in HAFFF Round 1. 479 social and affordable homes were funded in Tasmania with Homes Tasmania involvement in two successful projects.

## The power of pets

When living at his Mum's place was no longer an option, Jordan knew he needed to find somewhere for him and his six-month-old Sheffield cross Paddy to live.

"My girlfriend at the time helped me access Safe Space where I could be with Paddy, before I was offered a spot at Bethlehem House," Jordan said.

Homes Tasmania is supportive of pets in social housing tenancies that are appropriate for the property and has included kennels in the recently completed Bethlehem House in Hobart, which has three kennels so residents can keep their pets with them during their stay.

Pets are central to their owners' health and wellbeing and some people facing homelessness will sleep rough to avoid giving

up their pets, something that Jordan knows all too well.

"It's so challenging being in a position like I was, I was thinking of myself, but I also had Paddy to think about," he said.

Read more in Sheltered Companions – Jordan and Paddy. [www.homestasmania.com.au/jordan](http://www.homestasmania.com.au/jordan)



*Jordan and Paddy*

### 3. Improve the operating environment

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#### Actions

#### Performance

---

**Review our enabling (corporate/business) services and develop a plan to drive a people-focused service delivery model for Homes Tasmania.**

Several structural needs were identified and prioritised during the year.

A review of our organisational structure was undertaken to improve the alignment of business functions within our enabling services. Our Business and Financial Services now incorporates all budget, financial and business responsibilities, and the Office of the CEO now includes oversight of People and Wellbeing along with communications, governance, and executive services.

Improvements were also made to the governance of information technology to ensure more streamlined and efficient oversight.

**Conduct a Homes Tasmania tenant satisfaction survey in 2024.**

Tasmania participated in the 2023 National Social Housing Survey. The results are reported on in the section **About Homes Tasmania**.

**Review our digital operating environment by August 2023 to support the functions and programs Homes Tasmania is implementing, including:**

- **establish our information and technology strategic directions**
- **implement our strategic information reform program, including data reporting capability supported by counting rules and standards**
- **develop or replace our enterprise and business applications and supporting technologies that enable Homes Tasmania's daily operations.**

Tasmania continues to operate within a secure digital operating environment providing controlled access to all enterprise and business applications.

Further work will continue in the coming year as we work closely with stakeholders and continue to establish our information and technology strategic direction.

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## Homes Tasmania on social media

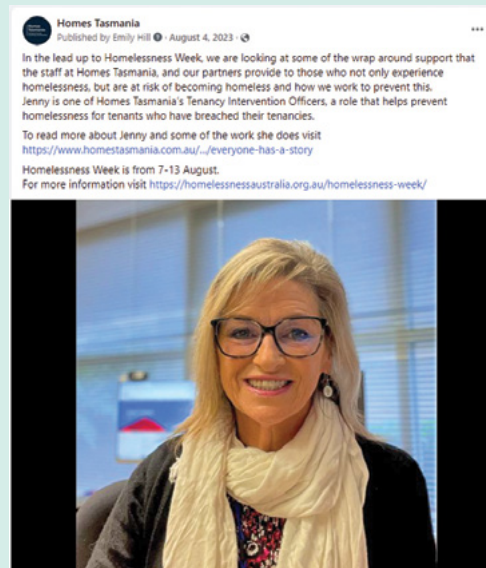
The Homes Tasmania Facebook page was established on 25 January 2023. The page has seen significant growth and engagement in its first full year of operations.

Between 1 July 2023 and 30 June 2024, there were 76 individual posts, an average of 6.3 posts per month and that includes only one post (on Easter services) when the Government was in caretaker between March and April.

The page had 326 followers and 400 page likes at end June 2024. Meta reporting showed that there were close to 10 000 visits to the page over the financial year.

One of the most popular posts was a staff profile on Jenny,

a Homes Tasmania Tenancy Intervention Officer, which featured during Homelessness Week. The post received a total of 241 likes and was shared seven times.



Tenancy Intervention Officer, Jenny

## 4. Support and develop people

### Actions

**Act on the findings of the Tasmanian State Service Employee Survey for Homes Tasmania staff by August 2023.**

### Performance

Homes Tasmania's Senior Leaders Group held two workshops during the year that looked at the role, functions and responsibilities of the new organisation. The workshops helped to develop a stronger understanding of how our employees can contribute to organisational goals.

Employee communication and access to information and resources was improved through a redesigned intranet, regular all staff emails and updates from the CEO. Redesign of policies and procedures to meet the needs of Homes Tasmania is ongoing.

People and Wellbeing continues to work on the development of contemporary resources to support employees, including those relevant to workplace flexibility and respectful behaviours.

**Implement a professional development framework by June 2024.**

The Achieving Together performance and development framework was implemented with supporting resources, including an updated intranet site with links to guidelines and templates.

A Homes Tasmania Learning and Development Policy was endorsed and employees are supported to participate in professional development opportunities, subject to available resourcing.

**Implement a work, health and safety framework for Homes Tasmania.**

Homes Tasmania has a work, health and safety framework in place to ensure the health, safety and wellbeing of our workers, in accordance with legislative requirements. Further reviews to the framework will occur during 2024-25.

**Establish a wellbeing program capability, including an employee assistance program.**

Homes Tasmania employees have access to an Employee Assistance Program and the year has seen strong usage of individual support, both through the Employee Assistance Program and in individual support plans for employees.

An additional provider for the Employee Assistance Program will support improved accessibility for employees requiring professional support.

**The best I can be**

Maddie is Lead Policy Officer and has enrolled in the Tasmanian Leaders Program.

The program is designed to support potential leaders become more effective and willing to help make Tasmania a better place for everyone.

“In my work, it’s the people element that is most important to me. How can we get the best possible outcomes from working together and supporting people? We never really get taught that.

“I know it sounds cheesy, but I’m really looking forward to

bringing some of the learnings into Homes Tasmania and with others, continue to build a positive leadership culture.”

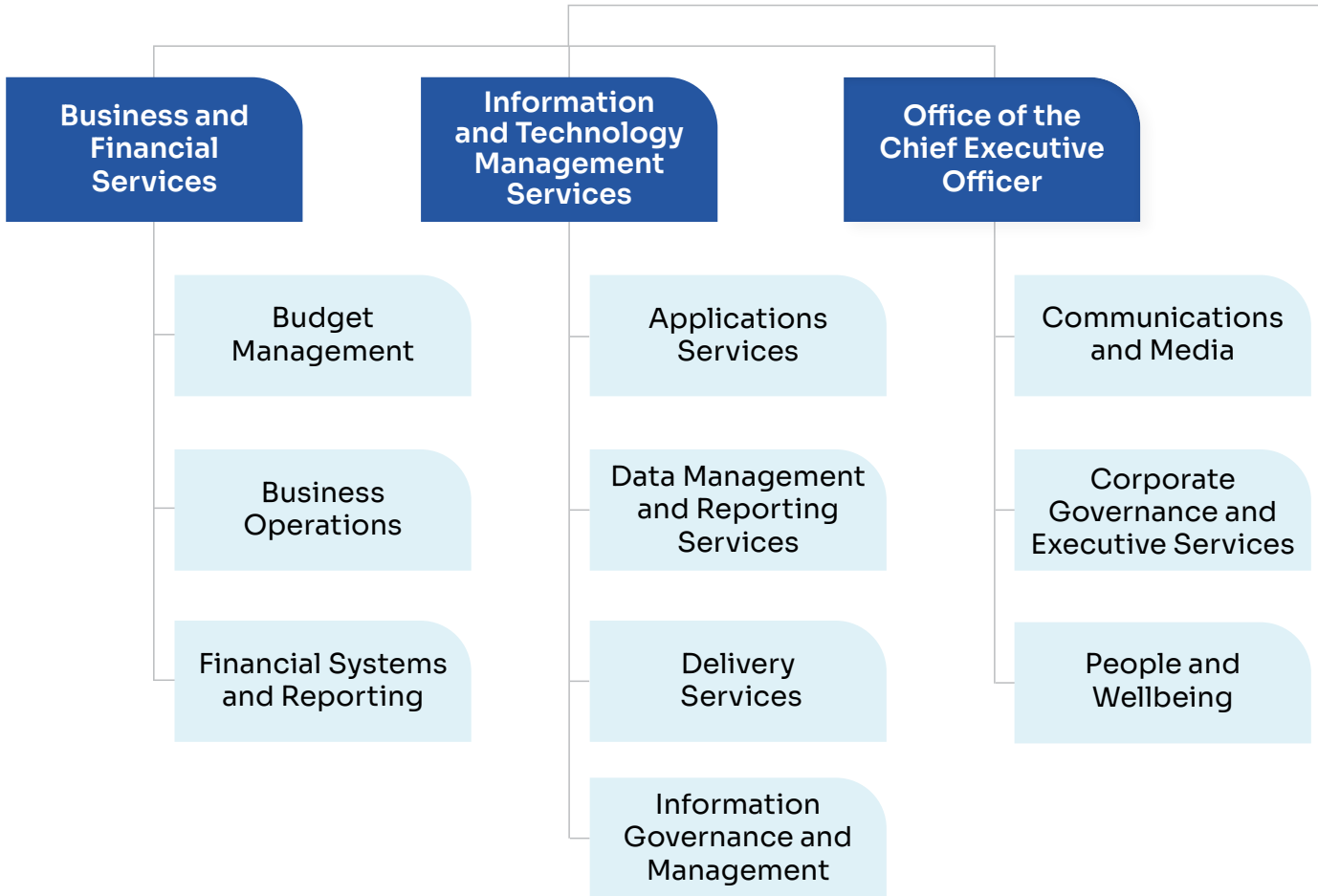


*Lead Policy Officer, Maddie*

# People and Culture

## Organisational chart

Homes Tasmania's business is delivered across three programs and is supported by three enabling services.



### Enabling Services



**Chief Executive Officer**

**Community Infrastructure**

**Housing Policy and Programs**

**Tenancy Services**

Asset Management and Planning

Capital Development

Community Partners and Projects

Property Maintenance

Government Relations and Strategic Policy

Strategic Performance and Reporting

Operational Policy and Service Design

Commissioning Unit

Housing Support Programs

Specialist Accommodation Programs

Community Housing Programs

Business Support Services

Insurance Liaison Officer

Tenancy Services North/NW

Tenancy Services South

Statewide Tenancy Administration

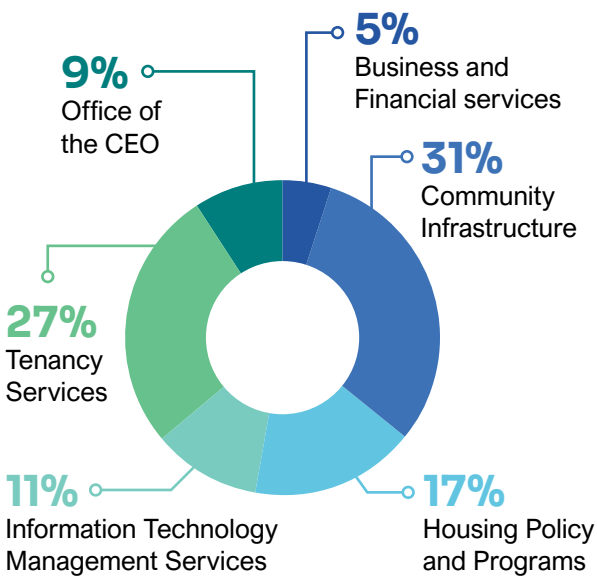
**Service Delivery programs**

## Our staff

Homes Tasmania staff are employees under the Health and Human Services (Tasmanian State Service) Award.

Homes Tasmania employed 186 people in 177.17 Full-Time Equivalent positions (FTEs). Almost 60 per cent of staff worked in either the Community Infrastructure program (which includes property maintenance services) or Tenancy Services.

### Homes Tasmania staff per business unit



## Homes Tasmania staff profile

**167**

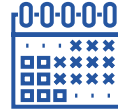
Permanent

**2**

SES

**16**

Fixed Term



**1**  
CEO



**120**  
Female

**157**  
Full Time



**66**  
Male



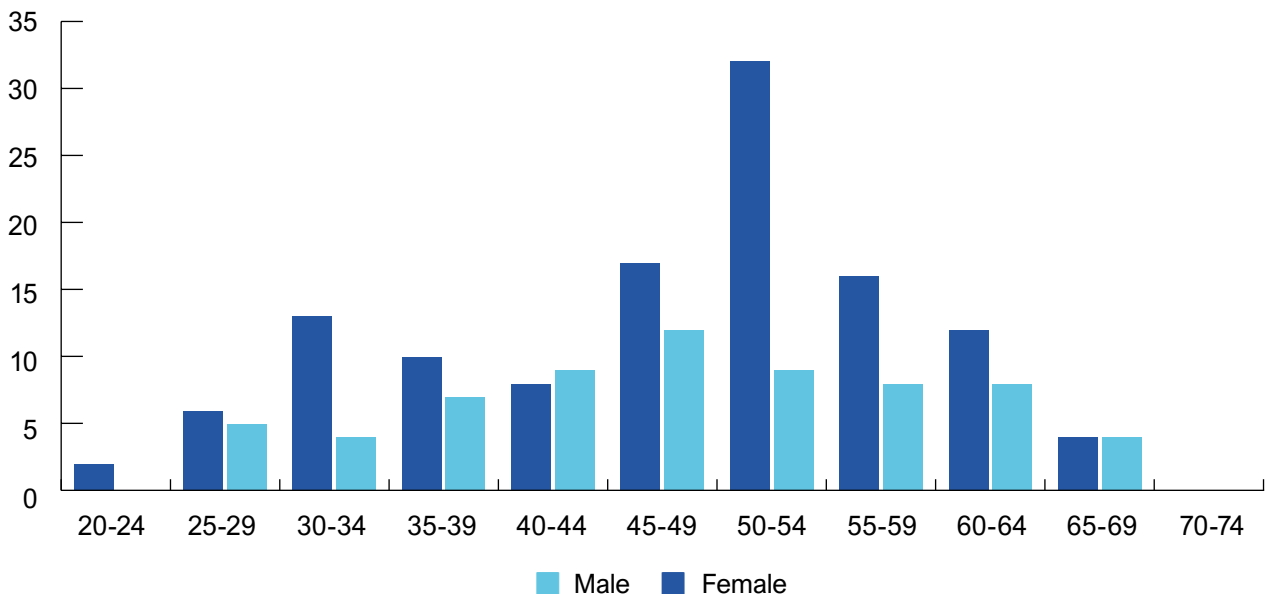
**29**  
Part Time

### Notes:

- During the financial year, all staff specified their gender.
- Homes Tasmania also has seven Board members (three male and four female).

Almost two-thirds of Homes Tasmania staff identified as women, an increase of around three per cent from last financial year, and 85 per cent of staff were permanently employed. Almost two-thirds of staff were 45 years or older, and of those, two-thirds were women.

### Homes Tasmania staff by age range and gender



## **NW Team Leader, Alice, retires after 30 years**

When she turned up looking for work 30 years ago, the former housing manager told Alice, “Look, I think you’re a wonderful person, but I don’t think this is the job for you.”

“I grew up in the country and I didn’t know that there was something called social housing. I didn’t know about problems with mental health, or alcohol and drugs.

“But right from the beginning as a tenancy officer, I had such a lot of passion and compassion for our tenants,” Alice said.

“I always felt strongly about social justice. During my career, it was important for me to keep asking my team and other service providers, ‘what else could we be doing for our clients?’ ”

The primary role of tenancy officers is to ensure a tenancy complies with residential tenancy legislation. But as Alice explains, tenancy staff spend time with tenants in their homes. It’s a privileged position where you see people in their personal, private space, at their best and worst.

“For me, the most important thing about working at Homes Tasmania, was being able to help people who were

vulnerable and in need. Housing is fundamental and I have never stopped valuing the importance of our role and the major part we play in people’s lives.”

After 30 years, Alice has made the decision to retire.

“I have my two children, four beautiful granddaughters and my sisters nearby and retirement will give me the freedom to be with them when I want.

“Housing was my passion, but the timing was right to retire. It’s time to move on to the next stage, which is my family.”

Thanks to Alice for her commitment to improving the lives of Homes Tasmania tenants and support to staff over the past 30 years.



*Retired Team Leader, Alice*

## Leave management

At the end of the financial year, Homes Tasmania's leave management profile was:



**19.06**

Average of 19.06 days of recreation leave per employee.



**13**

13 employees with more than 40 days of recreation leave.



**48.89**

Average of 48.89 days of long service leave per employee with a minimum of 10 years' service.



**0**

No employees with 100 days or more long service leave.



## Workers' compensation

There were seven claims for workers' compensation made during the financial year. Six claims related to psychological injuries and one claim related to physical injury. Liability was disputed for two claims.

Individual claim costs vary significantly depending on a range of factors, including wages costs, treatment and rehabilitation costs, and the length of claim.

## Superannuation declaration

I, Eleri Morgan-Thomas, CEO Homes Tasmania, hereby certify that:

All Homes Tasmania employee payments in respect of which an employer superannuation liability arises have been identified.

The appropriate rate of employer superannuation liability has been applied to those employee payments.

Payments of Homes Tasmania employer superannuation contributions has been made to employee-nominated complying superannuation funds in accordance with all legislative requirements and within legislated timeframes.

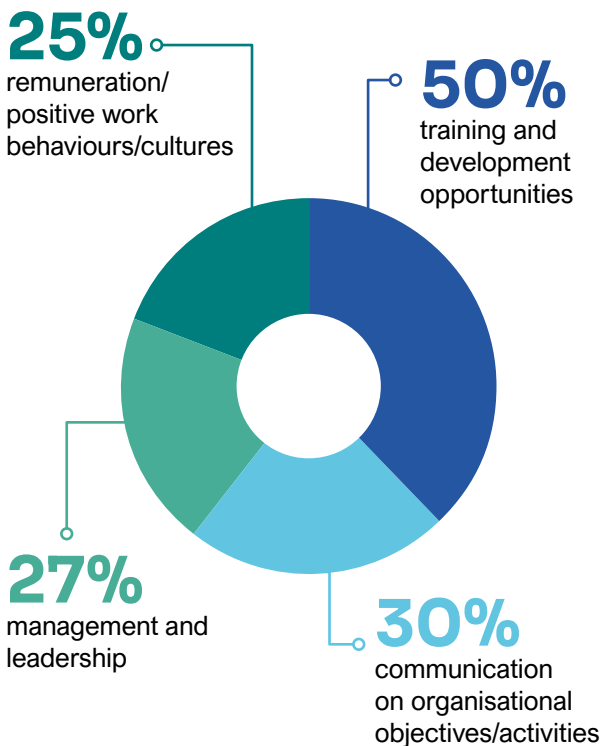
**Eleri Morgan-Thomas**  
Chief Executive Officer  
Homes Tasmania

October 2024

## Workplace wellbeing

Over 60 per cent of Homes Tasmania employees participated in the 2024 Tasmanian State Service Employee Survey, a slight increase on the previous year. Homes Tasmania’s rating across key indices - Workplace Behaviours and Conditions (73 per cent), Workplace Diversity (72 per cent) and Agency Engagement (64 per cent) - were largely consistent with the average across the Tasmanian State Service (TSS).

The four top areas Homes Tasmania employees wanted to see improvement in were: training and development opportunities (50 per cent), communication on organisational objectives/activities (30 per cent), management and leadership (27 per cent), and remuneration/positive work behaviours/cultures (25 per cent).



## TSS Staff Survey snapshot

**65%**

of staff reported using flexible working arrangements.

**66%**

of staff indicated that gender was not a barrier to success.

**66%**

of staff indicated that age was not a barrier to success.

**80%**

of staff with caring responsibilities felt supported by Homes Tasmania.

**73%**

of staff were aware of the information and resources to support those affected by family violence.

**80%**

of staff were aware that Homes Tasmania has policies in place to report improper conduct and behaviour.

# Ministerial Directions

The *Homes Tasmania Act 2022*, section 26(c)(i) requires Homes Tasmania to report on each Ministerial direction in force during the financial year.

There were no Ministerial directions in force during the 2023-24 financial year.

# Statutory Information

## Right to information

During 2023-24, Homes Tasmania received 18 applications under the *Right to Information Act 2009* (the Act). Information was provided in full for six applications and in part for 10 applications. Three applications were transferred in part to the relevant government agency. Two applications were not accepted.

Of the 10 applications for which information was provided in part, information that was assessed as being the personal information of another person was exempt from release under section 36 of the Act. Information was exempt from release under section 35 of the Act in two applications, and one application was exempt for release under section 34 of the Act.

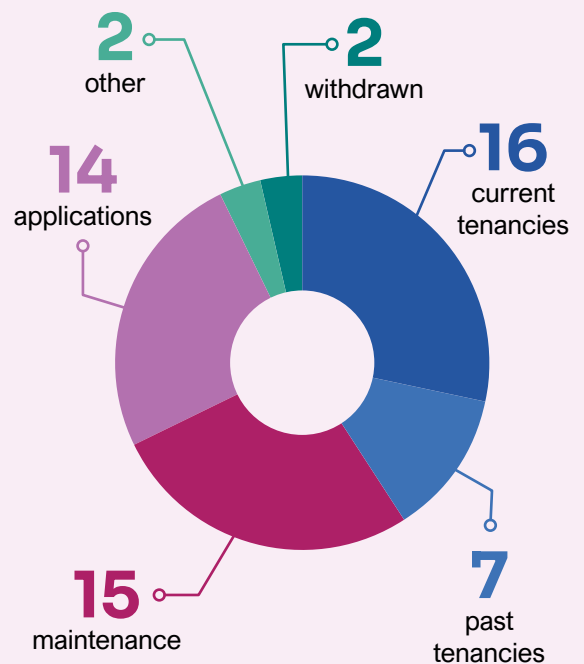
Of the 18 applications assessed for disclosure, 10 were decided between one and 20 working days, and eight were decided after 20 working days.

## Public interest disclosure

There were no matters raised with Homes Tasmania under the *Public Interest Disclosures Act 2022* in the 2023-24 financial year.

There were 56 matters referred to Homes Tasmania for investigation by the Ombudsman in the 2023-24 financial year, including matters related to current and past tenancies, maintenance, and social housing applications.

### Ombudsman matters by category



# Contracts and Tenders

The *Homes Tasmania Act 2022*, section 26(c)(iii) requires Homes Tasmania to report on each project, for the development of land or buildings, or both, in relation to which Homes Tasmania has, during the financial year, entered into a contract, or other arrangement, under which Homes Tasmania is to expend more than the prescribed amount or more than \$8 000 000, whichever is greater.

For the 2023-24 financial year, three contracts were entered into to a value of over \$8 000 000 as indicated in Table 1.

**Table 1 Contracts for the financial year to the value of more than \$8 000 000.**

Contractor name	Location	Contract description	Period of contract	Total value \$ <sup>1</sup>
<b>Anglicare Health and Welfare</b>	Tas	Housing Connect Front Door and Personalised Support	01/07/2024 - 30/06/2029	\$59 179 430
			Option to extend 01/07/2029 - 30/06/2034	\$58 847 145
<b>CatholicCare Tasmania</b>	Tas	Housing Connect Front Door and Personalised Support	01/07/2024 - 30/06/2029	\$18 183 256
			Option to extend 01/07/2029 - 30/06/2034	\$18 752 580
<b>Hobart City Mission</b>	Tas	Housing Connect Front Door and Personalised Support	01/07/2023 - 30/06/2029	\$4 345 908
			Option to extend 01/07/2029 - 30/06/2034	\$5 588 135

## Notes:

1. All values exclude GST.



Homes Tasmania ensures procurement is undertaken in accordance with the mandatory requirements of the Treasurer’s Instructions relating to procurement, including that Tasmanian businesses are given every opportunity to compete for business. Table 2 provides a summary of the level of participation by local businesses for contracts, tenders and/or quotations with a value of \$50 000 or over.

**Table 2 Summary of participation by local businesses**

Total number of contracts awarded	21
Total number of contracts awarded to Tasmanian businesses	16
Value of contracts awarded <sup>1,2</sup>	\$89 387 083
Value of contracts awarded to Tasmanian businesses <sup>1,2</sup>	\$88 014 760
Total number of tenders called and/or quotation processes run	7
Total number of bids and/or written quotations received	47
Total number of bids and/or written quotations received from Tasmanian businesses	38

**Notes:**

1. All values exclude GST.
2. In accordance with the requirements of the Treasurer’s Instructions, the values in this table do not include the value of any options to extend.

# Homes Tasmania Financial Statements

For the year ended 30 June 2024

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# Statement of Certification

The accompanying Financial Statements of Homes Tasmania are in agreement with the relevant accounts and records and have been prepared in compliance with the Homes Tasmania Act 2022 and the Treasurer's Instructions issued under the provisions of the Financial Management Act 2016 to present fairly the financial transactions for the period ended 30 June 2024 and the financial position as at the end of the year.

At the date of signing, I am not aware of any circumstances, which would render the particulars included in the Financial Statements misleading or inaccurate.



**Michele Adair**  
Chair and Director  
Homes Tasmania Board  
Accountable Authority

Dated 10th day of  
October 2024



**Eleri Morgan-Thomas**  
Chief Executive Officer  
Accountable Authority

Dated 10th day of  
October 2024



**Scott French**  
A/Principal Financial Officer  
Accountable Authority

Dated 10th day of  
October 2024

# Statement of Comprehensive Income

for the year ended 30 June 2024

	Notes	2024 Budget \$'000	2024 Actual \$'000	2023 Actual \$'000
<b>Income from continuing operations</b>				
Grants	4.1	87 737	89 649	199 754
Sales of goods and services	4.2	143	211	2 734
Interest	4.3	1 807	3 139	1 607
Contributions received	4.4	....	1 994	5 000
Revenue from rental dwellings	4.5	47 553	48 878	26 245
Operating recoveries	4.6	20 186	24 014	20 071
Service concession arrangements revenue	4.7	....	5 133	1 037
Other revenue	4.8	....	743	552
<b>Total revenue from continuing operations</b>		<b>157 426</b>	<b>173 761</b>	<b>257 000</b>
Net gain/(loss) on non-financial assets	5.1	12 890	(70 952)	(12 381)
Net gain/(loss) on financial instruments and statutory receivables/payables	5.2	357	(501)	(542)
Other gain(loss)	5.3	4 610	1 796	91
<b>Total income from continuing operations</b>		<b>175 283</b>	<b>104 104</b>	<b>244 168</b>
<b>Expenses from continuing operations</b>				
Employee benefits	6.1	15 821	21 992	17 521
Depreciation and amortisation	6.2	49 605	52 601	24 351
Maintenance	6.3	19 381	29 876	19 860
Supplies and consumables	6.4	44 053	58 211	34 436
Grants and subsidies	6.5	66 448	95 717	42 359
Finance costs	6.6	11 390	13 757	539
Other expenses	6.7	1 825	1 803	1 704
<b>Total expenses from continuing operations</b>		<b>208 523</b>	<b>273 957</b>	<b>140 770</b>
<b>Net result from continuing operations</b>		<b>(33 240)</b>	<b>(169 853)</b>	<b>103 398</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to net result in subsequent periods</b>				
Net actuarial gains/(losses) on superannuation defined benefit plans	8.5	....	(100)	(342)
Changes in property, plant and equipment revaluation surplus	10.1	329 742	276 777	472 648
<b>Total other comprehensive income</b>		<b>329 742</b>	<b>276 877</b>	<b>472 990</b>
<b>Comprehensive result</b>		<b>296 501</b>	<b>106 924</b>	<b>576 046</b>

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Noting Homes Tasmania was established on 1 December 2022, the comparative of 2022-23 reflects seven months of actuals.

# Statement of Financial Position

as at 30 June 2024

	Notes	2024 Budget \$'000	2024 Actual \$'000	2023 Actual \$'000
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	11.1	1 000	61 271	87 019
Receivables	7.1	7 062	5 076	8 106
Loan advances	7.3	....	20 331	9 628
MyHome investments	7.4	50 148	94 312	54 455
Other financial assets	7.5	2 801	846	263
<b>Non-financial assets</b>				
Assets held for sale	7.6	1 704	11 275	13 753
Property, plant and equipment	7.7	3 188 924	2 459 407	2 168 156
Service Concession Assets	7.8	2 325 977	1 967 163	1 944 042
Right-of-use assets	7.9	....	....	134
Intangible assets	7.10	748	2 995	1 512
Other assets	7.11	70	85	82
<b>Total assets</b>		<b>5 578 434</b>	<b>4 622 761</b>	<b>4 287 150</b>
<b>Liabilities</b>				
Payables	8.1	22 018	35 772	26 837
Lease liabilities	8.2	138	....	138
Borrowings	8.3	230 000	267 296	60 641
Contract liabilities	7.2	....	1 822	1 862
Employee benefit liabilities	8.4	4 182	5 003	4 761
Superannuation	8.5	6 685	4 990	5 096
Unearned revenue - Grant of a right to operate liability under service concessions	8.6	....	59 479	46 847
Other liabilities	8.7	18 365	285	199
<b>Total liabilities</b>		<b>281 389</b>	<b>374 647</b>	<b>146 381</b>
<b>Net assets</b>		<b>5 297 046</b>	<b>4 248 114</b>	<b>4 140 769</b>
<b>Equity</b>				
Contributed capital	10.2	3 561 312	3 564 723	3 564 723
Reserves	10.1	1 729 640	748 943	472 990
Accumulated funds		6 094	(65 552)	103 056
<b>Total equity</b>		<b>5 297 046</b>	<b>4 248 114</b>	<b>4 140 769</b>

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

# Statement of Cash Flows

for the year ended 30 June 2024

	Notes	2024 Budget \$'000	2024 Actual \$'000	2023 Actual \$'000
<b>Cash flows from operating activities</b>				
<b>Cash inflows</b>				
Grants – Continuing operations		87 737	88 652	165 865
Sales of goods and services		143	59	2 446
GST receipts		....	16 550	6 727
Interest received		1 807	3 175	1 607
Revenue from rental dwellings		47 553	47 902	26 588
Operating recoveries		20 190	26 792	14 633
Other cash receipts		....	665	552
<b>Total cash inflows</b>		<b>157 430</b>	<b>183 795</b>	<b>218 418</b>
<b>Cash outflows</b>				
Employee benefits		(15 821)	(21 922)	(12 176)
Finance costs		(11 390)	(1 911)	(154)
GST payments		....	( 16 301)	( 6 649)
Grants and transfer payments		(56 415)	(52 621)	(24 417)
Maintenance		(19 381)	(30 624)	(19 860)
Supplies and consumables		(44 053)	(55 259)	(8 089)
Other cash payments		(1 968)	(1 795)	(1 818)
<b>Total cash outflows</b>		<b>(149 029)</b>	<b>(180 433)</b>	<b>(73 163)</b>
<b>Net cash from / (used by) operating activities</b>	<b>11.2</b>	<b>8 401</b>	<b>3 362</b>	<b>145 255</b>
<b>Cash flows from investing activities</b>				
<b>Cash inflows</b>				
Proceeds from the disposal of non-financial assets		17 500	2 891	923
Repayment of loans by other entities		....	4 632	98
Receipts from investments		....	4 332	1 674
Receipts from non-operational capital funding - Grants		....	997	33 889
<b>Total cash inflows</b>		<b>17 500</b>	<b>12 852</b>	<b>36 584</b>
<b>Cash outflows</b>				
Payments for acquisition of non-financial assets		(104 867)	(154 226)	(110 165)
Payments for investments		....	(40 325)	(18 734)
Payment of loan advances to other entities		....	(15 335)	(8 620)
Grants and transfer payments for investments		(10 033)	(38 593)	(17 942)
<b>Total cash outflows</b>		<b>(114 900)</b>	<b>(248 479)</b>	<b>(155 461)</b>
<b>Net cash from/(used by) investing activities</b>		<b>(97 401)</b>	<b>(235 627)</b>	<b>(118 877)</b>



	Notes	2024 Budget \$'000	2024 Actual \$'000	2023 Actual \$'000
<b>Cash flows from financing activities</b>				
<b>Cash inflow</b>				
Proceeds from borrowings		70 000	208 593	60 641
Total cash inflows		70 000	208 593	60 641
<b>Cash outflow</b>				
Repayment of borrowings		....	(1 938)	....
Repayment of leases liabilities (excluding interest)		....	(138)	....
<b>Total cash outflows</b>		....	<b>(2 076)</b>	....
<b>Net cash from/(used by) financing activities</b>		<b>70 000</b>	<b>206 517</b>	<b>60 641</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>(19 000)</b>	<b>(25 748)</b>	<b>87 019</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>20 000</b>	<b>87 019</b>	<b>....</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>11.1</b>	<b>1 000</b>	<b>61 271</b>	<b>87 019</b>

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Noting Homes Tasmania was established on 1 December 2022, the comparative of 2022-23 reflects seven months of actuals.

# Statement of Changes in Equity

for the year ended 30 June 2024

	Notes	Contributed Equity \$'000	Reserves \$'000	Accumulated Funds \$'000	Total Equity \$'000
<b>Balance as at 1 July 2023</b>		<b>3 564 723</b>	<b>472 990</b>	<b>103 056</b>	<b>4 140 769</b>
Net result		....	....	(169 853)	(169 853)
Other comprehensive income		....	276 877	(100)	276 777
Total comprehensive result		....	276 877	(169 953)	106 924
Transfers from asset revaluation reserve to accumulated funds	10.1	....	(924)	924	....
Assets reclassified – AASB 1059		....	....	(75)	(75)
Assets reclassified – change in agreements or policies		....	....	496	496
<b>Balance as at 30 June 2024</b>		<b>3 564 723</b>	<b>748 943</b>	<b>(65 552)</b>	<b>4 248 114</b>

	Notes	Contributed Equity \$'000	Reserves \$'000	Accumulated Funds \$'000	Total Equity \$'000
<b>Balance as at 1 December 2022</b>		....	....	....	....
Net result		....	....	103 398	103 398
Other comprehensive income		....	472 990	(342)	472 648
Total comprehensive result		....	472 990	103 056	576 046
Transactions with owners in their capacity as owners:					
Administrative restructure - Contributions by owners		3 564 723	....	....	3 564 723
Total		3 564 723	....	....	3 564 723
<b>Balance as at 30 June 2023</b>		<b>3 564 723</b>	<b>472 990</b>	<b>103 056</b>	<b>4 140 769</b>

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

# Notes to and forming part of the Financial Statements for the year ended 30 June 2024

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## Note 1 Expenditure under Australian Government Funding Arrangements

	Australian Government Funding	
	2024 Actual \$'000	2023 Actual \$'000
<b>Special Purpose Payments</b>		
Affordable Housing	37 212	16 131
Housing	751	....
<b>Total</b>	<b>37 963</b>	<b>16 131</b>

Specific Purpose Payments (SPPs) are payments from the Australian Government to the Tasmanian Government arising from national agreements that set out the Australian Government's agreed objectives and outcomes, outputs, roles and responsibilities and performance indicators for each sector. SPPs are distributed to the States on the basis of their population shares.

National Partnership Payments (NPPs) are similar to SPPs but are provided for the purpose of the delivery of specified projects to facilitate reforms or reward jurisdictions that deliver nationally significant reforms.

## Note 2 Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to original Budget estimates as disclosed in the 2023-24 Tasmanian State Budget Papers and is not subject to audit.

Variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate or \$1.0 million.

### 2.1 Statement of Comprehensive Income

	Notes	Budget \$'000	2024 Actual \$'000	Variance \$'000	Variance %
Interest	(a)	1 807	3 139	1 332	73.7%
Contributions received	(b)	....	1 994	1 994	n/a
Operating recoveries	(c)	20 186	24 014	3 828	19.0%
Service concession arrangements revenue	(d)	....	5 133	5 133	n/a
Net gain/(loss) on non-financial assets	(e)	12 890	(70 952)	(83 842)	(650.4%)
Other gain/(loss)	(f)	4 610	1 796	(2 814)	(61.0%)
Employee benefits	(g)	15 821	21 992	6 171	39.0%
Supplies and consumables	(h)	44 053	58 211	14 158	32.1%
Grants and subsidies	(i)	66 448	95 717	29 269	44.0%
Finance costs	(j)	11 390	13 757	2 367	20.8%
Changes in property, plant and equipment revaluation surplus	(k)	329 742	276 877	(52 865)	(16.0%)

#### Notes to Statement of Comprehensive Income variances

- (a) Higher than originally budgeted interest revenue due to increased level of capital funding and longer retention of funds than originally forecast.
- (b) Actual represents properties transferred from other State Departments.
- (c) The higher level of recoveries reflects a higher level of recoverable property charges on Community Housing Organisations (CHOs) managed stock.
- (d) Represents the realised 2023-24 proportion of the Service Concession.
- (e) Variance represents actual disposal and revaluation transactions, which differ from original Budget.
- (f) Variance represents actual disposal transactions, which differ from original Budget.
- (g) Variance represents revised establishment funding not fully disclosed in original Budget.
- (h) Variance due to higher than originally budgeted levels of recurrent maintenance and other property charges.
- (i) Variance represents additional grant payments to CHOs for new stock development.
- (j) Variance represents a higher than Budgeted level of debt service costs.
- (k) Variance is reflective of revaluation adjustments, as assessed by the Valuer General.

## 2.2 Statement of Financial Position

Budget estimates for the 2023-24 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2022-23. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2023-24. The following variance analysis therefore includes major movements between the 30 June 2023 and 30 June 2024 actual balances.

	Notes	Budget \$'000	2024 Actual \$'000	2023 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Cash and cash equivalents	(a)	1 000	61 271	87 019	60 271	(25 748)
Receivables	(b)	7 062	5 076	8 106	(1 986)	(3 030)
Loan advances	(c)	....	20 331	9 628	20 331	10 703
MyHome investments	(d)	50 148	94 312	54 455	44 164	39 857
Other financial assets	(e)	2 801	846	263	(1 955)	583
Assets held for sale	(f)	1 704	11 275	13 753	9 571	(2 478)
Property, plant and equipment	(g)	3 188 924	2 459 407	2 168 156	(729 517)	291 251
Service Concession Assets	(h)	2 325 977	1 967 163	1 944 042	(358 814)	23 121
Intangible assets	(i)	748	2 995	1 512	2 247	1 483
Payables	(j)	22 018	35 772	26 837	13 754	8 935
Borrowings	(k)	230 000	267 296	60 641	37 296	206 655
Contract liabilities	(l)	....	1 822	1 862	1 822	(40)
Superannuation	(m)	6 685	4 990	5 096	(1 695)	(106)
Other liabilities	(n)	18 365	285	199	(18 080)	86

### Notes to Statement of Financial Position Budget Variances

- (a) The variance primarily reflects the anticipated outcome at the time of the Budget development.
- (b) The variance for this item is primarily due to the decrease in operational recoveries receivables.
- (c) The variance for this item relates to the recognition of loan payments to Community Housing Limited to support the increased construction activities in 2023-24.
- (d) The variance reflects the increase in the level of activity through the MyHome Shared Equity Scheme during 2023-24. This has been supported by favourable market conditions and is expected to continue through 2024-25, with changed eligibility parameters and government equity share contribution limits. The variance also reflects the revaluation on MyHome Shared Equity Scheme assets this year.
- (e) The variance reflects that the 2023-24 Budget was based on the 2021-22 actual result for the former Housing Tasmania.
- (f) The variance reflects that the 2023-24 Budget was based on the 2021-22 actual result for the former Housing Tasmania.
- (g) The variance reflects that the preliminary budget estimates anticipated a significant asset revaluation, and an expected change to the valuation method for recognition in 2023-24.



- (h) The variance reflects that the preliminary budget estimates anticipated a significant asset revaluation, and an expected change to the valuation method for recognition in 2023-24.
- (i) The variance reflects that the 2023-24 Budget was based on the 2021-22 actual result for the former Housing Tasmania.
- (j) The variance reflects that the 2023-24 Budget was based on the 2021-22 actual result for the former Housing Tasmania.
- (k) The variance reflects the increased borrowings requirements throughout 2024-25 to support the ongoing capital program.
- (l) The variance primarily reflects the known disclosures at the time of the Budget development.
- (m) The variance reflects that the 2023-24 Budget was based on the 2021-22 actual result for the former Housing Tasmania.
- (n) The variance reflects that the 2023-24 Budget was based on the 2021-22 actual result for the former Housing Tasmania.

### **Notes to Statement of Financial Position Actual Variances**

- (a) The variance for this item is due to the unspent Housing appropriation transferred from the former Department of Communities Tasmania as at 1 December 2022, and a shorter reporting period given Homes Tasmania was established on 1 December 2022.
- (b) The variance for this item is primarily due to the decrease in operational recoveries receivables.
- (c) The variance for this item primarily relates to the increase in loan payments to Community Housing Limited due to the increased construction activities in 2023-24. The total loan schedule is \$26.0 million, with \$14.8 million paid in 2023-24, and \$2.6 million paid in 2022-23.
- (d) The variance reflects the increase in the level of activity through the MyHome Shared Equity Scheme during 2023-24. This has been supported by favourable market conditions and is expected to continue with a relaunch of the scheme from 1 July 2024, with changed eligibility parameters and government equity share contribution limits. The variance also reflects the revaluation on MyHome Shared Equity Scheme assets this year.
- (e) The variance for this item is primarily due to the increase in the number of vacant land blocks sold during the year, which totalled 32 blocks in 2023-24 compared to two blocks in 2022-23.
- (f) The variance primarily reflects the revaluation increments on Community Housing Stock, Rental Dwellings and Non-Rental Dwellings during 2023-24.
- (g) The variance for this item primarily reflects the increase in work in progress relating to the software development, which is being integrated with the Housing Management System.
- (h) The variance for this item primarily relates to the accrued interest due to an increase in borrowing activities with TASCORP.
- (i) The variance for this item primarily reflects the increase in borrowing activity with TASCORP. Homes Tasmania took up four new loans with TASCORP in 2023-24 (\$208.6 million), compared to one loan in 2022-23 (\$60.6 million).

## 2.3 Statement of Cash Flows

	Notes	Budget \$'000	2024 Actual \$'000	Variance \$'000	Variance %
GST receipts	(a)	....	16 550	16 550	n/a
Interest received	(b)	1 807	3 175	1 368	75.7%
Operating recoveries	(c)	20 190	26 792	6 602	32.7%
Employee benefits	(d)	(15 821)	(21 922)	6 101	(38.6%)
Finance costs	(e)	(11 390)	(1 911)	(9 479)	83.2%
GST payments	(f)	....	(16 301)	16 301	n/a
Supplies and consumables	(g)	(44 053)	(55 259)	11 206	(25.4%)
Proceeds from the disposal of non-financial assets	(h)	17 500	2 891	(14 609)	(83.5%)
Receipts from Investments	(i)	....	4 332	4 332	n/a
Repayment of loans by other entities	(j)	....	4 632	4 632	n/a
Payment for acquisition of non-financial assets	(k)	(104 867)	(154 226)	49 359	(47.1%)
Payments for investments	(l)	....	(40 325)	40 325	n/a
Proceeds from borrowings	(m)	70 000	208 593	138 593	198.0%
Repayment of borrowings	(n)	....	(1 938)	1 938	n/a

### Notes to Statement of Cash Flows variances

- (a) GST receipts and payments are largely netted off, therefore there is no budget allocation for these two items.
- (b) Higher than originally budgeted interest received due to the increased level of capital funding and longer retention of funds than originally forecast.
- (c) The higher level of recoveries in actual reflects a higher level of recoverable property charges on CHOs managed stock.
- (d) Variance represents revised establishment funding not fully disclosed in original Budget.
- (e) The variance primarily reflects the timing difference for payments related to debt servicing costs.
- (f) GST receipts and payments are largely netted off, therefore there is no budget allocation for these two items.
- (g) Variance due to higher than originally budgeted levels of recurrent maintenance and other property charges.
- (h) The variance primarily reflects the timing difference for receipts related to the sale of land for development.
- (i) The budget for this item is disclosed under Proceeds from non-financial assets.
- (j) The variance for this item relates to the recognition of loan repayments from Community Housing Partners.
- (k) The variance primarily reflects the increase in the level of activity in the capital development program compared to the original Budget.

- (l) The variance reflects the change in disclosure compared to the 2023-24 actual, related to the MyHome Shared Equity Scheme.
- (m) The variance reflects the increased borrowings requirements throughout 2023-24 to support the ongoing capital program.
- (n) The variance reflects the change in disclosure compared to the 2023-24 actual, related to borrowings.

### Note 3 Underlying Net Result

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This funding is classified as revenue from continuing operations and included in the Net result from continuing operations. However, the corresponding capital expenditure is not included in the calculation of the Net result from continuing operations. Accordingly, the Net result from continuing operations will portray a position that is better than the true underlying financial result.

For this reason, the Net result from continuing operations is adjusted to remove the effects of funding for capital projects.

	Notes	2024 Budget \$'000	2024 Actual \$'000	2023 Actual \$'000
<b>Net result from continuing operations</b>		<b>(33 240)</b>	<b>(169 853)</b>	<b>103 398</b>
<b>Less impact of:</b>				
<b>Non-operational capital funding</b>				
Net result from Capital Projects		(22 631)	(31 191)	127 896
Contributions received - fair value of assets assumed	4.4	....	1 994	5 000
Non-monetary asset transfers	6.5	....	(6 521)	....
<b>Total</b>		<b>(22 631)</b>	<b>(35 718)</b>	<b>132 896</b>
<b>Underlying Net result from continuing operations</b>		<b>(10 609)</b>	<b>(134 135)</b>	<b>(29 498)</b>

The net result from capital outputs is included to reflect that the revenue received is mainly expensed as grants to housing providers and not capitalised. Contributions received reflects assets transferred to Homes Tasmania from government departments for nil consideration in accordance with policies around the use of surplus properties. Non-monetary asset transfers that are removed from the net operating balance consist of the transfer of properties to CHOs under agreement.

## Note 4 Revenue

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers*, dependent on whether there is a contract with a customer defined by AASB 15 and AASB 120.

### 4.1 Grants

Grants revenue, where there is a sufficiently specific performance obligation attached, are recognised when Homes Tasmania satisfies the performance obligation and transfers the promised goods or services. Homes Tasmania has not received any grants that have specific performance obligations attached during the financial year.

Grant revenue received by Homes Tasmania is funded by the State Government under an agreement that does not have a sufficiently specific performance obligation and therefore is recognised when Homes Tasmania gains control of the asset (typically Cash).

In the reporting period, Homes Tasmania received this revenue directly from the Department of Premier and Cabinet (DPAC), which acts as the lead Tasmanian Government agency for Homes Tasmania.

	2024 \$'000	2023 \$'000
<b>Continuing operations</b>		
<b>Grants from the Australian Government</b>		
Commonwealth Grants	802	....
<b>Total</b>	<b>802</b>	<b>....</b>
<b>Grants from the State Government</b>		
Drawdown of state government grant	88 551	199 754
<b>Total</b>	<b>88 551</b>	<b>199 754</b>
<b>Non-operational capital funding</b>		
<b>Grants from the Australian Government</b>		
Commonwealth Grants - Capital	296	....
<b>Total</b>	<b>296</b>	<b>....</b>
<b>Total revenue from Grants</b>	<b>89 649</b>	<b>199 754</b>

The Commonwealth Grants - Continuing Operations consists of reimbursements from DPAC for the Rapid Rehousing expenditure (\$51 000) under the Family, Domestic and Sexual Violence Partnership Agreement and for Stronger Remote Aboriginal Services (\$751 000) under the National Partnership Agreement for Remote Indigenous Housing, noting that funds under this Agreement for 2023 were received prior to the establishment of Homes Tasmania on 1 December 2022.

The drawdown of state government grants reflects the funding received from the State Government based on the state budget allocation, noting that the 2022-23 balance also included the residual funding balance from the former Department of Communities Tasmania, transferred to Homes Tasmania under an administrative restructure.

The Other Commonwealth Grants - Capital reflects the reimbursement from DPAC for the Australian Government Social Housing Accelerator Program spend.

## 4.2 Sales of goods and services

Revenue from Sales of goods and services is recognised when Homes Tasmania satisfies a performance obligation by transferring the promised goods or services to the customer.

	2024 \$'000	2023 \$'000
Other client revenue	117	39
Other user charges	94	2 695
<b>Total</b>	<b>211</b>	<b>2 734</b>

Other client revenue includes recoveries from boundary fencing.

Note that for 2023 Other user charges included Commonwealth funding for Safe Places Emergency Accommodation, which was a one-off payment.

## 4.3 Interest

Interest on funds is recognised as it accrues using the effective interest rate method.

	2024 \$'000	2023 \$'000
Interest from loan advances	29	8
Interest earned on Homes Tasmania's bank accounts	2 998	1 599
Other interest	112	....
<b>Total</b>	<b>3 139</b>	<b>1 607</b>

Interest from loan advances relates to interest received from the Home Ownership Assistance program.

Other interest primarily represents interest earned on Homes Tasmania's loan advances to CHOs.

#### 4.4 Contributions received

Services received free of charge by Homes Tasmania, are recognised as income when a fair value can be reliably determined and when the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when Homes Tasmania obtains control of the asset, it is probable that future economic benefits comprising of the contribution will flow to Homes Tasmania and the amount can be measured reliably. However, where the contribution received is from a government department as a consequence of restructuring of administrative arrangements, they are recognised as contributions by owners directly within Equity. In these circumstances, book values from the transferor department have been used.

	2024 \$'000	2023 \$'000
Fair value of assets assumed at no cost or for nominal consideration	1 994	5 000
<b>Total</b>	<b>1 994</b>	<b>5 000</b>

The contribution received relates to eight blocks of vacant land and one property that were transferred to Homes Tasmania by the Department for Education, Children and Young People (one vacant land lot, \$250 000), the Department of Natural Resources and Environment (three vacant land lots, \$1.1 million), and the Department of State Growth (four vacant land lots and one property, \$619 000). Please refer to note 7.7(b) and 7.8(b).

#### 4.5 Revenue from rental dwellings

Revenue from rental dwellings arises from the renting of properties owned by Homes Tasmania. This is comprised of the market rent for each individual property reduced by the public rental subsidy, which is an income-based subsidy derived from the clients' individual circumstances.

Rental income, together with the associated rebate, is recognised on an accruals basis in accordance with individual tenancy arrangements.

	2024 \$'000	2023 \$'000
Operating lease income - residential market rent	102 987	55 158
Less: Public rental subsidy	(54 109)	(28 913)
<b>Total</b>	<b>48 878</b>	<b>26 245</b>

#### 4.6 Operating recoveries

Operating recoveries primarily includes rates, service charges and insurance that are recouped from CHOs managing tenancies under the Community Housing Growth Program (CHGP) and other arrangements. It also includes insurance recoveries from the Tasmanian Risk Management Fund.

	2024 \$'000	2023 \$'000
Operating recoveries	24 014	20 071
<b>Total</b>	<b>24 014</b>	<b>20 071</b>

#### 4.7 Service concession arrangements revenue

Service Concession Arrangements revenue is related to the winding back of the liability for properties built by CHOs on behalf of Homes Tasmania under Service Concession Agreements. Refer to Note 8.6 for details on the related liability.

	2024 \$'000	2023 \$'000
Service concession arrangements revenue	5 133	1 037
<b>Total</b>	<b>5 133</b>	<b>1 037</b>

#### 4.8 Other revenue

Other revenue primarily relates to the recovery of costs incurred and is recognised when an increase in future economic benefits relating to an increase in an asset or a decrease of a liability has arisen that can be reliably measured.

Lease income from operating leases where Homes Tasmania is a lessor is recognised on a straight-line basis. Homes Tasmania does not have any finance leases as lessor.

	2024 \$'000	2023 \$'000
Operating lease income – commercial rent	112	50
Wages and salaries recoveries	131	2
Donations	500	500
<b>Total</b>	<b>743</b>	<b>552</b>

## Note 5 Net Gains/(Losses)

### 5.1 Net gain/(loss) on non-financial assets

Gains or losses from the sale of non-financial assets are recognised when control of the assets has passed to the buyer.

#### Key Judgement

Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use.

Specialised non-financial assets are not used for the purpose of generating cash flows; therefore, their recoverable amount is expected to be materially the same as fair value, as determined under AASB 13 *Fair Value Measurement*.

All other non-financial assets are assessed to determine whether any impairment exists, with impairment losses recognised in the Statement of Comprehensive Income.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

	2024 \$'000	2023 \$'000
Revaluation of non-current physical assets	(64 783)	( 9 382)
Net gain/(loss) on disposal of physical assets	(6 169)	(2 999)
<b>Total net gain/(loss) on non-financial assets</b>	<b>(70 952)</b>	<b>(12 381)</b>



## 5.2 Net gain/(loss) on financial instruments and statutory receivables/payables

Financial assets are impaired under the expected credit loss approach required under AASB 9 *Financial Instruments*. The expected credit loss is recognised for all debt instruments not held at fair value through profit or loss.

### Key Judgement

An impairment loss using the expected credit loss method for all trade debtors uses a lifetime expected loss allowance. The expected loss rates are based upon historical observed loss rates that are adjusted to reflect forward looking macroeconomic factors.

For other financial instruments that are not trade receivables, contract assets or lease receivables, Homes Tasmania has measured the expected credit loss using a probability-weighted amount that takes into account the time value of money and forward-looking macroeconomic factors.

	Notes	2024 \$'000	2023 \$'000
Impairment of loans and receivables	7.1	(501)	( 542)
<b>Total net gain/(loss) on financial instruments</b>	<b>6.1</b>	<b>(501)</b>	<b>(542)</b>

## 5.3 Other gain/(loss)

Other gains/(losses) include gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result.

	2024 \$'000	2023 \$'000
Net gain/(loss) on disposal of MyHome investments	621	209
Revaluation increments/(decrements) of MyHome investments	1 308	....
Impairment of MyHome investments	(133)	(118)
<b>Total net gain/(loss) from other economic flows</b>	<b>1 796</b>	<b>91</b>

MyHome Investments are revalued every two years as at 30 June. The valuation technique used to determine fair value is the market approach.

For these statements, MyHome Investments were revalued as at 30 June 2024, with the next revaluation occurring during the year ending 30 June 2026.

## Note 6 Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

### 6.1 Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

#### a Employee expenses

	2024 \$'000	2023 \$'000
Wages and salaries	16 612	9 601
Annual leave	1 361	899
Long service leave	369	24
Sick leave	809	356
Superannuation expenses – defined contribution and benefits schemes	2 656	1 448
Transfer of schemes	....	4 878
Recruitment & staff development	152	298
Other staff allowances	33	17
<b>Total</b>	<b>21 992</b>	<b>17 521</b>

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. The amount of the payment is based on a department contribution rate determined by the Treasurer, on the advice of the State Actuary. The departmental contribution rate is deemed to apply to Homes Tasmania. The current department contribution is 12.95 per cent (2022-23: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 11 per cent (2022-23: 10.5 per cent) of salary. In addition, government entities are also required to pay into the Public Account a “gap” payment equivalent to 3.45 per cent (2022-23: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

Other staff allowances relate to staff travel allowances and staff accommodation allowances.

## b Remuneration of key management personnel

The following were key management personnel of Homes Tasmania at any time during the reporting period.

	Short-term benefits		Long-term benefits		Termination Benefits <sup>5</sup>	Total
	Salary <sup>1</sup>	Other Benefits <sup>2</sup>	Superannuation <sup>3</sup>	Other Benefits and Long-Service Leave <sup>4</sup>		
1 July 2023 - 30 June 2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Key management personnel</b>						
Adair, Michele - Chair and Director Homes Tasmania Board	58	....	6	....	....	<b>64</b>
Witte, Ellen - Director Homes Tasmania Board	33	....	4	....	....	<b>37</b>
Gourlay, Timothy M - Director Homes Tasmania Board	33	....	4	....	....	<b>37</b>
Lamb, Daryl G - Director Homes Tasmania Board	33	....	4	....	....	<b>37</b>
Spizzo, Alice A - Director Homes Tasmania Board	33	....	4	....	....	<b>37</b>
Pradolin, Robert - Director Homes Tasmania Board	33	....	4	....	....	<b>37</b>
Adby, Kerry J - Director Homes Tasmania Board (from 13/02/2024)	11	....	1	....	....	<b>12</b>
Morgan-Thomas, Eleri S - Chief Executive Officer	310	35	34	8	....	<b>387</b>
Fazackerley, Rod S - Principal Financial Officer	144	2	19	2	....	<b>167</b>
Gilmour, Richard - Director - Community Infrastructure	163	6	21	3	....	<b>193</b>
Stone, Jessemey I - Director, Housing Policy and Programs	161	29	23	(1)	....	<b>212</b>
Schouten, Alexandra M - Manager - Office of the Chief Executive Officer (OCEO)	144	3	19	(5)	....	<b>161</b>
Fulton, Ricky L - Manager Tenancy Services	144	1	19	5	....	<b>169</b>
Lewis, Warren D - Senior Manager - Information and Technology Management Services (ITMS) (01/07/2023 until 23/12/2023)	72	2	9	3	....	<b>86</b>
Nesic, Miodrag - Senior Manager - ITMS (08/01/2024 until 09/02/2024)	11	....	1	....	....	<b>12</b>
Miller, Scott A - Senior Manager - ITMS (from 27/05/2024)	11	1	2	....	....	<b>14</b>
<b>Acting Key management personnel</b>						
Kelly, Skye - Manager - OCEO (29/01/2024 until 06/03/2024)	16	1	2	6	....	<b>25</b>
Wiggins, Bridget B - Senior Manager - ITMS (15/02/2024 until 26/05/2024)	41	2	6	1	....	<b>50</b>
<b>Total</b>	<b>1 451</b>	<b>82</b>	<b>182</b>	<b>22</b>	<b>....</b>	<b>1 737</b>

	Short-term benefits		Long-term benefits		Termination Benefits <sup>5</sup>	Total
	Salary <sup>1</sup>	Other Benefits <sup>2</sup>	Superannuation <sup>3</sup>	Other Benefits and Long-Service Leave <sup>4</sup>		
<b>1 December 2022 - 30 June 2023</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Key management personnel</b>						
Adair, Michele - Chair and Director Homes Tasmania Board	33	....	3	....	....	<b>36</b>
Witte, Ellen - Director Homes Tasmania Board	18	....	2	....	....	<b>20</b>
Gourlay, Timothy M - Director Homes Tasmania Board	17	....	2	....	....	<b>19</b>
Lamb, Daryl G - Director Homes Tasmania Board	18	....	2	....	....	<b>20</b>
Spizzo, Alice A - Director Homes Tasmania Board	18	....	2	....	....	<b>20</b>
Pradolin, Robert - Director Homes Tasmania Board	17	....	2	....	....	<b>19</b>
Morgan-Thomas, Eleri S - Chief Executive Officer (from 06/03/2023)	92	77	10	2	....	<b>181</b>
Fazackerley, Rod S - Principal Financial Officer	83	3	11	4	....	<b>101</b>
Gilmour, Richard - Director - Community Infrastructure	89	11	12	(1)	....	<b>111</b>
Stone, Jessemy I - Director, Housing Policy and Programs	93	17	13	2	....	<b>125</b>
Schouten, Alexandra M - Manager - OCEO	81	1	11	(5)	....	<b>88</b>
Fulton, Ricky L - Manager Tenancy Services	81	1	11	4	....	<b>97</b>
Lewis, Warren D - Senior Manager - ITMS	82	(3)	11	....	....	<b>90</b>
<b>Acting Key management personnel</b>						
White, Peter L - Chief Executive Officer (01/12/2022 until 05/03/2023)	66	7	8	(7)	....	<b>74</b>
<b>Total</b>	<b>788</b>	<b>114</b>	<b>100</b>	<b>(1)</b>	<b>....</b>	<b>1 001</b>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Homes Tasmania, directly or indirectly.

Remuneration during 2023-24 for key personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long term employee expenses include long service leave and superannuation obligations.

### **Acting Arrangements**

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for a consecutive period of more than one month.

### **Terminations**

Termination benefits include all forms of benefit paid or accrued as a consequence of termination, including annual leave and long service leave paid out on termination.

Notes:

- 1 Salary includes all forms of consideration paid and payable for services rendered and compensated absences during the period.
- 2 Other benefits include all other forms of non-salary benefits such as motor vehicles and parking, relocation costs, fringe benefit tax payable in respect of these benefits, payments in lieu of leave, annual leave movements and any other compensation paid or payable.
- 3 Superannuation means the contribution to the superannuation fund of the individual.
- 4 Other benefits and long service leave include the movements in the long service leave balances.

### **c Related party transactions**

There are no material significant party transactions requiring disclosure.

## 6.2 Depreciation and amortisation

All applicable non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and Artwork, being assets with unlimited useful lives, are not depreciated.

The depreciable amount of improvements to or on leaseholds is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is reasonably certain.

### Key estimate and judgement

Depreciation is provided for on a straight-line basis, using rates which are reviewed annually.

Depreciation of Homes Tasmania's Rental Dwellings and Community Housing Stock is based on a useful life of 50 years. This is a conservative estimate based on the knowledge that the management of the housing stock includes regular assessment of properties and a large maintenance program, which ensures properties remain relatively fit for purpose. All other buildings are depreciated over their remaining useful life.

Depreciation of Homes Tasmania's Service Concession Assets (SCA) is based on the useful lives provided by the Office of the Valuer-General (OVG). Depreciation occurs over the expected useful life of each asset.

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by Homes Tasmania.

Right-of-use assets are depreciated over the term of the lease.

### a Depreciation

	Major depreciation period	2024 \$'000	2023 \$'000
Plant and equipment	2-20 years	1 432	601
Rental dwellings	50 years	24 399	13 718
Non-rental Dwellings	40-50 years	775	456
Community housing stock	50 years	2 298	780
Service Concession Assets buildings	29-105 years	23 241	8 518
Leasehold Improvements	3 years	51	45
Right-of-use assets	3-5 year	134	78
Vehicles	5 year	4	....
<b>Total</b>		<b>52 334</b>	<b>24 196</b>

## b Amortisation

	Major depreciation period	2024 \$'000	2023 \$'000
Intangible assets	20 per cent	267	155
<b>Total</b>	<b>0</b>	<b>267</b>	<b>155</b>

## 6.3 Maintenance

	2024 \$'000	2023 \$'000
Maintenance	29 876	19 860
<b>Total</b>	<b>29 876</b>	<b>19 860</b>

## 6.4 Supplies and consumables

	2024 \$'000	2023 \$'000
Audit fees	90	85
Consultants	861	528
Insurance	15 289	17 477
Rates and charges	33 763	10 168
Property services and rental payments	1 510	1 700
Communications	403	423
Information technology	915	407
Travel, transport and vehicle leasing payments	498	234
Advertising and promotion	43	300
Client services	888	658
Other leasing and licencing costs	531	241
Equipment and furniture	23	1
Administration	292	255
Food production costs	2	4
Bureau Service charge	1 620	1 071
Service fees	985	617
Other supplies and consumables	498	267
<b>Total</b>	<b>58 211</b>	<b>34 436</b>

Audit fees paid or payable to the Tasmanian Audit Office for the audit of Homes Tasmania's financial statements were \$90 000 (2022-23 \$85 000).

Bureau Service Charge primarily represents payments to Department of Health for the provision of corporate services under a bureau service arrangement.

## 6.5 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when Homes Tasmania has a binding agreement to make the grants, but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2024 \$'000	2023 \$'000
Community Housing Growth Program - CatholicCare	1 136	4 722
Community Housing Growth Program - Centacare Evolve	8 313	3 323
Community Housing Growth Program - Community Housing Ltd	1 716	....
Community Housing Growth Program - Housing Choices	5 222	3 533
Community Housing Growth Program - Emmerton Park	1 980	....
Community Housing Growth Program - Launceston City Mission	446	149
Community Housing Growth Program - Mission Australia	201	....
Community Housing Growth Program - St Michaels	405	2 295
Community Housing Growth Program - St Vincents	3 366	....
Community Housing Programs - Housing Choices - Round 2	191	239
Community Housing Programs - Salvation Army - Round 2	660	2 334
Community Housing Programs - Centacare Evolve - Round 2	1 499	....
Community Housing Stock Leverage Program	362	362
Family Violence Rapid Rehousing	822	....
Hobart Youth Foyer	347	205
Hobart Women's Shelter Emergency Response	439	....
Housing Connect	16 190	6 629
Launceston Youth at Risk Centre	915	360
National Rental Affordability Scheme	67	16
New Devonport Men's Shelter	710	355
New Hobart Supported Accommodation Facility	217	....
Peak Body Funding	446	171
Private Rental Landlord Incentives	3 894	1 819
Queens Walk - Housing Choices	8 072	....
Regional Supply	....	1 347
Regional Supply of Social Housing Stage 2 - Centacare Evolve	864	....
Residential Management Agreement - Centacare Evolve	1 000	....
Residential Management Agreement - Community Housing Ltd	504	....
Residential Management Agreement - Mission Australia	1 000	....
Shelter Tasmania Workforce Development Strategy	84	32
FIAAI - Social Housing Accelerator projects	40	....
Statewide Safe Spaces	7 510	1 399
Strategic Sites Acquisitions	....	67
Supported Accommodation Assistance Program grants	17 144	7 221



	2024 \$'000	2023 \$'000
Supported Elderly Accommodation	400	815
Three Mile Line Rd Burnie - ESP2	....	936
Title transferred to CHOs	6 521	....
Wintringham Elderly Support	....	245
Youth 2 Independence (Y2I) Homes	2 015	1 422
Other	1 019	2 363
<b>Total Grants</b>	<b>95 717</b>	<b>42 359</b>

Homes Tasmania provides supported accommodation assistance including crisis accommodation and related support for people who are experiencing homelessness or who are at imminent risk of becoming homeless and private rental support.

Grants under the Community Housing Growth Program (CHGP) reflect Homes Tasmania's agreed contribution towards new capital supply for social housing that is built by CHOs under agreement with Homes Tasmania. Homes Tasmania retains these properties at the end of the agreement period.

Grants to the Community Housing Program are agreed contributions towards new capital supply for social housing that is built by CHOs on their own land. The CHOs retain title of the newly constructed properties at the end of the agreement period.

Homes Tasmania provided grant funding to Anglicare and Colony 47 to operate the Housing Connect system. Housing Connect is Tasmania's statewide system for housing and homelessness services. Housing Connect facilitates client access to a range of housing products, information, services and support. This includes applications for social housing, emergency accommodation, supported accommodation, rapid rehousing, and affordable private rentals.

## 6.6 Finance costs

All finance costs are expensed as incurred using the effective interest method.

Finance costs primarily include:

- interest on bank overdrafts and short term borrowings;
- interest on long term borrowings;
- interest on superannuation defined benefit plans; and
- Lease charges.

	Notes	2024 \$'000	2023 \$'000
<b>Interest expense</b>			
Interest on loans		13 481	385
Interest on superannuation defined benefit plans	8.5(b)	276	154
<b>Total</b>		<b>13 757</b>	<b>539</b>

Interest on loans refers to the accrued semi-annual coupon payments relating to the Forward Start bond loans provided by TASCORP. The increase in the interest paid on loans reflects the higher level of borrowings held at June 2024 (\$267.3 million), compared to borrowings at June 2023 (\$60.6 million). Please refer to notes 8.1 and 8.3 for more information.

## 6.7 Other expenses

Other expenses are recognised when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be reliably measured.

	2024 \$'000	2023 \$'000
Salary on-costs	9	252
Tasmanian Risk Management Fund premium	1 532	1 447
Other	262	5
<b>Total</b>	<b>1 803</b>	<b>1 704</b>

## Note 7 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to Homes Tasmania and the asset has a cost or value that can be measured reliably.

### 7.1 Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price. Receivables are recorded inclusive of GST (where applicable).

Homes Tasmania recognises receivables at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the reporting period when impaired, derecognised or through the amortisation process. Homes Tasmania recognises an allowance for expected credit losses for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

Administrative debts of \$54 000 and rental revenue debts of \$447 000 were deemed unrecoverable as at 30 June 2024. This compares to nil administrative debts and rental revenue debts of \$386 000 in 2023.

	2024 \$'000	2023 \$'000
Receivables	5 547	8 625
Less: Expected credit loss	(471)	(519)
<b>Total</b>	<b>5 076</b>	<b>8 106</b>
<b>Comprised of</b>		
Sales of goods and services	5 228	8 064
Tax assets	(152)	42
<b>Total</b>	<b>5 076</b>	<b>8 106</b>
<b>Settlement</b>		
Settled within 12 months	5 076	8 106
<b>Total</b>	<b>5 076</b>	<b>8 106</b>

Tax assets refers to GST Receivable at 30 June 2024.

Reconciliation of movement in expected credit loss for receivables	2024 \$'000	2023 \$'000
<b>Carrying amount at the beginning of the reporting period</b>	<b>519</b>	<b>....</b>
Amounts written off during the year	(501)	(386)
Amounts recovered during the year	(47)	(23)
Increase/(decrease) in provision recognised in profit or loss	500	928
<b>Carrying amount at 30 June</b>	<b>471</b>	<b>519</b>

For ageing analysis of the financial assets, refer to note 12.1.

## 7.2 Contract assets and liabilities

	2024 \$'000	2023 \$'000
<b>Contract liabilities</b>		
Balance the beginning of the reporting period	1 862	....
Add: rental revenue	1 822	1 862
Less: rental revenue	(1 862)	....
<b>Balance as at 30 June</b>	<b>1 822</b>	<b>1 862</b>
	<b>2024 \$'000</b>	<b>2023 \$'000</b>
<b>Revenue from performance obligations met during the current period</b>	<b>1 862</b>	<b>....</b>

Contract liabilities relate to Homes Tasmania rental revenue received in advance.

Disclosures for remaining performance obligations are not required due to the contract liability relating to rental revenue received in advance being less than 12 months (AASB 15 Revenue from Contracts with Customers (120)(a)).

## 7.3 Loan advances

Loan advances are borrowings provided to clients for the purchase of homes and funding to CHOs for the provision of social housing. They are recognised as the balance of the outstanding principal less any impairment losses.

	2024 \$'000	2023 \$'000
Loan advances	20 402	9 652
Less: Provision for impairment	(71)	(24)
<b>Total</b>	<b>20 331</b>	<b>9 628</b>
<b>Settlement</b>		
Settled within 12 months	1 447	5 418
Settled in more than 12 months	18 884	4 210
<b>Total</b>	<b>20 331</b>	<b>9 628</b>

The provision for impairment is the result of an audit undertaken by an external entity.

## 7.4 MyHome investments

Homes Tasmania holds investments via the MyHome Shared Equity Scheme.

MyHome investments represent Homes Tasmania's equity share in properties under this scheme, which are initially recorded at cost with any changes in the fair value being recorded as income or expenses in the Statement of Comprehensive Income. MyHome investments are not depreciated and are revalued on a biennial basis using information provided by the Valuer-General as detailed below.

	2024 \$'000	2023 \$'000
Transfer on administrative restructure	....	37 304
MyHome investments	54 573	....
Add: Additions	42 393	18 734
Less: Disposals	(3 711)	(1 465)
Fair value increment/(decrement)	1 308	....
	<b>94 563</b>	<b>54 573</b>
Less: Provision for impairment	(251)	(118)
<b>Total</b>	<b>94 312</b>	<b>54 455</b>
<b>Settlement</b>		
Settled in more than 12 months	94 312	54 455
<b>Total</b>	<b>94 312</b>	<b>54 455</b>

There has been a significant increase in the level of activity through the MyHome Shared Equity Scheme during 2023-24. This has been supported by favourable market conditions and is expected to continue with a relaunch of the scheme from 1 July 2024, with changed eligibility parameters and government equity share contribution limits.

The relevant gain on sale is disclosed in Note 5.3.

MyHome Investments are revalued every two years as at 30 June. The valuation technique used to determine fair value is the market approach.

For these statements, MyHome Investments were revalued as at 30 June 2024, with the next revaluation occurring during the year ending 30 June 2026.

## 7.5 Other financial assets

Other financial assets are held at fair value.

	2024 \$'000	2023 \$'000
Accrued revenue	846	263
<b>Total</b>	<b>846</b>	<b>263</b>
<b>Settlement</b>		
Settled within 12 Months	846	263
<b>Total</b>	<b>846</b>	<b>263</b>

Accrued revenue primarily relates to rental revenue.

## 7.6 Assets held for sale

Assets held for sale (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale. Immediately before classification as held for sale, fair value assets (or components of a disposal group) are remeasured in accordance with Homes Tasmania's policy. Upon initial classification to assets held for sale, assets are remeasured at the lower of carrying amount and fair value less costs to sell. An impairment loss is recognised in profit or loss for any initial and subsequent write down from the carrying amount measured immediately before re-measurement to fair value less costs of disposal. Such assets are no longer amortised or depreciated upon being classified as held for sale.

### a Carrying amount

	2024 \$'000	2023 \$'000
Transfer on administrative restructure	....	525
Land held for sale	13 732	....
Add: Additions	....	5 256
Add: WIP transfers	840	....
Transfers between asset classes	(346)	7 989
Less: Disposals	(2 768)	(57)
Less: Estimated selling cost	(344)	(394)
Buildings held for sale	447	....
Transfers between asset classes	166	447
Less: Disposals	(447)	....
Less: Estimated selling cost	(5)	(13)
<b>Total</b>	<b>11 275</b>	<b>13 753</b>
<b>Settlement</b>		
Settled within 12 Months	11 275	13 753
<b>Total</b>	<b>11 275</b>	<b>13 753</b>

Assets held for sale primarily reflect vacant land lots offered for sale, with 127 lots on the market as at 30 June 2024. Of these, 16 lots are under contract and a further two lots under offer as at 30 June 2024.

All properties are offered for sale through the open market, with sales at a minimum of the market value as assessed by the Valuer-General.

Assets sold during the year include 32 vacant land blocks, identified and sold in accordance with strategic asset management.

Land and building disclosures represent activity net of new listings and sales. The WIP transfers (\$840 000) represents newly completed assets this year and the interest allocation to those assets in accordance with the entity's borrowing policy.

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

## b Fair value measurement of Assets held for sale (including fair value levels)

2024	Carrying value at	Fair value measurement at end of reporting period		
		30 June \$'000	Level 1 \$'000	Level 2 \$'000
Land	11 114	....	11 114	....
Buildings	161	....	161	....
<b>Total</b>	<b>11 275</b>	....	<b>11 275</b>	....

2023	Carrying value at	Fair value measurement at end of reporting period		
		30 June \$'000	Level 1 \$'000	Level 2 \$'000
Land	13 319	....	13 319	....
Buildings	434	....	434	....
<b>Total</b>	<b>13 753</b>	....	<b>13 753</b>	....

## 7.7 Property, plant and equipment

### Key estimate and judgement

#### (i) Valuation basis

Land is recorded at fair value and is not depreciated. Rental dwellings, non-rental dwellings and community housing stock are recorded at fair value less accumulated depreciation. All other non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets include the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or being occupied.

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

*Level 1* the fair value is calculated using quoted prices in active markets;

*Level 2* the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

*Level 3* the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

#### (ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to Homes Tasmania and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as incurred.



(iii) *Asset recognition threshold*

The asset capitalisation thresholds adopted by Homes Tasmania are:

Plant, equipment, and vehicles	\$10 000
Leasehold improvements	\$10 000
Rental dwellings	\$10 000
Non-rental dwellings	\$10 000
Community housing stock	\$10 000
Intangibles	\$50 000
Artwork	\$10 000

Assets valued at less than \$10 000 (or \$50 000 for intangible assets) are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

(iv) *Revaluations*

Homes Tasmania's rental dwellings and community housing stock are measured at fair value and revalued every two years as at 30 June. The valuation technique used to determine fair value is the market approach.

Note that Homes Tasmania is a designated for-profit entity in the Public Non-Financial Corporation Sector and there is now a requirement for an individual useful life to be assigned to each asset by the Valuer General (AASB 13 *Fair Value Measurement*, paragraph 11 and AASB 116 *Property, Plant and Equipment*, paragraph 39).

The current method does not provide this assessment, instead the useful life is inherently built into the valuation figure for each asset. Homes Tasmania assigns a 50-year useful life to each of the building assets, which equates to a 2 per cent depreciation rate. This is a conservative estimate based on knowledge that the management of the housing stock includes regular assessment of properties and a large maintenance program, which ensures properties remain relatively fit for purpose.

Homes Tasmania is comfortable that the current valuation methodology provides a true and fair value of the assets and the statements remain materially accurate. This is primarily because Homes Tasmania places reliance on the Valuer-General's expertise who has confirmed that the valuations:

- are market-based using quoted prices in an active market for similar assets (Level 2 inputs in the fair value hierarchy – AASB 13 *Fair Value Measurement*, paragraph 81);
- reflect the highest and best use of the assets (AASB 13 *Fair Value Measurement*, paragraph 31); and
- maximise the use of relevant observable inputs and minimise the use of unobservable inputs (AASB 13 *Fair Value Measurement*, paragraph 67).

For these statements, rental dwellings and community housing stock were revalued as at 30 June 2024 with the next revaluation planned to occur during the year 30 June 2026.

Homes Tasmania's non-rental dwellings and vacant land were revalued independently by the Valuer-General of Tasmania as at 30 June 2023. These assets were valued in accordance with the Australian Accounting Standards (AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*). In 2024 these assets received a desktop

indices valuation indexation based on a review of market movement for land (Level 2 hierarchy) and construction cost (Level 3 hierarchy) undertaken by the Valuer-General of Tasmania for the period 1 July 2023 to 30 June 2024. The averaged indexation factor for movement in land value is: 1.00 (0% change) since the last fair value valuation. The indexation factor for movement in building and infrastructure cost is 1.05 (5% increase) since the last fair value valuation.

Impairment losses of a revalued asset are treated as a revaluation decrease in accordance with the revaluation model in AASB 116. That is, the loss is recognised in other comprehensive income to the extent that the loss does not exceed the amount in the revaluation surplus for that same asset. Any remaining loss is recognised in the net operating result.

#### *(v) Service concession assets*

Service concession assets are revalued at fair value in accordance with AASB 1059 *Service Concession Arrangements: Grantors* every two years as at 30 June using the depreciated current replacement cost method.

These assets were revalued by the Office of the Valuer General (OVG) as at 30 June 2023. Therefore, the next revaluation will occur during the year ending 30 June 2025.

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

#### **Initial recognition**

Homes Tasmania recognises a service concession asset when it controls the asset. Where the asset is provided by the operator or is an upgrade to or a major component replacement of an existing asset of Homes Tasmania, the asset is recognised at current replacement cost based on AASB 13 *Fair Value Measurement* principles.

Where an asset is an existing asset of Homes Tasmania, the asset is reclassified as a service concession asset and remeasured at current replacement cost at the date of reclassification. Any difference between the previous carrying amount and current replacement cost is recognised as if it is a revaluation of the asset.

#### **Subsequent to initial recognition**

Subsequent to the initial recognition or reclassification, the service concession asset is measured at current replacement cost and accounted for in accordance with the depreciation and impairment requirements of AASB 116 *Property, Plant and Equipment* and AASB 136 *Impairment of Assets*.

#### **At the end of the arrangement**

At the end of the service concession arrangement Homes Tasmania accounts for the asset in accordance with Australian Accounting Standards, reclassifying the asset based on its nature and function. The asset fair value reverts from the mandated current replacement cost under AASB 1059 *Service Concession Arrangements: Grantors*, to the appropriate approach under AASB 13 *Fair Value Measurement*. The asset is derecognised when the entity loses control of the asset in accordance with AASB 116 *Property, Plant and Equipment*.

## a Carrying amount

	2024 \$'000	2023 \$'000
<b>Vacant land</b>		
Vacant land at fair value	86 925	74 796
<b>Total vacant land</b>	<b>86 925</b>	<b>74 796</b>
<b>Rental dwellings</b>		
Rental dwellings buildings at fair value	1 231 749	1 185 460
Less: Accumulated depreciation	(637)	(13 716)
<b>Total Rental Dwellings Buildings</b>	<b>1 231 112</b>	<b>1 171 744</b>
Rental dwellings land at fair value	842 203	680 309
<b>Total rental dwellings</b>	<b>2 073 315</b>	<b>1 852 053</b>
<b>Non-rental dwellings</b>		
Buildings at fair value	45 722	36 830
Less: Accumulated depreciation	(771)	....
<b>Total non-rental buildings</b>	<b>44 951</b>	<b>36 830</b>
Land at fair value	19 066	15 962
<b>Total non-rental dwellings</b>	<b>64 017</b>	<b>52 792</b>
<b>Community housing stock</b>		
Community housing buildings at fair value	137 177	80 218
Less: Accumulated depreciation	(1 516)	(780)
<b>Total Community housing stock buildings</b>	<b>135 661</b>	<b>79 438</b>
Community housing land at fair value	22 622	15 317
<b>Total community housing stock</b>	<b>158 283</b>	<b>94 755</b>
<b>Plant, equipment and vehicles</b>		
At cost	15 551	10 414
Less: Accumulated depreciation	(2 038)	(601)
<b>Total plant, equipment and vehicles</b>	<b>13 513</b>	<b>9 813</b>
<b>Leasehold Improvements</b>		
At cost	96	96
Less: Accumulated depreciation	(96)	(45)
<b>Total Leasehold Improvements</b>	<b>....</b>	<b>51</b>
<b>Total plant, equipment, vehicles and Leasehold Improvements</b>	<b>13 513</b>	<b>9 864</b>
<b>Work in progress</b>		
Buildings	63 354	83 896
<b>Total work in progress</b>	<b>63 354</b>	<b>83 896</b>
<b>Total Property, plant and equipment</b>	<b>2 459 407</b>	<b>2 168 156</b>

### b Reconciliation of movements (including fair value levels)

Reconciliations of the carrying amounts of each class of Property, Plant and Equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

	Community housing stock	Rental Dwellings	Non-rental dwellings	Vacant land	Plant, equipment, vehicles and Leasehold Improvements	Works in progress	Total
	Level 2	Level 2	Level 3	Level 2			
2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying value at 1 July</b>	<b>94 755</b>	<b>1 852 053</b>	<b>52 792</b>	<b>74 796</b>	<b>9 864</b>	<b>83 896</b>	<b>2 168 156</b>
Additions	5 144	...	...	281	...	117 171	122 596
Contribution received	...	...	...	1 788	...	...	1 788
Assets reclassified – change in agreements or policies	...	1 158	291	...	...	...	1 449
Disposals	...	(3 128)	...	...	...	...	(3 128)
Gains/losses recognised in operating result							
Revaluation increments (decrements)	(6 614)	(59 046)	877	...	...	...	(64 783)
Gains/losses recognised in other comprehensive income							
Revaluation increments (decrements)	6 140	268 587	1 488	...	...	...	276 215
Assets held for sale	...	...	...	571	...	...	571
Grants transfers (refer Note 6.5)	...	...	...	(220)	...	...	(220)
Transfers between asset classes	1 879	(3 388)	3 311	(3 347)	...	...	(1 545)
WIP transfers	59 277	41 478	6 035	13 056	5 137	(136 400)	(11 417)
WIP expensed	...	...	...	...	...	(1 313)	(1 313)
Depreciation	(2 298)	(24 399)	(777)	...	(1 488)	...	(28 962)
<b>Carrying value at 30 June</b>	<b>158 283</b>	<b>2 073 315</b>	<b>64 017</b>	<b>86 925</b>	<b>13 513</b>	<b>63 354</b>	<b>2 459 407</b>

The contribution received relates to eight blocks of vacant land that were transferred to Homes Tasmania by the Department for Education, Children and Young People (one vacant land lot, \$250 000), the Department of Natural Resources and Environment (three vacant land lots, \$1.12 million), and the Department of State Growth (four vacant land lots, \$410 000). Please refer to note 4.4.

Assets reclassified – change in agreements or policies relates to three properties transferred from Homes Tasmania's Contingent assets to Rental dwellings reflecting the return of these assets to rental stock.

Grants transfers includes two vacant land lots transferred to Community Housing Limited for nil consideration.

	Community housing stock	Rental Dwellings	Non-rental dwellings	Vacant land	Plant, equipment, vehicles and Leasehold Improvements	Works in progress	Total
	Level 2	Level 2	Level 3	Level 2			
2023	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying value at 1 December</b>	....	....	....	....	....	....	....
Net transfers through restructuring	77 814	1 817 638	43 020	34 207	4 345	90 169	2 067 193
Additions	....	....	....	....	....	93 921	93 921
Contribution received	5 000	....	....	....	....	....	5 000
Cost adjustment	....	(6 468)	....	....	....	....	(6 468)
Disposals	....	(1 220)	(127)	....	....	....	(1 347)
Gains/losses recognised in operating result	....	....	....	....	....	....	....
Revaluation increments (decrements)	....	....	(1 456)	(236)	....	....	(1 692)
Gains/losses recognised in other comprehensive income	....	....	....	....	....	....	....
Revaluation increments (decrements)	171	....	8 306	31 685	....	....	40 162
Assets held for sale	....	....	(1 616)	(6 820)	....	....	(8 436)
Transfers between asset classes	1 117	(1 964)	3 068	(6 741)	....	....	(4 520)
WIP transfers	11 433	57 785	2 053	22 701	6 165	(100 137)	....
WIP expensed	....	....	....	....	....	(57)	(57)
Depreciation	(780)	(13 718)	(456)	....	(646)	....	(15 600)
<b>Carrying value at 30 June</b>	<b>94 755</b>	<b>1 852 053</b>	<b>52 792</b>	<b>74 796</b>	<b>9 864</b>	<b>83 896</b>	<b>2 168 156</b>

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. It is based on the principle of exit price and refers to the price an entity expects to receive when it sells an asset, or the price an entity expects to pay when it transfers a liability.

Valuation techniques used to measure fair value seek to maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Valuation techniques are classified based on the level of use of observable versus unobservable inputs as follows:

*Level 1* inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

*Level 2* inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

*Level 3* inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available.

### c Level 3 significant valuation inputs and relationship to fair value

Description	Fair value at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Sensitivity of fair value to changes in level 3 inputs
Non-rental dwellings	64 017	<p>A - Construction costs</p> <p>B - Age and condition of asset</p> <p>C - Remaining useful life</p>	When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless there are changes in known inputs.	The past 12 months have seen a slow-down in construction cost escalation in comparison to the significant increases experienced during the COVID-19 epidemic. Labour availability has generally improved, interest rates appear to have steadied and material prices are stabilising. Land values have generally plateaued due to reduced purchasing capacity with land sales volume down more than 10 percent on the number of sales recorded 12 months earlier. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that significant variations in values will arise in the short term.

## 7.8 Service Concession Assets

### a Carrying amount

	2024 \$'000	2023 \$'000
<b>Service Concession Assets land at fair value</b>	<b>701 721</b>	<b>695 857</b>
Service Concession Assets buildings at fair value	1 726 378	1 695 972
Less: Accumulated depreciation	(475 797)	(453 966)
<b>Total Service Concession Assets buildings</b>	<b>1 250 581</b>	<b>1 242 006</b>
<b>Service Concession Assets buildings Work in progress</b>	<b>14 861</b>	<b>6 179</b>
<b>Total Service Concession Assets</b>	<b>1 967 163</b>	<b>1 944 042</b>

Based on Homes Tasmania's assessment, the following arrangements fall in scope of AASB 1059:

Name of Service concession arrangement	Period	Terms of arrangement	Rights & obligations	Changes in arrangement during current year	Changes in arrangement during prior year	Carrying amount of arrangement 30 June 2024 \$'000	Carrying amount of arrangement 30 June 2023 \$'000
<b>Community Housing Grants and Growth Programs</b>	40 years from date of signing	CHOs build properties on behalf of Homes Tasmania under Ground Lease Agreements. Homes Tasmania contribute to the construction costs via grant payments. Homes Tasmania holds the title to these properties. Dwellings retained for social housing with the CHOs being responsible for tenancy management.	Agreements include mandatory requirements including: *rent-setting methodology; *housing priority applicants; *retention of use for 30 years; and ongoing maintenance.	No major policy changes aside from capitalisation of assets.	Nil.	1 967 163	1 944 042
<b>Total</b>						<b>1 967 163</b>	<b>1 944 042</b>



## b Reconciliation of movements

2024	Land	Buildings	Works in progress	Total
	Level 3 \$'000	Level 3 \$'000	\$'000	\$'000
<b>Carrying amount at 1 July</b>	<b>695 857</b>	<b>1 242 006</b>	<b>6 179</b>	<b>1 944 042</b>
Homes Tasmania funding contribution	....	....	26 401	26 401
CHOs funding contribution	....	17 764	....	17 764
Contribution received	70	135	....	205
Assets reclassified – change in agreements or policies	(76)	(290)	....	(366)
Disposal	....	(2 793)	....	(2 793)
Assets held for sale	(225)	(166)	....	(391)
Grants transfers	(250)	(6 051)	....	(6 301)
Transfers between asset classes	1 545	....	....	1 545
WIP transfers	4 800	23 217	(17 440)	10 577
WIP expensed	....	....	(279)	(279)
Depreciation	....	(23 241)	....	(23 241)
<b>Carrying amount at 30 June</b>	<b>701 721</b>	<b>1 250 581</b>	<b>14 861</b>	<b>1 967 163</b>

The CHOs funding contribution relates to the estimated CHOs' contribution towards construction costs. Please refer to note 8.6.

The Contribution received relates to one property that was transferred to Homes Tasmania by the Department of State Growth (\$205 000). Please refer to note 4.4.

Grants transfers relates to one vacant land lot that was title transferred to Housing Choices Tasmania.

Transfers between classes primarily relates to the commissioning of new assets built under agreement with CHOs. The transfers are vacant land lots that are under ground lease arrangements with the relevant CHOs, supporting the supply of affordable housing.

2023	Land	Buildings	Works in progress	Total
	Level 3 \$'000	Level 3 \$'000	\$'000	\$'000
<b>Carrying amount at 1 December</b>	....	....	....	....
Net transfers through restructuring	491 501	970 163	15 278	1 476 942
Homes Tasmania funding contribution	....	....	10 179	10 179
CHOs funding contribution	....	31 422	....	31 422
Cost adjustment	1 068	5 400	....	6 468
Disposals	(90)	(2 021)	....	(2 111)
Gains/losses recognised in operating result				
Revaluation increments (decrements)	(2 002)	(5 688)	....	(7 690)
Gains/losses recognised in other comprehensive income				
Revaluation increments (decrements)	199 851	232 979	....	432 830
Transfers between asset classes	5 529	(1 009)	....	4 520
WIP transfers	....	19 278	(19 278)	....
Depreciation	....	(8 518)	....	( 8 518)
<b>Carrying amount at 30 June</b>	<b>695 857</b>	<b>1 242 006</b>	<b>6 179</b>	<b>1 944 042</b>

## 7.9 Right-of-use assets

AASB 16 requires Homes Tasmania to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Homes Tasmania has elected not to recognise right-of-use assets and lease liabilities arising from short term leases, rental arrangements, for which Finance General has substantive substitution rights over the assets and leases, for which the underlying asset is of low value. Substantive substitution rights relate primarily to major office accommodation and the motor vehicle fleet. An asset is considered low value when it is expected to cost less than \$10 000.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the term of the lease. Where Homes Tasmania obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that Homes Tasmania will exercise a purchase option, Homes Tasmania depreciates the rightofuse asset over its useful life.

Details of leasing arrangements for right of use assets are at note 8.2.

## a Carrying amount

		2024 \$'000	2023 \$'000
<b>Leased land and buildings</b>			
At fair value	212	212	
Less: Accumulated depreciation	(212)	(78)	
<b>Total right of use assets</b>	<b>....</b>	<b>134</b>	

## b Reconciliation of movements

2024		Buildings \$'000	Total \$'000
<b>Carrying value at 1 July</b>		<b>134</b>	<b>134</b>
Depreciation		(134)	(134)
<b>Carrying value at 30 June</b>		<b>....</b>	<b>....</b>
<hr/>			
2023		Buildings \$'000	Total \$'000
<b>Carrying value at 1 December</b>		<b>....</b>	<b>....</b>
Net transfers through restructuring		212	212
Depreciation		(78)	(78)
<b>Carrying value at 30 June</b>		<b>134</b>	<b>134</b>

## 7.10 Intangible assets

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to Homes Tasmania; and
- the cost of the asset can be reliably measured.

Intangible assets held by Homes Tasmania are valued at fair value less any subsequent accumulated amortisation and any subsequent accumulated impairment losses where an active market exists. Where no active market exists, intangible assets held by Homes Tasmania are valued at cost less any subsequent accumulated amortisation and any subsequent accumulated impairment losses.

Intangible assets with a finite useful life held by Homes Tasmania principally comprise computer software.

### a Carrying amount

	2024 \$'000	2023 \$'000
<b>Intangible assets with a finite useful life</b>		
Other non-current assets at cost	533	533
Less: Accumulated amortisation	(421)	( 55)
<b>Total</b>	<b>112</b>	<b>378</b>
<b>Work in progress</b>		
Intangible assets at cost	2 883	1 134
<b>Total intangible assets</b>	<b>2 995</b>	<b>1 512</b>

### b Reconciliation of movements

	2024 \$'000	2023 \$'000
Carrying amount at the beginning of the reporting period	1 512	....
Net transfers through restructuring	....	888
Work in progress at cost	1 750	807
WIP expensed	....	(28)
Amortisation	(267)	(155)
<b>Carrying amount at 30 June</b>	<b>2 995</b>	<b>1 512</b>

## 7.11 Other assets

Other assets, which consists of prepayments, are valued at cost due to the short timeframe over which the benefits embodied in the asset will be utilised.

### a Carrying amount

	2024 \$'000	2023 \$'000
Prepayments	85	82
<b>Total</b>	<b>85</b>	<b>82</b>
Recovered within 12 months	85	82
<b>Total</b>	<b>85</b>	<b>82</b>

### b Reconciliation of movements

	2024 \$'000	2023 \$'000
<b>Carrying amount at the beginning of the reporting period</b>	<b>82</b>	<b>....</b>
Additions	85	82
Utilised	(82)	....
<b>Carrying amount at 30 June</b>	<b>85</b>	<b>82</b>

## Note 8 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

### 8.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Homes Tasmania becomes obliged to make future payments as a result of a purchase of assets or services. Payables are recorded inclusive of GST (where applicable).

	2024 \$'000	2023 \$'000
Creditors	6 111	10 808
Accrued debt servicing	12 546	700
Accrued outstanding insurance claims	13 025	10 273
Accrued maintenance work order	2 376	3 203
Accrued TasWater rates	1 228	1 223
Other accrued expenses	486	630
<b>Total</b>	<b>35 772</b>	<b>26 837</b>
Settled within 12 months	35 772	26 837
<b>Total</b>	<b>35 772</b>	<b>26 837</b>

Accrued debt servicing relates to the coupon payment to TASCORP in accordance with the loan agreements. Please note that the reporting of this payment has been apportioned between expenditure and work-in-progress. This is in accordance with Homes Tasmania's debt management policy, which states that interest will be capitalised for Homes Tasmania managed stock where applicable. Please refer to Note 8.3. for further details on related borrowings.

Settlement is usually made within 30 days.

### 8.2 Lease liabilities

A lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined, the TASCORP indicative lending rate including the relevant administration margin is used.

Homes Tasmania has elected not to recognise right-of-use assets and lease liabilities arising from short term leases, rental arrangements, for which Finance-General has substantive substitution rights over the assets and leases, for which the underlying asset is of low value. Substantive substitution rights relate primarily to major office accommodation and motor vehicle fleet. An asset is considered low value when it is expected to cost less than \$10 000.

Homes Tasmania has entered into the following leasing arrangements:

Class of right of use asset	Details of leasing arrangements	
Buildings	The use of the buildings is for office accommodation. The lease payments vary in accordance with CPI and there are options for lease extensions.	
	2024 \$'000	2023 \$'000
Lease liabilities	....	138
<b>Total</b>	<b>....</b>	<b>138</b>
Settled within 12 months	....	138
<b>Total</b>	<b>....</b>	<b>138</b>
Transfer on administrative restructure	....	138
<b>Carrying amount at end of reporting period</b>	<b>....</b>	<b>138</b>

#### Maturity analysis of lease liabilities

	2024 \$'000	2023 \$'000
One year or less	....	138
<b>Total</b>	<b>....</b>	<b>138</b>

The lease liability in the maturity analysis is presented using undiscounted contractual amounts before deducting finance charges.

As at 30 June Homes Tasmania has not signed any lease agreements although it is anticipated that the building lease for office accommodation will be renewed.

### 8.3 Borrowings

Loans are measured at the principal amount. Interest is charged as an expense as it accrues over the life of the loan and reported in the Statement of Comprehensive Income as part of finance costs.

	2024 \$'000	2023 \$'000
Loans from TASCORP Borrowings	267 296	60 641
<b>Total</b>	<b>267 296</b>	<b>60 641</b>

Homes Tasmania undertakes borrowings from TASCORP, consistent with an annual Borrowing Authority provided by the Treasurer under Section 30 (2) of the Homes Tasmania Act 2022.

Terms vary for individual loans, with the latest loans maturing in early 2035. These borrowings support the Government's plan to deliver more homes faster for vulnerable Tasmanians, including the delivery of 10 000 new social and affordable homes by 2032.

Under the Tasmanian Public Finance Corporation Act 1985, the Government has provided a guarantee of Homes Tasmania's borrowings from the Tasmanian Public Finance Corporation. As at 30 June 2024, this support was limited to a maximum amount of \$266.0 million. On 18 July 2024, the Treasurer increased this limit to \$336.0 million.

The 2024-25 coupon component of the above loan is reported under Note 8.1 Payables.

#### 8.4 Employee benefit liabilities

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

	2024 \$'000	2023 \$'000
	\$'000	\$'000
Accrued salaries	476	351
Annual leave	1 799	1 749
Long service leave	2 691	2 624
Other employee benefits	37	37
<b>Total</b>	<b>5 003</b>	<b>4 761</b>
Expected to settle wholly within 12 months	2 375	1 883
Expected to settle wholly after 12 months	2 628	2 878
<b>Total</b>	<b>5 003</b>	<b>4 761</b>

Other employee benefits are comprised of Purchased Leave and State Service Accumulated Leave Scheme entitlements.

#### 8.5 Superannuation

##### i Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

##### ii Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

With the exceptions noted below, Homes Tasmania does not recognise a liability for the accruing superannuation benefits of State Service employees. This liability is held centrally within Government and is recognised within the Finance-General Division of the Department of Treasury and Finance.



### *Key estimate and judgement*

Homes Tasmania's superannuation obligations, in respect of the contributory service of current and past government employees, are recognised at the latest actuarial assessment of the members' entitlements, net of scheme assets. The valuation is determined by discounting to present value, the gross benefit payments at a current, market-determined, risk-adjusted discount rate appropriate to the respective plan.

Actuarial gains or losses arising from the actuarial revaluation of Homes Tasmania superannuation liabilities are recognised in the Statement of Comprehensive Income.

#### **a Type of plan**

##### *Homes Tasmania Superannuation Provision*

Homes Tasmania is required to meet the emerging cost of pension payments paid in respect of retired employees, where those employees had a superannuation entitlement that accrued before 1 July 1994.

Members of the Contributory Scheme receive lump sum or pension benefits on retirement, death, invalidity or upon reaching preservation age after resignation. The Contributory Scheme is closed to new members.

The Scheme operates under the *Public Sector Superannuation Reform Act 2016*.

The Superannuation Commission has fiduciary responsibility for, and oversees the administration of, the Scheme. The daily running of the Scheme is managed by the Office of the Superannuation Commission, within the Department of Treasury and Finance.

There are a number of risks to which the Scheme exposes Homes Tasmania. The more significant risks relating to the defined benefits are:

- **Inflation risk** - The risk is that inflation is higher than anticipated, increasing pension payments and the associated employer contributions over the long term.
- **Pensioner mortality risk** - The risk is that pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period.
- **Legislative risk** - The risk is that legislative changes could be made, which increase the cost of providing the defined benefits.

The State Actuary undertook a revaluation of the present value of the benefit obligation and the fair value of the plan assets as at 30 June 2024 using the process outlined in AASB 119 *Employee Benefits* issued on September 2011. As a result of the revaluation, it was determined that Homes Tasmania Superannuation Provision was in deficit by \$5.0 million (2023: \$5.1 million).

The valuation of the superannuation liability relates to the entitlements that accrued before 1 July 1994 for current employees of Homes Tasmania who are members of the Retirement Benefits Fund (RBF) Contributory Scheme and former employees who were either contributors or non-contributors and who have retained benefits or are current pensioners.

## b Reconciliation of movements in present value of superannuation liability

		Total Liability	
		2024 \$'000	2023 \$'000
<b>Balance at the beginning of the reporting period</b>	<b>5 096</b>	....	
<b>Included in profit or loss</b>			
Interest cost	276	154	
Past service cost	....	4 878	
	276	5 032	
<b>Included in other comprehensive income</b>			
Re-measurement loss (gain):			
Actuarial loss (gain)	100	342	
<b>Actuarial gains/(losses)</b>	<b>100</b>	<b>342</b>	
<b>Other</b>			
Employer contributions	(482)	(278)	
	(482)	(278)	
<b>Balance at 30 June</b>	<b>4 990</b>	<b>5 096</b>	

## c Plan assets at fair value

Homes Tasmania Superannuation Provision does not have any plan assets due to members being part of the RBF Contributory Scheme.

## d Key actuarial assumptions

Assumptions to Determine Defined Benefit Cost	Homes Tasmania Superannuation Provision	
	2024 %	2023 %
Discount rate	5.70	5.60
Future rate of salary increases	4.00	4.00
Future rate of increase of compulsory preserved amounts	4.00	4.00
Inflation (pension)	3.50	5.50

Assumptions to Determine Defined Benefit Obligation	Homes Tasmania Superannuation Provision	
	2024 %	2023 %
Discount rate	5.55	5.70
Future rate of salary increases	4.00	4.00
Future rate of increase of compulsory preserved amounts	4.00	4.00
Inflation (pension)	3.50	5.50

As at 30 June 2024 the weighted average duration of the defined benefit obligation for Homes Tasmania was 8.3 years (2023: 8.4 years).

## e Sensitivity analysis

### Homes Tasmania Superannuation Provision

The defined benefit obligation as at 30 June 2024 is presented below under several scenarios.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A: 1.0% pa lower discount rate assumption

Scenario B: 1.0% pa higher discount rate assumption

Scenario C: 1.0% pa lower than expected pension increase rate assumption

Scenario D: 1.0% pa higher than expected pension increase rate assumption

Defined benefit obligation	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-1% pa discount rate	+1% pa discount rate	-1% pa pension increase rate	+1% pa pension increase rate
Discount rate (% pa)	5.55	4.55	6.55	5.55	5.55
Pension increase rate (% pa)	2.50	2.50	2.50	1.50	3.50
Defined benefit obligation (A\$'000s)	4 990	5 411	4 626	4 633	5 396

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

## f Funding arrangements

Contributions to Homes Tasmania Superannuation Provision in respect of defined benefit schemes are made on an emerging cost basis.

Homes Tasmania expects to make a contribution of \$527 000 (2023: \$523 000) for Homes Tasmania Superannuation Provision during the next financial year.

## 8.6 Unearned revenue - Grant of a right to operate liability under service concessions

CHOs construct social housing under ground lease agreements with Homes Tasmania, noting that Homes Tasmania contributes to the construction costs via grant payments. Unearned revenue - Grant of a right to operate liability under service concessions represents the CHOs contribution towards the construction costs of the same properties noting that the CHOs are compensated for this contribution by retaining the rental revenue from same properties over the period of the agreement.

	2024 \$'000	2023 \$'000
Unearned revenue - Grant of a right to operate liability under service concessions	59 479	46 847
Settled within 12 months	1 570	1 217
Settled in more than 12 months	57 909	45 630
<b>Total</b>	<b>59 479</b>	<b>46 847</b>

## 8.7 Other liabilities

Other liabilities and other financial liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

	2024 \$'000	2023 \$'000
<b>Other liabilities</b>		
Employee benefit liabilities – on-costs	34	26
Payroll accrual	236	158
Other liabilities	15	15
<b>Total</b>	<b>285</b>	<b>199</b>
Settled within 12 months	265	182
Settled in more than 12 months	20	17
<b>Total</b>	<b>285</b>	<b>199</b>

Other liabilities refers to GST at settlement.

## Note 9 Commitments and Contingencies

### 9.1 Schedule of commitments

Commitments represent those contractual arrangements entered by Homes Tasmania that are not reflected in the Statement of Financial Position. These commitments are recorded below at their nominal value and inclusive of GST.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

	2024 \$'000	2023 \$'000
<b>By Type</b>		
<b>Capital commitments</b>		
Capital works	104 585	136 973
<b>Total Capital commitments</b>	<b>104 585</b>	<b>136 973</b>
<b>Commitments held with Treasury Finance-General</b>		
Major office accommodation	3 984	4 857
Motor vehicle fleet (base usage charge)	43	53
<b>Total Commitments held with Treasury Finance-General</b>	<b>4 027</b>	<b>4 910</b>
<b>Grant commitments</b>		
Grants	234 941	164 249
<b>Total grant commitments</b>	<b>234 941</b>	<b>164 249</b>
<b>Total Commitments (including GST)</b>	<b>343 553</b>	<b>306 132</b>
<b>By Maturity</b>		
<b>Capital commitments</b>		
One year or less	99 144	98 783
From one to five years	5 441	38 190
<b>Total capital commitments</b>	<b>104 585</b>	<b>136 973</b>
<b>Commitments held with Treasury Finance-General</b>		
One year or less	577	850
From one to five years	2 358	2 355
More than five years	1 092	1 705
<b>Total Commitments held with Treasury Finance-General</b>	<b>4 027</b>	<b>4 910</b>
<b>Grant commitments</b>		
One year or less	62 768	55 763
From one to five years	172 173	108 486
<b>Total grant commitments</b>	<b>234 941</b>	<b>164 249</b>
<b>Total Commitments (including GST)</b>	<b>343 553</b>	<b>306 132</b>

### *Capital Commitments (GST Inclusive)*

This relates to the capital projects that are managed by Homes Tasmania, noting that the entity has capital commitments across a range of programs, including the Community Housing Growth and Grants Programs and activity funded from the waiver of the former Commonwealth State Housing Agreement debt.

### *Major office accommodation (GST Inclusive)*

Major office accommodation is managed as part of a whole-of-government arrangement with the Department of Treasury and Finance as lessor. Under this arrangement, Homes Tasmania leases a range of properties/tenancies around the State for service delivery purpose.

### *Motor vehicle fleet (base usage charge)*

The Government Motor Vehicle Fleet is managed as part of a whole-of-government arrangement with the Department of Treasury and Finance as lessor. Lease payments vary according to the type of vehicle and, where applicable, the price received for trade-in vehicles. Lease terms for the majority of existing vehicles are for a period of three years or 60 000 km's, whichever comes first, with no change to the lease rate. No restrictions or purchase options are contained in the lease.

### *Grants (GST Inclusive)*

This relates to grant funding for CHOs to provide housing and homelessness services.

## **9.2 Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

### **a Quantifiable contingencies**

A quantifiable contingent asset is any possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. To the extent that any quantifiable contingencies are insured, details provided below are recorded at net value.

	2024 \$'000	2023 \$'000
<b>Quantifiable contingent liabilities</b>		
<b>Contingent claims</b>		
Legal Claims	324	83
<b>Total quantifiable contingent liabilities</b>	<b>324</b>	<b>83</b>
<b>Quantifiable contingent assets</b>		
<b>Community housing properties</b>		
Transfer on administrative restructure on 1 December 2022	....	11 807
Less accumulated depreciation	....	(80)
Community housing properties	12 554	....
<b>Better Housing Futures properties</b>		
Transfer on administrative restructure on 1 December 2022	....	333
Better Housing Futures properties	333	....
<b>Total quantifiable contingent assets</b>	<b>12 887</b>	<b>12 060</b>

### *Legal Claims*

At 30 June 2024, Homes Tasmania had \$324 000 in legal claims against it for other liability claims.

These claims primarily relate to workers compensation liabilities (\$291 000).

Homes Tasmania manages legal claims through the Tasmanian Risk Management Fund (TRMF). An excess of 26 weeks for Workers Compensation and Personal Accident remains payable for every claim and amounts over that excess are met by the TRMF.

### *Community Housing properties*

Quantifiable contingent assets represent assets that are currently not under the control of Homes Tasmania, but it is probable that control will return to Homes Tasmania in the future.

Quantifiable contingent assets are dwellings, for which the legal title is retained by Homes Tasmania, however some components of tenancy and property management have been transferred to CHOs. Most of these assets fall under older legacy agreements.

These assets (excluding vacant land) are revalued every two years as at 30 June using a market based valuation

These assets were revalued on 30 June 2024 with the next revaluation to be undertaken during the year ending 30 June 2026.

### *Better Housing Futures properties*

The majority of the assets under this agreement have transferred to the CHGP in previous reporting periods and are reported as SCAs. However, some of the components of the former Better Housing Futures (BHF) agreement are still active, including the potential transfer of vacant land blocks to relevant CHOs.

## Note 10 Reserves

### 10.1 Reserves

2024	Service Concession Assets \$'000	Community housing stock \$'000	Rental dwellings \$'000	Non-rental dwellings \$'000	Vacant land \$'000	Total \$'000
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#### Asset revaluation reserve

Balance at beginning of financial year	432 829	171	....	8 305	31 685	472 990
Revaluation increments (decrements)	....	6 140	269 249	1 488	....	276 877
Transfers to accumulated surplus	221	95	273	(88)	1 425)	(924)
<b>Balance at the end of financial year</b>	<b>433 050</b>	<b>6 406</b>	<b>269 522</b>	<b>9 705</b>	<b>30 260</b>	<b>748 943</b>

2023	Service Concession Assets \$'000	Community housing stock \$'000	Rental dwellings \$'000	Non-rental dwellings \$'000	Vacant land \$'000	Total \$'000
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#### Asset revaluation reserve

Balance at beginning of reporting period	....	....	....	....	....	....
Revaluation increments (decrements)	432 829	171	....	8 305	31 685	472 990
<b>Balance at the end of financial year</b>	<b>432 829</b>	<b>171</b>	<b>....</b>	<b>8 305</b>	<b>31 685</b>	<b>472 990</b>

#### a Nature and purpose of reserves

##### *Asset revaluation reserve*

The Asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets, as described in Notes 7.7 and 7.8.



## 10.2 Contributed capital

	2024 \$'000	2023 \$'000
<b>Contributed capital</b>		
Balance at beginning of financial year	3 564 723	....
Administrative restructure - net assets received / (contributed capital transferred)	....	3 564 723
<b>Balance at the end of financial year</b>	<b>3 564 723</b>	<b>3 564 723</b>

## Note 11 Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in Specific Purpose Accounts, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

### 11.1 Cash and cash equivalents

Cash and cash equivalents include the balance of Homes Tasmania's cash at bank, and petty cash advances.

	2024 \$'000	2023 \$'000
Cash at bank	61 270	87 018
Petty cash advances	1	1
<b>Total cash and cash equivalents</b>	<b>61 271</b>	<b>87 019</b>

## 11.2 Reconciliation of Net result to Net cash from operating activities

	2024 \$'000	2023 \$'000
Net result	(169 853)	103 398
Depreciation and amortisation	52 604	24 351
Service concession arrangements revenue	(5 133)	(1 038)
Recognition of assets as a result of stocktake/donations	(1 994)	(5 000)
Capital grants income	(997)	(33 889)
Capital grants expense	45 393	17 942
WIP expensed	....	85
Accrued interest payable	....	385
Net gain/(loss) on non-financial assets	70 952	12 381
Other gain/(loss)	(1 796)	(91)
Decrease (increase) in Receivables	3 030	( 6 481)
Decrease (increase) in Other assets	(586)	(345)
Increase (decrease) in Employee benefit liabilities	242	433
Increase (decrease) in Superannuation	(206)	4 754
Increase (decrease) in Payables	11 660	26 449
Increase (decrease) in Contract liabilities	(40)	1 862
Increase (decrease) in Other liabilities	86	59
<b>Net cash from/(used by) operating activities</b>	<b>3 362</b>	<b>145 255</b>

## 11.3 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities, for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

2024	Borrowings \$'000	Lease liabilities \$'000
<b>Balance as at 1 July 2023</b>	<b>60 641</b>	<b>138</b>
Changes in fair value	....	(138)
New borrowing undertaken	208 593	....
Cash Repayments	(1 938)	....
<b>Balance as at 30 June 2024</b>	<b>267 296</b>	<b>....</b>
2023	Borrowings \$'000	Lease liabilities \$'000
<b>Balance as at 1 December 2022</b>	<b>....</b>	<b>138</b>
New borrowing undertaken	60 641	....
<b>Balance as at 30 June 2023</b>	<b>60 641</b>	<b>138</b>

## Note 12 Financial Instruments

### 12.1 Risk Exposures

#### a Risk management policies

Homes Tasmania has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk; and
- market risk.

The Board has overall responsibility for the establishment and oversight of Homes Tasmania's risk management framework. Risk management policies are established to identify and analyse risks faced by Homes Tasmania, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

#### b Credit risk exposures

Credit risk is the risk of financial loss to Homes Tasmania if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
<b>Financial Assets</b>		
Loans and Receivables	<p>Loans and Receivables are recognised at the nominal amounts due, less any provision for impairment.</p> <p>Collectability of debts is reviewed on a monthly basis. Provisions are made when the collection of the debt is judged to be less rather than more likely.</p>	<p>Receivables credit terms are generally 30 days.</p> <p>Loan advances are secured by a mortgage and/or a ground lease over real property.</p>
MyHome investments	<p>MyHome Investments are recognised at Homes Tasmania's proportional share of the fair value of the underlying property value, less any provision for impairment.</p> <p>These investments are revalued on a biennial basis.</p>	<p>MyHome investments credit terms require the repayment of Homes Tasmania's MyHome interest in a land and building asset, in cash, within a maximum term of 30 years.</p>
Other financial assets	<p>Other financial assets are recognised at the nominal amounts due, less any provision for impairment.</p>	<p>Other financial assets credit terms are generally 30 days.</p>
Cash and cash equivalents	<p>Cash and cash equivalents are recognised at face value.</p>	<p>Cash means notes, coins and any short-term deposits held at call with a bank or financial institution.</p>

Homes Tasmania does not hold any security instrument for its cash and deposits, other financial assets and receivables.

Loan advances are secured by a mortgage over real property. MyHome investments represent Homes Tasmania's equity interest in land and building assets, which is repayable by co-owners in cash within 30 years. The MyHome investments are revalued on a biennial basis.

No credit terms on any Homes Tasmania's financial assets have been renegotiated.

The carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents Homes Tasmania's maximum exposure to credit risk without taking into account any collateral or other security.

#### *Receivables age analysis - expected credit loss*

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June 2024 are as follows.

### **Sundry Receivables**

<b>Expected credit loss analysis of receivables as at 30 June 2024</b>						
	<b>Not past due</b>	<b>Past due 1-30 days</b>	<b>Past due 31-60 days</b>	<b>Past due 61-90 days</b>	<b>Past due &gt;91+ days</b>	<b>Total</b>
Expected credit loss rate (A) (%)	0.0011	0.0063	0.0116	0.0290	0.0465	<b>0.0076</b>
Total gross carrying amount (B) (\$'000)	3 145	29	28	262	380	<b>3 844</b>
Expected credit loss (A x B) (\$'000)	3	....	....	8	18	<b>29</b>

<b>Expected credit loss analysis of receivables as at 30 June 2023</b>						
	<b>Not past due</b>	<b>Past due 1-30 days</b>	<b>Past due 31-60 days</b>	<b>Past due 61-90 days</b>	<b>Past due &gt;91+ days</b>	<b>Total</b>
Expected credit loss rate (A) (%)	0.0003	0.0020	0.0049	0.0049	0.0049	<b>0.0021</b>
Total gross carrying amount (B) (\$'000)	5 157	160	1 744	1 185	519	<b>8 765</b>
Expected credit loss (A x B) (\$'000)	2	....	8	6	3	<b>19</b>

## Homes Tasmania Rental Receivables

Expected credit loss analysis of receivables as at 30 June 2024						
	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Past due >91+ days	Total
Expected credit loss rate (A) (%)	....	....	....	....	0.2383	<b>0.2383</b>
Total gross carrying amount (B) (\$'000)	....	....	....	....	1 855	<b>1 855</b>
Expected credit loss (A x B) (\$'000)	....	....	....	....	442	<b>442</b>

Expected credit loss analysis of receivables as at 30 June 2023						
	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Past due >91+ days	Total
Expected credit loss rate (A) (%)	....	....	....	....	0.3293	<b>0.3293</b>
Total gross carrying amount (B) (\$'000)	....	....	....	....	1 519	<b>1 519</b>
Expected credit loss (A x B) (\$'000)	....	....	....	....	500	<b>500</b>

Homes Tasmania pursue recovery for a minimum of 90 days and would not consider a write-off within that time as per management policy. Therefore, the disclosure of the expected credit loss is all “past due > 90 days”.

Homes Tasmania also retains a record of the debt and if a client represents, they are required to pay a minimum of 80 per cent of the existing debt prior to re-housing.

### c Liquidity risk

Liquidity risk is the risk that Homes Tasmania will not be able to meet its financial obligations as they fall due. The entity maintains a rolling 12 month cash flow budget, maintaining minimum cash reserves at a level sufficient to satisfy short-term financial liabilities and commitments and reviewing debt renewal options.

Financial Instrument	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
<b>Financial Liabilities</b>		
Payables	Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period equates to face value when Homes Tasmania becomes obliged to make future payments as a result of a purchase of assets or services.	Settlement is usually made within 30 days.
Borrowings	Loans are measured at the principal amount. Interest is charged as an expense as it accrues over the life of the loan and reported in the Statement of Comprehensive Income.	Contractual payments are made in accordance with contractual terms.
Other financial liabilities	Other financial liabilities are recognised at amortised cost, which due to the short settlement period equates to face value, when Homes Tasmania becomes obliged to make payments as a result of the purchase of assets or services.  Homes Tasmania regularly reviews budgeted and actual cash outflows to ensure that there is sufficient cash to meet all obligations.	Settlement is usually made within 30 days.

### Maturity analysis for financial liabilities

The following tables detail the undiscounted cash flows payable by Homes Tasmania by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted Total	Carrying Amount
2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial liabilities</b>								
Payables	35 772	....	....	....	....	....	35 772	35 772
Borrowings	1 296	....	....	....	....	266 000	267 296	267 296
Other financial liabilities	1 822	....	....	....	....	....	1 822	1 822
<b>Total</b>	<b>38 890</b>	<b>....</b>	<b>....</b>	<b>....</b>	<b>....</b>	<b>266 000</b>	<b>304 890</b>	<b>304 890</b>

	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted Total	Carrying Amount
2023	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial liabilities</b>								
Payables	26 837	....	....	....	....	....	26 837	26 837
Borrowings	641	....	....	....	....	60 000	60 641	60 641
Other financial liabilities	1 862	....	....	....	....	....	1 862	1 862
<b>Total</b>	<b>29 340</b>	<b>....</b>	<b>....</b>	<b>....</b>	<b>....</b>	<b>60 000</b>	<b>89 340</b>	<b>89 340</b>

### d Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk, that Homes Tasmania is exposed to, is interest rate risk.

Homes Tasmania currently has the majority of its financial liabilities at fixed interest rates with the effect that any exposure to movements in interest rates is minimised. The net fair value of cash, investments, trade receivables and trade and other payables are determined by valuing them at their carrying amounts. Due to their short-term maturity, their carrying amounts approximate their fair values.

The major exposure for the entity is its long-term borrowings, all of which are all borrowed at fixed rates and so mitigating the exposure to price risk.

The net fair value of long-term borrowings is determined by valuing them at their carrying amount as the carrying amount approximates fair value.

At the reporting date, the interest rate profile of Homes Tasmania's interest-bearing financial instruments was:

	2024 \$'000	2023 \$'000
<b>Fixed rate instruments</b>		
Financial assets	....	....
Financial liabilities	267 296	60 641
<b>Total</b>	<b>267 296</b>	<b>60 641</b>
<b>Variable rate instruments</b>		
Financial assets	81 602	96 646
Financial liabilities	....	....
<b>Total</b>	<b>81 602</b>	<b>96 646</b>

*Sensitivity analysis of Homes Tasmania's exposure to possible changes in interest rate*

Changes in variable rates of 100 basis points at reporting date would have the following effect on Homes Tasmania's profit or loss and equity.

This sensitivity is mitigated due to Homes Tasmania receiving state grant funding equivalent to the full estimated value of the debt service costs.

**Sensitivity Analysis of Homes Tasmania's Exposure to Possible Changes in Interest Rates**

	Statement of Comprehensive Income		Equity	
	100 basis points increase \$'000	100 basis points decrease \$'000	100 basis points increase \$'000	100 basis points decrease \$'000
<b>30 June 2024</b>				
Financial assets	816	(816)	816	(816)
<b>Net sensitivity</b>	<b>816</b>	<b>(816)</b>	<b>816</b>	<b>(816)</b>
<b>30 June 2023</b>				
Financial assets	966	(966)	966	(966)
<b>Net sensitivity</b>	<b>966</b>	<b>(966)</b>	<b>966</b>	<b>(966)</b>

This analysis assumes all other variables remain constant.



## 12.2 Categories of financial assets and liabilities

	2024 \$'000	2023 \$'000
<b>Financial assets</b>		
Cash and cash equivalents	61 271	87 019
Loans and receivables	26 253	17 997
MyHome investments	94 312	54 455
<b>Total</b>	<b>181 836</b>	<b>159 471</b>
<b>Financial Liabilities</b>		
Payables	35 772	26 837
Borrowings	267 296	60 641
Contract liabilities	1 822	1 862
<b>Total</b>	<b>304 890</b>	<b>89 340</b>

## 12.3 Derecognition of financial assets

No derecognition of Financial Assets occurred during the reporting period.

## 12.4 Comparison between carrying amount and net fair value of financial assets and liabilities

	Carrying Amount 2024 \$'000	Net Fair Value 2024 \$'000	Carrying Amount 2023 \$'000	Net Fair Value 2023 \$'000
<b>Financial assets</b>				
Cash at bank	61 270	61 270	87 018	87 018
Petty cash advances	1	1	1	1
<b>Other financial assets</b>				
Receivables	5 076	5 076	8 106	8 106
Loan advances	20 331	20 331	9 628	9 628
MyHome investments	94 312	94 312	54 455	54 455
Other	846	846	263	263
<b>Total financial assets</b>	<b>181 836</b>	<b>181 836</b>	<b>159 471</b>	<b>159 471</b>
<b>Financial liabilities (Recognised)</b>				
Payables	35 772	35 772	26 837	26 837
Borrowings	267 296	267 296	60 641	60 641
Contract liabilities	1 822	1 822	1 862	1 862
<b>Total financial liabilities (Recognised)</b>	<b>304 890</b>	<b>304 890</b>	<b>89 340</b>	<b>89 340</b>

## 12.5 Net fair value of financial assets and liabilities

2023-24	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Total \$'000
<b>Financial assets</b>				
Cash at bank	61 270	....	....	61 270
Petty cash advances	1	....	....	1
<b>Other financial assets</b>				
Receivables	5 076	....	....	5 076
Loan advances	20 331	....	....	20 331
MyHome investments	94 312	....	....	94 312
Other	846	....	....	846
<b>Total financial assets</b>	<b>181 836</b>	<b>....</b>	<b>....</b>	<b>181 836</b>
<b>Financial liabilities (Recognised)</b>				
Payables	35 772	....	....	35 772
Borrowings	....	267 296	....	267 296
Contract liabilities	1 822	....	....	1 822
<b>Total financial liabilities (Recognised)</b>	<b>37 594</b>	<b>267 296</b>	<b>....</b>	<b>304 890</b>

2022-2023	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Total \$'000
<b>Financial assets</b>				
Cash at bank	87 018	....	....	87 018
Petty cash advances	1	....	....	1
Other financial assets				
Receivables	8 106	....	....	8 106
Loan advances	9 628	....	....	9 628
MyHome investments	54 455	....	....	54 455
Other	263	....	....	263
<b>Total financial assets</b>	<b>159 471</b>	<b>....</b>	<b>....</b>	<b>159 471</b>
<b>Financial liabilities (Recognised)</b>				
Payables	26 837	....	....	26 837
Borrowings	....	60 641	....	60 641
Contract liabilities	1 862	....	....	1 862
<b>Total financial liabilities (Recognised)</b>	<b>28 699</b>	<b>60 641</b>	<b>....</b>	<b>89 340</b>

The recognised fair values of financial assets and financial liabilities are classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements. Homes Tasmania uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

### **a Transfer between categories**

Homes Tasmania did not transfer any Financial Assets or Financial Liabilities between Level 1 and Level 2.

### **b Reconciliation of Level 3 fair value movements**

Homes Tasmania does not have any Level 3 instruments.

#### *Financial Assets*

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

The net fair values of MyHome investments are based on Homes Tasmania's interest in the underlying land and building assets. An active market exists for the underlying assets that provides for a reliable measurement of the fair value of the MyHome investment. The underlying Homes Tasmania land and building assets are revalued on a biennial basis using information provided by the Valuer-General.

The carrying amount of trade receivables is assumed to approximate its fair value due to its short-term nature.

#### *Financial Liabilities*

The net fair values of borrowings are based on the outstanding value owed by Homes Tasmania and are approximated by their carrying amounts with interest recognised when incurred.

The net fair values for trade creditors are approximated by their carrying amounts.

#### *Unrecognised Financial Instruments*

The net fair values of indemnities are regarded as the maximum possible loss, which Homes Tasmania faces while the indemnity remains current.

## **Note 13 Events Occurring After Balance Date**

Homes Tasmania purchased a property at 40 Brooker Avenue, Hobart (Fountainside Hotel), noting that the offer was accepted within the 2023/24 financial year, however the contract was executed and payment made during 2024/25.

## Note 14 Other material accounting policy information and judgements

### 14.1 Objectives and funding

Homes Tasmania's objectives are to work with government, industry, the private sector, and the social housing and homelessness sector to improve the housing market and provide more housing opportunities.

As Tasmania's housing and homelessness system manager, Homes Tasmania is structured to support access to affordable and appropriate housing across the entire housing continuum. This includes short-term homeless accommodation and support; social housing including supported accommodation, public and community housing and specialist accommodation for vulnerable people; affordable housing including affordable land, affordable private rentals and affordable home ownership; and key worker and regional housing supply.

Homes Tasmania's activities are classified as controlled and involve the use of assets, liabilities, revenues and expenses controlled or incurred by Homes Tasmania in its own right.

Homes Tasmania (established under the *Homes Tasmania Act 2022* and operating and reporting on a 'for-profit' basis for accounting purposes) derives its operating funds from rental revenue, asset sales, borrowings from TASCORP and State Government funding. The financial statements encompass all funds through which Homes Tasmania controls resources to carry on its functions.

### 14.2 Basis of accounting

The Financial Statements are a general-purpose financial report and have been prepared in accordance with:

- *Homes Tasmania Act 2022*
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and
- The Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016*.

The Financial Statements have been prepared for the period commencing 1 July 2023 to 30 June 2024 and were signed by the Accountable Authority on 10 October 2024.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention.

The Financial Statements have been prepared on the basis that Homes Tasmania is a going concern. The continued existence of Homes Tasmania in its present form, undertaking its current activities, is dependent on government policy, continuing appropriations by Parliament for Homes Tasmania's administration and operational activities and continuing support from the Government (via a Treasurer's approval) for a borrowing authority to access debt funds for capital works.

Homes Tasmania recorded a positive cash flow from operating activity of \$3.4 million in 2023-24, with initial estimates for 2024-25 suggesting a similar positive cash flow from operating activity of around \$2.6 million. Following depreciation, capital grants, revaluation decrements and other accrual disclosures, the Statement of Comprehensive Income shows a loss of \$169.9 million in 2023-24 compared to a surplus of \$103.4 million in 2022-23. This variance largely reflects partial operations only in 2022-23, coupled with one-off revenues in 2022-23 from the dissolution of the former Department of Communities Tasmania. Homes Tasmania has also reported a positive cash position, with a balance of \$61.3 million reported in the Statement of Financial Position as at June 2024. Whilst this has decreased from \$87.0 million in June 2023, this was fully expected, given that a proportion of the cash balance as at June 2023 was for funding for capital works in progress that have progressed during the 2023-24 year.

Management will continue to closely monitor actual and forecast capital expenditure against available funds through existing monthly reporting processes. This ongoing analysis ensures that forward commitments are within the entity's funding capacity, noting that management have the ability to regulate capital expenditure as funding levels change.

To support the entity in continuing to meet its obligations around the provision of housing services for the State, Homes Tasmania has a current borrowing approval from TASCORP of \$336 million, which is fully executed. The borrowing approval limit is expected to increase further following release of the 2024-25 Budget. Debt servicing costs associated with these borrowings are fully provided by the Government and form part of the State Grants disclosure in Income from Continuing Operations. Whilst the State Budget is yet to be finalised and formally released, it is expected to show total State Grants to Homes Tasmania increasing significantly in 2024-25 and in the forward estimates.

After recognition and consideration of the above factors, Homes Tasmania is of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

Homes Tasmania has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### **14.3 Reporting entity**

The Financial Statements include all the controlled activities of Homes Tasmania. The Financial Statements consolidate material transactions and balances of Homes Tasmania.

### **14.4 Functional and presentation currency**

These Financial Statements are presented in Australian dollars, which is Homes Tasmania's functional currency.

## 14.5 Changes in accounting policies

### a Impact of new and revised Accounting Standards

In the current year, Homes Tasmania has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- AASB 2021-2 amends AASB 101, AASB 7 and AASB 134 to require disclosure of material accounting policy information' rather than 'significant accounting policies' in an entity's financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosures.
- AASB 2021-6 amends AASB 1049 and AASB 1060 to require disclosure of 'material accounting policy information' rather than 'significant accounting policies' in an entity's financial statements. It also amends AASB 1054 to reflect the updated terminology used in AASB 101 as a result of AASB 2021-2.

## 14.6 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

## 14.7 Comparative figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of changes in accounting policy on comparative figures are at note 13.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

The comparatives for external administrative restructures are not reflected in the Financial Statements.

## 14.8 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero.

## 14.9 Taxation

Homes Tasmania is exempt from all forms of taxation except Fringe Benefits Tax and Goods and Services Tax.

#### **14.10 Goods and services tax**

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities, which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.



**Independent Auditor's Report**  
**To the Members of Parliament**  
**Homes Tasmania**  
**Report on the Audit of the Financial Statements**

## **Opinion**

I have audited the financial report of Homes Tasmania, which comprises the statement of financial position as at 30 June 2024, statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of certification signed by the Chair.

In my opinion, the accompanying financial report:

- (a) present fairly, in all material respects, the financial position of Homes Tasmania as at 30 June 2024 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Homes Tasmania Act 2022* and Australian Accounting Standards.

## **Basis for Opinion**

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Homes Tasmania in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information included in the financial report.

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

## Emphasis of Matter

I draw attention to Notes 14.1 and 14.2 in the financial statements. From an accounting perspective Homes Tasmania has been audited on a 'for profit' basis and had a net loss from continuing operations of \$169.9 million at 30 June 2024, a decline of \$273.3 million from the prior year. This, along with other matters, suggests an uncertainty exists on Homes Tasmania's ability to continue as a going concern.

Note 14.2 provides the factors that form the Board's opinion that it is appropriate to prepare the financial statements on a going concern basis. Given this, my opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<p><b>Valuation of Rental dwellings and Community housing stock</b>  <i>Refer to note 7.7</i></p>	
<p>At 30 June 2024, Homes Tasmania's property assets included vacant land, land, buildings, rental dwellings and community housing stock totalling \$2.38 billion and service concession assets totalling \$1.97 billion recognised at fair value.</p> <p>The fair value of these assets is based on market values and current replacement cost. Homes Tasmania undertakes formal revaluations on a regular basis and considers the need to apply indexation between valuations to ensure carrying values represent fair values.</p> <p>In 2023-24, Homes Tasmania revalued rental dwellings and community housing stock. In determining the value of these assets, Homes Tasmania exercises significant judgement and the valuations are highly dependent on a range of assumptions and estimates. For these reasons, the valuations are an area requiring particular audit focus.</p>	<ul style="list-style-type: none"> <li>Assessing the scope, expertise and independence of experts involved in the valuations.</li> <li>Evaluating the appropriateness of the valuation methodology applied to determine fair values.</li> <li>Critically assessed assumptions and other key inputs into the valuation model.</li> <li>Reviewing, on a sample basis, the mathematical accuracy of the valuation model calculations.</li> <li>Reviewing the reconciliation of asset balances in the general ledger to the underlying fixed asset register.</li> <li>Evaluating the adequacy of relevant disclosures made in the financial report, including those regarding key assumptions used.</li> </ul>

## Responsibilities of the Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the financial reporting requirements of the *Homes Tasmania Act 2022* and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing Homes Tasmania's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Homes Tasmania is to be dissolved by an Act of Parliament, or the Board intends to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Homes Tasmania's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Homes Tasmania's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to

the date of my auditor's report. However, future events or conditions may cause Homes Tasmania to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.

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

From the matters communicated with the Board, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink, appearing to read 'D Bond'.

David Bond  
**Assistant Auditor-General**  
**Delegate of the Auditor-General**  
Tasmanian Audit Office

10 October 2024  
Hobart







# Homes Tasmania

Building homes,  
creating communities.

## Contact us

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