

# **Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**

**ABN 28 081 883 623**

**Financial Report - 30 June 2025**

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
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**30 June 2025**

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**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe  
Directors' Report  
30 June 2025**

The directors present their report of Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe (herein referred to as HHS) for the year ended 30 June 2025.

**Directors**

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

<b>Names</b>	<b>Position</b>
Robert Camm	Director and Chair, Board of Directors
Damien Tangey	Director and Chair, Board of Directors (resigned 17 December 2024)
Anne Duggan	Director
Michael Page	Director
Patrick Archer	Director
Niraj Pau	Director
Haleh Homaei	Director (appointed 5 September 2024 to fill casual vacancy, expiring at the 2025 AGM)
Tracy Beaton	Director (co-opted 5 September 2024, appointed 7 November to fill casual vacancy expiring at the 2025 AGM)
Nicola Foxworthy	Director (co-opted for 12 months on 7 November 2024 until 2025 AGM)
Jan Snell	Director (resigned 7 November 2024)
David Brant	Director (end of term 7 November 2024)
Gerard Jose	Director (resigned 3 October 2024)

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

**Strategic approach**

Two years into the Live Well horizon (2024 – 2029) of our corporate strategy and deliverables across our three areas of impactful housing and support, impactful partnerships and capacity for impact are progressing well. We continue to fine-tune our approach in response to an increasingly complex and constrained environment, looking at how we can drive client-focused outcomes and deliver housing through strategic partnerships.

**Focus areas**

As our last tranche of Big Housing Build homes is delivered, HHS will renew its focus on operational efficiencies, making the most of our strategic assets and ensuring any future diversification opportunities have the capacity to increase our impact alongside our financial sustainability.

As the housing crisis continues to affect growing numbers of Victorians, we remain committed to our regional communities by exploring different housing products for the diverse cohorts of people we service that are seeking housing security, suitability and accessibility.

Ensuring client voice is at the heart of everything we do, utilising data-driven decision-making and ensuring our tenancy, maintenance and allocation approaches are fit for purpose, are fundamental to delivering on our strategy over the coming years.

**Principal activities**

Our three impact areas within Strategy 2040 are impactful housing and support, impactful partnerships and capacity for impact. Our priorities and deliverables are outlined against each impact area:

*Impactful housing and support*

- Deliver housing solutions across the continuum
- Pursue regional urbanisation opportunities
- Ensure a people-centred approach to everything we do
- Strengthening our tenancy, maintenance and asset management
- Embed placemaking.

*Impactful partnerships*

- Apply our deep understanding of community needs to deliver community-led solutions
- Focus on homelessness prevention
- Invest in mutually beneficial partnerships.

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*Capacity for impact*

- Strengthen our culture
- Invest in digital uplift
- Invest in new solutions
- Have collective impact through our ESG+ Impact reporting and assessment tool
- Focus on outcomes over ownership
- Be able to anticipate and adapt to change.

**How principal activities helped achieve our objectives**

Leading with a people-centred approach and a focus on key priorities across housing, support, partnerships and organisational capacity, means we can create impact for clients whilst building our capacity to grow and pursue innovative ways to create value.

**Performance measures**

The company measures its performance through the use of both quantitative and qualitative benchmarks. The benchmarks will be used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

**Review of operations**

The operating surplus/(deficit) for the company for the year ended 30 June 2025 was:

2025 \$	2024 \$
(5,009,763)	3,843,088

The impact of changes in the Australian economy and the property market have been considered as part of the annual fair value assessment of investment properties which is this year supported by a combination of independent external valuations and valuer-provided indexation data. While the company recorded a decrease in revenue of approximately \$10.2 million and a net loss of \$5 million for the year, these results do not give rise to concerns regarding solvency or the company's ability to continue as a going concern. The Board remains satisfied that sufficient resources are available to support ongoing operations.

As expected there has been a decline in the fair value of investment properties recorded during the year ended 30 June 2025.

As an affordable housing association, HHS is a long term property owner. We acknowledge the impact interest rate movements has had on the market volatility and realise market normalisation may take an extended period of time. HHS has experienced the following revaluation movements over the last three years:

	2023 \$	2023 %	2024 \$	2024 %	2025 \$	2025 %	Average last 3 years \$	Average last 3 years %
Fair Value Gain/(Loss)	<u>(8,252,961)</u>	(1.6%)	<u>(9,590,947)</u>	(1.9%)	<u>(12,700,676)</u>	(2.5%)	<u>(10,181,528)</u>	(2.0%)

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this financial report.

**Events after the reporting period**

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

**Environmental issues**

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

**Benefits under contracts with Directors'**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

**Information on Directors**

**Robert Camm, Chairperson**

**Qualifications:** Bachelor of Commerce, Graduate Diploma in Business System, Certified Practising Accountant, FCPA, MACS, MAICD

**Experience:** Robert is a highly skilled and experienced Executive and Board Director with broad experience across many roles in the private, public, and not-for-profit sectors. Robert has a proven record in the successful delivery of major and complex change projects. As a qualified CPA, Robert has extensive fiscal management ability and strong commercial acumen. Robert understands numbers. Robert has worked across all aspects of the finance and corporate functions in organisations including, procurement, accounts payable and receivable, contract management, financial reporting, and ICT.

**Damien Tangey, Chairperson (resigned 17 December 2024)**

**Qualifications:** B.Bus (Prop) AAPI CEA GAICD LMUDIA

**Experience:** Damien Tangey commenced his career as a property valuer over 30 years ago and has significant experience in the property industry across a range of sectors including planning, development, infrastructure and construction. He has a strong understanding of the tiers of policy, regulation and market forces defining settlement patterns and the housing delivery and affordability framework in Victoria including metropolitan, peri urban, regional and rural areas. He is the founder of Birchgrove, a Bendigo based business which has grown residential communities for over 20 years.

Damien has served as the Deputy Chair and Acting Chair of the Victorian Planning Authority Board.

Damien is a life member of the Urban Development Institute of Australia (Vic) (UDIA) and has previously served with UDIA in a range of elected roles including as President and also as Vice President of the UDIA National Council. He also has a history of serving in a number of both government and community based board and committee roles including with Regional Development Australia Loddon Mallee, La Trobe University Planning Advisory Committee and the Bendigo Business Council.

**Anne Duggan**

**Qualifications:** Master of Laws (Honours), MBA, Graduate Diploma in Chartered Accounting (Certificate of Public Practice, Institute of Chartered Accountants), Bachelor of Business and Bachelor of Law

**Experience:** Anne has senior commercial, financial, governance, risk and legal executive experience with several ASX100 companies including Macquarie Capital, Kennelly Constructions and Lend Lease. Anne is also a published author on leadership and a Principal at Infrastructure Partners.

**Michael Page**

**Qualifications:** Bachelor of Civil Engineering, GAICD

**Experience:** Michael has senior management experience at both the corporate and board level in property, finance, and construction, including 15 years of experience in social, affordable, and disability-related housing.

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**Patrick Archer**

Qualifications: MBA  
Experience: Patrick is COO of an ASX listed property development company and has more than 30 years' experience in property, construction and development, delivering large scale projects across the residential, retail and commercial sectors. He has an interest in affordable housing and has delivered many projects at the affordable end of the housing spectrum.

**Niraj Pau**

Qualifications: Bachelor of Commerce (Advanced Accounting & Auditing), Chartered Accountant (ICAI India), CPA Australia, GAICD  
Experience: Easy to approach, result oriented, amicable and hands-on ambitious professional with more than 20 years of experience working in various countries and in a variety of industries. Demonstrated experience in the areas of people management, corporate services (finance, technology, facilities, engineering and procurement) and governance.

**Haleh Homaei (appointed 5 September 2024 to fill casual vacancy, expiring at the 2025 AGM)**

Qualifications: GAICD  
Experience: Haleh Homaei is a highly experienced management executive and non-executive director with over three decades experience in government, executive management, housing and property development and governance.

Her skills include leadership and executive management, operational development and transition planning, government relations (federal, state and local), private and public sector partnerships, structured deal-making, complex stakeholder engagement, policy development and board governance.

From 2016-2024 she was Chief Executive Officer of HousingFirst Limited, now one of Victoria's pre-eminent and most respected social and affordable housing providers with a housing portfolio of over 1500 properties and more than 2200 resident tenancies.

Haleh is a Graduate of the Australian Institute of Company Directors (GAICD). She is currently the Chair of PowerHousing Australia, a national peak advocacy body for providers of social and affordable housing, that provides policy input and recommendations to governments.

**Tracy Beaton (Co-opted 5 September 2024, appointed 7 November to fill casual vacancy expiring at the 2025 AGM)**

Qualifications: RN, BN, PGCert Mental Health, PGDip Professional Practice, MA (Applied) MBA, FACN  
Experience: Tracy's executive experience is across health and human services including the design, delivery and evaluation of programs and services in health care, child protection and youth justice. Tracy has held the most senior clinical positions for the Victorian Government in nursing (mental health) and human services for a 14-year period. She has delivered purpose-led practice development to improve services provision in a multitude of settings at both strategic and operational levels. Tracy is currently a Director in EY's People Consulting Practice and has proved expertise as a strategic advisor to government. Her professional practice provides a unique set of skills that supports effective management of complex situations. Tracy supports organisations with clinical and practice governance.

**Nicola Foxworthy (co-opted for 12 months on 7 November 2024 until 2025 AGM)**

**Qualifications:** Bachelor of Social Science, Master of Social Science, Executive Masters of Public Administration, FAICD

**Experience:** Nicola has over 20 years' experience in affordable housing delivery, holding executive roles in the Victorian Community Housing and Public Service sectors. She has a deep understanding of the policy, regulatory, funding and commercial environment for affordable housing in Australia and extensive experience in affordable housing program design and implementation, strategic planning and stakeholder engagement. Nicola has extensive networks across Government, not-for-profit and commercial organisations involved in affordable housing delivery and expertise in cross sector working group facilitation.

Nicola is Founding Director of Imagine Housing, an affordable housing consultancy specialising in innovative and collaborative delivery models. She is also a co-founder of Middle Ground Housing, an incubator for a new model of cooperative housing that provides secure, sustainable cost-stabilised homes for Australians locked out of homeownership, and a Sessional Member of Planning Panels Victoria.

**Jan Snell (resigned 7 November 2024)**

**Qualifications:** FAICD, Master of Health Sciences (Nursing), Post Grad Cardio-Thoracic Surgery.

**Experience:** Jan has had a long and distinguished career in the Victorian Public Service and has held a number of senior executive positions, more recently Deputy Secretary, North Division, Department Health & Human Services (DHHS). She is a Fellow of the Australian Institute Company Directors. She has many years of experience in delivering services to Victorian communities and in 2015 received a Public Service Medal in recognition of this work.

**David Brant (end of term 7 November 2024)**

**Qualifications:** Bachelor of Engineering (Mechanical), Post Graduate Diploma Business Administration, FAICD.

**Experience:** David Brant, former North East Housing Service Director and London Business School graduate with extensive skills in strategy development and implementation. With over 20 years' experience in Corporate Governance in Australia and a number of countries in Asia, David provides management consultancy to businesses looking to improve their top and bottom lines.

**Gerard Jose (resigned 3 October 2024)**

**Qualifications:** Dip. Bus Management of MBA (Local Government), Post Graduate, Human Services Research.

**Experience:** Gerard has significant experience in community engagement, change management, organisation development, policy facilitation and program evaluation. He has had an extensive career in Local Government and is currently privileged to be CEO with Rural Care Australia, and previously served as CEO with Bendigo Community Health Services and Mildura Regional City. Gerard is a people-oriented leader committed to ethical stewardship and social justice with outstanding contemporary team-based leadership, communication, analytical and creative problem-solving skills.

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Directors' Report  
30 June 2025**

**Meetings of directors**

During the financial year, 12 formal meetings were held, 10 Ordinary meetings, 1 Annual General Meeting and 1 Extraordinary Meeting.

	Board of Directors Eligible	Board of Directors Attended	Finance and Development Committee Eligible	Finance and Development Committee Attended	Client, Quality and Risk Committee Eligible	Client, Quality and Risk Committee Attended
Robert Camm	12	12	10	10	-	2 E
Damien Tangey	7	7	-	3 E	-	3 E
Anne Duggan	12	12	-	2 E	-	-
Michael Page	12	12	10	10	-	-
Patrick Archer	12	12	10	8	-	-
Niraj Pau	12	11	10	9	6	6
Haleh Homaei	11	8	-	2 E	-	-
Tracy Beaton	10	9	-	-	5	4
Nicola Foxworthy	8	8	7	7	4	4
Jan Snell	4	3	-	-	2	2
David Brant	4	4	3	1	2	2
Gerard Jose	3	3	-	-	2	1

	Strategy and Partnerships Committee Eligible	Strategy and Partnerships Committee Attended	Remuneration and Assessment Committee Eligible	Remuneration and Assessment Committee Attended
Robert Camm	3	3	-	1 E
Damien Tangey	-	1 E	-	-
Anne Duggan	3	2	-	-
Michael Page	3	3	-	-
Patrick Archer	3	3	1	1
Niraj Pau	-	-	-	-
Haleh Homaei	2	1	-	-
Tracy Beaton	-	1 E	1	1
Nicola Foxworthy	-	2 E	1	1
Jan Snell	-	-	-	-
David Brant	1	1	-	-
Gerard Jose	-	-	-	-

*E = Director attended Ex-Officio*

**Corporate governance**

The governance framework of HHS is shaped by its Constitution, organisational policies and external factors such as regulations, community expectations and law. The pillars of the governance framework are its Constitution, Board Charter and Code of Conduct and various board policies that are designed to assist directors execute their roles and responsibilities transparently and appropriately. The board reviews its Strategic Plan annually.

HHS operates within, and must remain compliant with:

- Relevant legislation, including, but not limited to, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001* (Cth)
- Regulators, including, but not limited to, the Victorian Housing Registrar, the Australian Securities and Investments Commission, the Australian Charities and Not-for-profits Commission and the Australian Taxation Office.
- Contractual commitments with agencies including, but not limited to, DHS (Vic) and DHS (Cth).

The Board of Directors influences the HHS governance environment to best meet its purpose, values and overall strategies as defined in the organisation's Strategic Plan and in alignment with its Constitution.



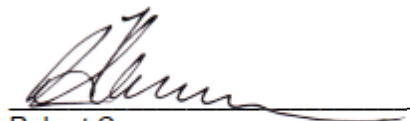
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The composition of the board is in accordance with the Constitution of the company. The chair is elected by board directors at the first ordinary meeting after the AGM.

**Auditors' Independence Declaration**

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit for financial year is provided with this report.

The directors' report is signed in accordance with a resolution of the board of directors.

A handwritten signature in dark ink, appearing to read 'Robert Camm', is written over a horizontal line.

Robert Camm  
Chairperson

2 October 2025



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
ABN: 65 684 604 390  
afs@afsbendigo.com.au  
03 5443 0344

## Lead auditor's independence declaration under *section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012* to the Directors of Loddon Mallee Housing Services Limited trading as Haven; Home, Safe

As lead auditor for the audit of Loddon Mallee Housing Services Limited trading as Haven; Home, Safe for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit, and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', is positioned above the printed name.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo Vic 3550  
Dated this 2<sup>nd</sup> day of October 2025

A handwritten signature in black ink, appearing to read 'Adrian Downing', is positioned above the printed name.

**Adrian Downing**  
**Lead Auditor**

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Statement Of Profit Or Loss And Other Comprehensive Income**  
**For the year ended 30 June 2025**

	<b>Note</b>	<b>2025</b> <b>\$</b>	<b>2024</b> <b>\$</b>
<b>Revenue</b>			
Revenue from contracts with customers	4	20,119,397	22,422,847
Other income	5	29,969,490	37,765,299
Interest income		504,237	632,248
<b>Expenses</b>			
Employee benefits expense	6	(17,476,909)	(20,452,055)
Depreciation and amortisation expense	6	(1,669,178)	(1,595,450)
Travel and training		(330,200)	(426,234)
Office costs		(441,461)	(335,646)
Vehicle costs		(222,653)	(293,891)
Communications cost		(327,592)	(223,886)
Administration		(1,916,798)	(3,082,270)
Insurance		(672,022)	(681,924)
Client costs	6	(4,058,836)	(4,212,559)
Property costs	6	(10,811,004)	(9,968,917)
Rent to owners		(1,495,781)	(1,818,886)
Interest		(3,370,713)	(3,404,144)
Loss on sale of property, plant and equipment		(109,063)	(890,497)
Fair value loss on investment properties	6	(12,700,677)	(9,590,947)
<b>Surplus/(deficit) before income tax expense</b>		(5,009,763)	3,843,088
Income tax expense		-	-
<b>Surplus/(deficit) after income tax expense for the year</b>		(5,009,763)	3,843,088
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<u>(5,009,763)</u>	<u>3,843,088</u>

Refer to note 3 for detailed information on Change in presentation of income statement line items.

*The above Statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Statement Of Financial Position**  
**As at 30 June 2025**

	<b>Note</b>	<b>2025</b> <b>\$</b>	<b>2024</b> <b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	16,884,499	16,226,866
Trade and other receivables	8	3,499,692	8,801,387
Other assets		967,251	1,810,338
Total current assets		<u>21,351,442</u>	<u>26,838,591</u>
<b>Non-current assets</b>			
Trade and other receivables	8	181,459	193,258
Property, plant and equipment	9	9,449,063	10,224,905
Investment properties	10	509,286,575	511,451,994
Right-of-use assets	11	4,012,910	4,312,794
Intangible assets	12	29,521	77,310
Total non-current assets		<u>522,959,528</u>	<u>526,260,261</u>
<b>Total assets</b>		<u>544,310,970</u>	<u>553,098,852</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	4,445,582	4,131,085
Contract liabilities	14	3,054,106	6,064,056
Borrowings	18	817,024	747,369
Lease liabilities	15	397,606	378,707
Employee benefits	16	2,271,545	2,325,355
Total current liabilities		<u>10,985,863</u>	<u>13,646,572</u>
<b>Non-current liabilities</b>			
Lease liabilities	15	4,006,649	4,274,238
Employee benefits	16	212,352	245,149
Borrowings	18	125,240,213	126,057,237
Total non-current liabilities		<u>129,459,214</u>	<u>130,576,624</u>
<b>Total liabilities</b>		<u>140,445,077</u>	<u>144,223,196</u>
<b>Net assets</b>		<u>403,865,893</u>	<u>408,875,656</u>
<b>Equity</b>			
Reserves	17	6,640,000	12,262,000
Retained surplus		<u>397,225,893</u>	<u>396,613,656</u>
<b>Total equity</b>		<u>403,865,893</u>	<u>408,875,656</u>

*The above Statement of financial position should be read in conjunction with the accompanying notes*

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Statement Of Changes In Equity**  
**For the year ended 30 June 2025**

	<b>Reserves</b>	<b>Retained surplus</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2023	6,134,000	398,898,568	405,032,568
Surplus after income tax expense for the year	-	3,843,088	3,843,088
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	3,843,088	3,843,088
<i>Transactions with members in their capacity as members:</i>			
Transfers	6,128,000	(6,128,000)	-
Balance at 30 June 2024	<u>12,262,000</u>	<u>396,613,656</u>	<u>408,875,656</u>
	<b>Reserves</b>	<b>Retained surplus</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2024	12,262,000	396,613,656	408,875,656
Deficit after income tax expense for the year	-	(5,009,763)	(5,009,763)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(5,009,763)	(5,009,763)
<i>Transactions with members in their capacity as members:</i>			
Transfers	(5,622,000)	5,622,000	-
Balance at 30 June 2025	<u>6,640,000</u>	<u>397,225,893</u>	<u>403,865,893</u>

*The above Statement of changes in equity should be read in conjunction with the accompanying notes*

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Statement Of Cash Flows**  
**For the year ended 30 June 2025**

	<b>Note</b>	<b>2025</b> <b>\$</b>	<b>2024</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Grants received		26,120,007	33,303,988
Other income		22,226,063	23,686,593
Payments to suppliers and employees		(32,392,177)	(45,132,409)
Net amounts paid to Australian Taxation Office - GST		(243,742)	(210,990)
Interest received		504,237	632,248
Interest paid		(3,253,327)	(3,278,791)
Interest payments on lease liabilities		(117,386)	(125,353)
Net cash from operating activities	19	<u>12,843,675</u>	<u>8,875,286</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(675,609)	(2,264,199)
Proceeds from sale of investment properties		11,068,783	8,041,854
Purchase of investment properties		(21,447,504)	(21,199,102)
Net cash used in investing activities		<u>(11,054,330)</u>	<u>(15,421,447)</u>
<b>Cash flows from financing activities</b>			
Lease liability repayments		(384,343)	(411,398)
Repayment of borrowings		(747,369)	(682,373)
Net cash used in financing activities		<u>(1,131,712)</u>	<u>(1,093,771)</u>
Net increase/(decrease) in cash and cash equivalents		657,633	(7,639,932)
Cash and cash equivalents at the beginning of the financial year		<u>16,226,866</u>	<u>23,866,798</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>16,884,499</u></u>	<u><u>16,226,866</u></u>

*The above Statement of cash flows should be read in conjunction with the accompanying notes*

## **Note 1. Material accounting policy information**

### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

These financial statements were authorised for issue by the Board of Directors on 2 October 2025.

### **Statement of compliance**

The company does not have 'public accountability' as defined in AASB 1053: *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

### **Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

### **Functional and presentation currency and rounding**

These financial statements are presented in Australian dollars, which is the company's functional currency. The amounts have been rounded to the nearest dollar.

### **Historical cost convention**

The financial statements have been prepared under the historical cost convention.

### **Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

### **Income tax**

No provision for income tax has been raised as the company is exempt from income tax under subdivision 50-B of the *Income Tax Assessment Act 1997*.

### **Fair value of assets and liabilities**

The company measures some of its assets and liabilities at fair value either on a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standards.

"Fair value" is the price the company would sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market information.

**Note 1. Material accounting policy information (continued)**

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the company at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset and minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

**Impairment of assets**

At the end of each reporting period, the company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that an asset may be impaired.

If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**Comparative figures**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

**Adoption of new and revised accounting standards**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The company has assessed and concluded there are no material impacts.

**Accounting standards issued but not yet effective**

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2025. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Note 2. Judgements and key sources of estimation uncertainty**

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the company's accounting policies. These judgements have the most significant effect on the amounts recognised in the financial statements.

*Fair value of investment properties*

The company measures the fair value of its investment properties on a recurring basis. Independent valuations are completed on one third of the investment portfolio on an annual basis. Where independent valuations are not completed, indexation rates are applied to the remaining properties to ensure the valuations of the entire portfolio are fairly stated at the end of each reporting period.

*Identifying performance obligations under AASB 15*

To identify a performance obligation under AASB 15: *Revenue from Contracts with Customers* (AASB 15), the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.



**Note 2. Judgements and key sources of estimation uncertainty (continued)**

When reviewing funding agreements under AASB 15, the company has identified that the performance obligations as per funding agreements entered into with the State and Commonwealth governments were sufficiently specific. Accordingly, such funding is recognised as revenue as the performance obligations are satisfied.

*Determination and timing of revenue recognition under AASB 15*

For each revenue stream, the company applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation.

The output method is used to recognise revenue once performance obligations are satisfied and goods/services are transferred to a customer. Such goods/services are typically transferred over time.

*Lease term*

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the company will make.

The company determines the likelihood to exercise the options on a lease-by-lease basis, looking at various factors such as which assets are strategic and which are key to future strategy of the company, in addition to the following:

- If there are significant penalties to terminate (or not to extend), the company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate).
- Otherwise, the company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

*Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* defines our obligations for short-term employment benefits as obligations to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. As the company expects that most employees will use all of their annual leave entitlements in the same year in which they are earned, the directors believe that obligations for annual leave entitlements satisfy the definition of short-term employee benefits.

*Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

*Impairment of non-financial assets*

The company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal, which incorporate a number of key estimates and assumptions.

*Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

*Contract liabilities*

Depending on the nature of the agreement, some grant payments will be required to be recognised as contract liabilities until grant conditions are satisfied. There is some element of judgement in determining partial completion of some grant conditions.

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**Note 3. Change in presentation of income statement line items**

During the year ended 30 June 2025, the company reassessed the presentation of income in the Statement of Profit or Loss and Other Comprehensive Income. Revenue, income and gains are now presented under the following headings:

- Revenue from contracts with customers
- Other income
- Interest income
- Loss on sale of property, plant and equipment
- Fair value loss on investment properties.

Management considers this presentation provides more relevant information to users of the financial statements. Comparative figures have been reclassified to conform with current year presentation. This reclassification has had no impact on profit or net assets.

*Statement of profit or loss and other comprehensive income*

<b>Extract</b>	<b>2024 \$ Reported</b>	<b>\$ Adjustment</b>	<b>2024 \$ Restated</b>
<b>Revenue</b>			
Revenue and other income	50,338,950	(50,338,950)	-
Revenue from contracts with customers	-	22,422,847	22,422,847
Other income	-	37,765,299	37,765,299
Interest income	-	632,248	632,248
<b>Expenses</b>			
Loss on sale of property, plant and equipment	-	(890,497)	(890,497)
Fair value loss on investment properties	-	(9,590,947)	(9,590,947)
<b>Surplus after income tax expense for the year</b>	<u>3,843,088</u>	<u>-</u>	<u>3,843,088</u>
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>	<u><u>3,843,088</u></u>	<u><u>-</u></u>	<u><u>3,843,088</u></u>

**Note 4. Revenue from contracts with customers**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Revenue from contracts with customers	<u>20,119,397</u>	<u>22,422,847</u>

**Disaggregation of revenue**

The company has disaggregated revenue by the nature of revenue and timing of revenue recognition.

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Categories of disaggregation</b>		
Homelessness to Homes (H2H)	957,607	2,537,391
Housing Establishment Fund (HEF)	1,672,728	2,000,820
Private Rental Assistance (PRAP)	2,823,703	1,563,684
Homelessness Case Coordination (HCC) & Homelessness Hub (HH)	3,597,865	3,324,906
Supported Residential Services (SRS)	-	637,607
Transitional Housing Management (THM)	2,885,639	3,321,694
Emergency Relief Funding (ERF)	788,416	480,056
Initial Assessment and Planning (IAP)	2,214,985	2,169,930
Other	<u>5,178,454</u>	<u>6,386,759</u>
Total disaggregated revenue from contracts with customers under AASB 15	<u>20,119,397</u>	<u>22,422,847</u>

**Timing of revenue recognition**

Goods/services transferred over time	<u>20,119,397</u>	<u>22,422,847</u>
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**Accounting policy for revenue from contracts with customers**

*Government grants*

Grants are received from commonwealth and state government to facilitate affordable housing and associated services. When the company receives a grant, it assesses whether there is a contract that is enforceable and whether the contract contains sufficiently specific performance obligations, in accordance with AASB 15: *Revenue from Contracts with Customers*.

Where sufficiently specific performance obligations are identified, the company defers the grant income as a contract liability and recognises revenue as and when the performance obligations are met, which is over time.

Where the grant is not enforceable or sufficiently specific, the company recognises income in accordance with AASB 1058: *Income of Not-For-Profit Entities*.

**Note 4. Revenue from contracts with customers (continued)**

The types of government grants recognised under AASB 15: *Revenue from Contracts with Customers* include:

Homelessness to Homes	This program funds support for people experiencing homelessness by offering stable housing and related services to help them transition into long-term accommodation. HHS is required to provide emergency response support to clients. Revenue is recognised over time, as and when the support is provided. HHS uses the output method to measure its progress in satisfying its performance obligations.
Housing Establishment Fund	This program funds financial assistance to individuals and families experiencing or at risk of homelessness to secure short-term or emergency accommodation. HHS is required to provide a certain number of assists. Revenue is recognised over time, as and when the assistance is provided. HHS uses the output method to measure its progress in satisfying its performance obligations.
Private Rental Assistance	This program funds support and practical assistance to help individuals and families experiencing or at risk of homelessness to access and sustain private rental housing. HHS is required to provide a number of new support periods, and new tenancies (established or sustained). Revenue is recognised over time, as and when the support is provided. HHS uses the output method to measure its progress in satisfying its performance obligations.
Homeless Case Coordination	This program funds tailored support and case management services to individuals and families experiencing homelessness. HHS is required to support a number of clients. Revenue is recognised over time, as and when the support is provided. HHS uses the output method to measure its progress in satisfying its performance obligations.
Homelessness Hub	This program funds centralised service hubs that provide integrated assistance, including housing, health, and social support services, to individuals and families experiencing homelessness. HHS is required to support a number of clients. Revenue is recognised over time, as and when the support is provided. HHS uses the output method to measure its progress in satisfying its performance obligations.
Transitional Housing Management	This program funds temporary housing and support services to individuals and families experiencing homelessness, helping them transition into stable, long-term accommodation. HHS is required to provide a number of support periods. Revenue is recognised over time, as and when the support is provided. HHS uses the output method to measure its progress in satisfying its performance obligations.
Initial Assessment and Planning	This program funds support services that provide the first point of contact for individuals and families experiencing homelessness. HHS is required to provide assessments to a number of new clients. Revenue is recognised over time, as and when the service is provided to clients. HHS uses the output method to measure its progress in satisfying its performance obligations.

All revenue is stated net of the amount of goods and services tax.

**Note 5. Other income**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Rental income	17,079,994	16,356,886
Capital grants	7,743,427	14,078,706
Donations	204,901	15,209
Other income	4,941,168	7,314,498
	<u>29,969,490</u>	<u>37,765,299</u>
Other income	<u>29,969,490</u>	<u>37,765,299</u>

**Note 5. Other income (continued)**

**Accounting policy for other income**

*Capital grants*

When the company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The company recognises income in profit or loss when or as the company satisfies its obligations under terms of the grant.

*Rental income*

Rental income derived from properties managed or owned by HHS is recognised on an accrual basis.

*Donations*

Donations are generally recognised upon receipt as they do not contain sufficiently specific and enforceable performance obligations.

*Other income*

Income from the rendering of a service is recognised upon the delivery of the service to the customers.

All income is stated net of the amount of goods and services tax.

**Note 6. Expenses**

**Employee benefits expense**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Wages and salaries	12,875,166	17,959,575
Superannuation	1,885,135	1,958,834
Expenses related to leave provisions	2,390,424	205,848
Fringe benefits tax	35,486	23,689
Other expenses	290,698	304,109
	<u>17,476,909</u>	<u>20,452,055</u>

**Client costs**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Housing Establishment Fund (HEF)	1,504,367	1,381,309
Emergency Relief (ER)	434,179	363,974
RSAP	239,747	250,886
Private Rental Assistance (PRAP)	1,438,674	1,475,954
Other brokerage	441,869	740,436
	<u>4,058,836</u>	<u>4,212,559</u>

**Note 6. Expenses (continued)**

**Property costs**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Council rates	1,915,247	1,779,230
Body corporate costs	1,205,258	738,950
Furniture and whitegoods	383,326	298,822
Maintenance costs	6,041,157	5,763,280
Utilities	1,081,360	1,206,645
Other expenses	184,656	181,990
	<u>10,811,004</u>	<u>9,968,917</u>

**Fair value loss on investment properties**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Fair value loss on investment properties	<u>12,700,677</u>	<u>9,590,947</u>

**Depreciation and amortisation expense**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Depreciation of motor vehicles	189,370	243,452
Depreciation of furniture and fittings	42,440	42,344
Depreciation of leasehold improvements	149,213	148,854
Depreciation of office equipment	659,934	307,879
Depreciation of buildings	144,895	121,644
Depreciation of right-of-use assets	435,537	535,819
Amortisation of intangible assets	47,789	195,458
	<u>1,669,178</u>	<u>1,595,450</u>

**Accounting policy for expenses**

*Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets, which are consistent with the previous reporting period, are as follows:

Buildings - Non Affordable Housing Association Properties - Offices	2%
Buildings - Non Affordable Housing Association Properties - Other	3%
Leasehold improvements	2% to 20%
Furniture	10%
Motor vehicles	20%
Computer equipment	33%
Other office equipment	20%

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
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**Note 7. Cash and cash equivalents**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash at bank and on hand	8,384,499	12,226,866
Short term bank deposits	8,500,000	4,000,000
	<u>16,884,499</u>	<u>16,226,866</u>

**Note 8. Trade and other receivables**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	2,204,208	5,420,997
Allowance for expected credit losses	(567,066)	(452,067)
Accrued income	1,334,419	3,358,517
PLSA receivables	528,131	438,591
Tax receivables	-	35,349
	<u>3,499,692</u>	<u>8,801,387</u>
<i>Non-current assets</i>		
PLSA receivables	181,459	193,258
	<u>3,681,151</u>	<u>8,994,645</u>
<b>Note</b>	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Financial assets classified as trade and other receivables</i>		
Total trade and other receivables	3,681,151	8,994,645
GST refundable	-	(35,349)
20	<u>3,681,151</u>	<u>8,959,296</u>

**Accounting policy for trade and other receivables**

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

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**Note 9. Property, plant and equipment**

	2025 \$	2024 \$
<i>Non-current assets</i>		
Freehold land - at valuation	1,068,000	1,068,000
Buildings - at valuation	6,928,843	5,832,000
Less accumulated depreciation	(1,605,484)	(363,746)
	<u>5,323,359</u>	<u>5,468,254</u>
Leasehold improvements - at cost	2,073,772	2,070,616
Less accumulated depreciation	(938,602)	(789,389)
	<u>1,135,170</u>	<u>1,281,227</u>
Plant and equipment - at cost	5,346,999	5,752,199
Less accumulated depreciation	(3,540,408)	(3,501,312)
	<u>1,806,591</u>	<u>2,250,887</u>
Work in progress - at cost	115,943	156,537
	<u><u>9,449,063</u></u>	<u><u>10,224,905</u></u>

Reconciliation of movements in carrying amounts for each class of asset:

	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Work in Progress	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2024	1,068,000	5,468,254	1,281,227	2,250,887	156,537	10,224,905
Additions	-	-	3,156	504,154	115,943	623,253
Disposals	-	-	-	(56,707)	-	(56,707)
Reallocations	-	-	-	-	(156,537)	(156,537)
Depreciation expense	-	(144,895)	(149,213)	(891,743)	-	(1,185,851)
Balance at 30 June 2025	<u><u>1,068,000</u></u>	<u><u>5,323,359</u></u>	<u><u>1,135,170</u></u>	<u><u>1,806,591</u></u>	<u><u>115,943</u></u>	<u><u>9,449,063</u></u>

**Accounting policy for property, plant and equipment**

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

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.



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**Note 10. Investment properties**

	2025 \$	2024 \$
<i>Non-current assets</i>		
Investment properties	486,380,694	466,298,618
Investment properties in progress	<u>22,905,881</u>	<u>45,153,376</u>
	<u>509,286,575</u>	<u>511,451,994</u>
<i>Reconciliation</i>		
Reconciliation of the carrying amounts of investment properties		
Balance at the beginning of the year	511,451,994	507,885,693
Acquisition of investment property	43,863,085	6,252,107
Disposal of investment property	(11,078,783)	(8,041,854)
Change in fair value of investment property	(12,702,226)	(9,590,947)
Changes in investment properties in progress	<u>(22,247,495)</u>	<u>14,946,995</u>
Balance at the end of the year	<u>509,286,575</u>	<u>511,451,994</u>

**Accounting policy for investment properties**

Affordable Housing Assets (classified as Investment Property) are carried at their fair value at reporting date. For 228 properties, fair value has been determined based on independent valuations undertaken at 30 June 2025 by JLL Valuers. A further 91 newly developed properties were valued in May 2025. For the remaining 916 properties, independent valuations completed as at 30 June 2023 and 30 June 2024 have been indexed by JLL Valuers to 30 June 2025. As at reporting date the directors have assessed objective evidence to determine that the carrying value of investment property is fair, based on current market data and appraisal of the properties.

The Director of Housing has a registered interest on the titles of the company's Affordable Housing Association properties. A registration of the Director's interest under the provisions of the *Housing Act 1983* has the effect of preventing dealings in the title without the consent of the Director of Housing. It is intended that the company will still be able to borrow against the asset and secure borrowing by mortgage. The company has a first registered mortgage over nominated affordable housing association titles with Housing Australia.

Various Funding Deeds have been executed over previous years between HHS and the Victorian State Government, in which the Victorian State Government generally retains a legal interest in the properties and places certain restrictions on the use of those assets. While there are a number of different arrangements in place, the restrictions generally have the effect of restricting legal dealings of these properties without consent of the Victorian State Government, via the Housing Director, under the respective Funding Deeds.

The company is able to borrow against these property assets and secure borrowings by mortgage. HHS current Housing Australia borrowings have a Priority Deed or similar between the Victorian State Government and Housing Australia which entitles Housing Australia access to 100% of the value of all nominated assets used as security.

**Note 11. Right-of-use assets**

	2025 \$	2024 \$
<i>Non-current assets</i>		
Leased buildings	6,059,591	5,958,349
Less accumulated depreciation	<u>(2,046,681)</u>	<u>(1,645,555)</u>
	<u>4,012,910</u>	<u>4,312,794</u>

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
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**Note 11. Right-of-use assets (continued)**

*Reconciliations*

Reconciliation of movements in carrying amounts for each class of asset:

	Leased buildings \$	Total \$
Balance at 1 July 2024	4,312,794	4,312,794
Additions	130,895	130,895
Remeasurement	75,428	75,428
Disposals	(70,670)	(70,670)
Depreciation expense	(435,537)	(435,537)
Balance at 30 June 2025	<u>4,012,910</u>	<u>4,012,910</u>

**Accounting policy for right-of-use assets**

Right-of-use assets are recognised and measured in accordance with AASB 16 Leases.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter.

**Note 12. Intangible assets**

	2025 \$	2024 \$
<i>Non-current assets</i>		
NRAS subsidies - at cost	1,632,538	1,632,538
Less accumulated amortisation	(1,632,538)	(1,616,954)
	<u>-</u>	<u>15,584</u>
Other intangibles - at cost	96,614	96,614
Less accumulated amortisation	(67,093)	(34,888)
	<u>29,521</u>	<u>61,726</u>
	<u>29,521</u>	<u>77,310</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	NRAS subsidies \$	Other intangibles \$	Total \$
Balance at 1 July 2024	15,584	61,726	77,310
Amortisation expense	(15,584)	(32,205)	(47,789)
Balance at 30 June 2025	<u>-</u>	<u>29,521</u>	<u>29,521</u>

**Accounting policy for intangible assets**

National Rental Affordability Scheme (NRAS) subsidies are initially recognised at cost less any accumulated amortisation and impairment losses. The subsidies have an estimated useful life of ten years. They are assessed annually for impairment.

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**Note 13. Trade and other payables**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade payables	3,176,915	2,922,252
Tax payables	245,663	-
Accrued expenses	1,023,004	1,208,833
	<u>4,445,582</u>	<u>4,131,085</u>
	<u>4,445,582</u>	<u>4,131,085</u>
<b>Note</b>	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Financial liabilities classified as trade and other payables</i>		
Total trade and other payables	4,445,582	4,131,085
GST payable	(245,663)	-
20	<u>4,199,919</u>	<u>4,131,085</u>

**Note 14. Contract liabilities**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Contract liabilities	<u>3,054,106</u>	<u>6,064,056</u>

**Accounting policy for contract liabilities**

Contract liabilities represent the company's undelivered performance obligations.

**Note 15. Lease liabilities**

The company's lease portfolio includes office premises. The lease terms of the arrangements are between 1.5 and 20 years.

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Lease liability	<u>397,606</u>	<u>378,707</u>
<i>Non-current liabilities</i>		
Lease liability	<u>4,006,649</u>	<u>4,274,238</u>
	<u>4,404,255</u>	<u>4,652,945</u>

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Notes To The Financial Statements**  
**30 June 2025**

**Note 15. Lease liabilities (continued)**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Payable		
Not later than 12 months	492,708	476,934
Between 12 months and 5 years	1,997,548	1,930,313
Greater than 5 years	2,483,992	2,890,305
Total undiscounted lease payments	<u>4,974,248</u>	<u>5,297,552</u>
Unexpired interest	<u>(569,993)</u>	<u>(644,607)</u>
Present value of lease liabilities	<u><u>4,404,255</u></u>	<u><u>4,652,945</u></u>

**Accounting policy for lease liabilities**

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following:

- future lease payments arising from a change in an index or a rate used
- residual guarantee
- lease term
- certainty of a purchase option and termination penalties.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

*Exceptions to lease accounting*

The company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (assets whose underlying value is \$10,000 or less. The company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

**Note 16. Employee benefits**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Provision for annual leave	1,288,249	1,357,232
Provision for long service leave	<u>983,296</u>	<u>968,123</u>
	<u>2,271,545</u>	<u>2,325,355</u>
<i>Non-current liabilities</i>		
Provision for long service leave	<u>212,352</u>	<u>245,149</u>
	<u><u>2,483,897</u></u>	<u><u>2,570,504</u></u>

**Accounting policy for employee benefits**

*Short-term employee benefits*

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

**Note 16. Employee benefits (continued)**

*Long-term employee benefits*

The company classifies employee's long service leave entitlements as long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wages and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates the approximate the terms of the obligations.

**Note 17. Reserves**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Reserves	<u>6,640,000</u>	<u>12,262,000</u>

**Accounting policy for reserves**

The reserves within equity represent amounts appropriated from retained surplus at the discretion of the Board. They are not revaluation reserves under AASB 140: *Investment Property* and do not reflect movements in the fair value of investment properties, which are recognised through profit or loss.

*Net Disposal Proceeds Reserve*

This reserve records the balance of net disposal proceeds from housing asset disposals under the Asset Rejuvenation Strategy. Generally, these funds are tracked separately in the ledger and reinvested into approved housing projects as part of HHS's commitment to reinvest disposal proceeds into appropriate social and affordable housing initiatives. Net disposal proceeds (after selling costs) are added to the reserve, with contributions towards housing projects subsequently deducted.

*Donations and Earmarked Funds Reserve*

This reserve records the balance of funds received from specific donations or other sources that have been earmarked by management and the Board for future housing or support initiatives. These funds are tracked separately in the ledger and reinvested into approved projects as determined by management and the Board. This reserve is recorded for internal accounting purposes only and does not represent any legal obligation for HHS to use these funds for any specific purpose.

**Note 18. Borrowings**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Loan - Treasury Corporation of Victoria	<u>817,024</u>	<u>747,369</u>
<i>Non-current liabilities</i>		
Interest bearing liabilities	65,000,000	65,000,000
Loan - Treasury Corporation of Victoria	51,240,213	52,057,237
Loan - Housing Australia Development Facility	<u>9,000,000</u>	<u>9,000,000</u>
	<u>125,240,213</u>	<u>126,057,237</u>
	<u>126,057,237</u>	<u>126,804,606</u>

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Notes To The Financial Statements**  
**30 June 2025**

**Note 18. Borrowings (continued)**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Payable		
Not later than 12 months	817,024	747,369
Between 12 months and 5 years	68,590,894	68,427,338
Greater than 5 years	56,649,319	57,629,899
	<u>126,057,237</u>	<u>126,804,606</u>
Total payable	<u>126,057,237</u>	<u>126,804,606</u>

**Accounting policy for borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

*Loan covenants*

The Company has loan facilities in place with Housing Australia (including a development facility) and Treasury Corporation of Victoria. These facilities are subject to a range of financial covenants, including ratios linked to interest coverage, secured value, rent to interest, loan to cost and security coverage. As at 30 June 2025, the Company has complied with all covenants under the loan agreement.

**Note 19. Cash flow information**

Reconciliation of surplus to net cash provided by operating activities:

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Surplus/(deficit) after income tax expense for the year	(5,009,763)	3,843,088
Non cash items:		
Amortisation	47,789	195,458
Depreciation	1,621,388	1,399,992
Loss on disposal of assets	109,063	890,497
Fair value losses on investment properties	12,700,677	9,590,947
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	5,313,494	(3,981,887)
(Increase)/decrease in other assets	843,087	(1,386,528)
Increase/(decrease) in trade and other payables	314,497	(293,282)
Increase/(decrease) in other liabilities	-	(228,955)
increase/(decrease) in grants in advance	(3,009,950)	(1,498,561)
Increase/(decrease) in employee benefits	(86,607)	344,517
	<u>12,843,675</u>	<u>8,875,286</u>
Net cash from operating activities	<u>12,843,675</u>	<u>8,875,286</u>

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Notes To The Financial Statements**  
**30 June 2025**

**Note 20. Financial risk management**

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, borrowings and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	<b>Note</b>	<b>2025</b> \$	<b>2024</b> \$
<b>Financial assets</b>			
Cash and cash equivalents	7	16,884,499	16,226,866
Trade and other receivables	8	<u>3,681,151</u>	<u>8,959,296</u>
<b>Total financial assets at amortised cost</b>		<u><u>20,565,650</u></u>	<u><u>25,186,162</u></u>
	<b>Note</b>	<b>2025</b> \$	<b>2024</b> \$
<b>Financial liabilities</b>			
Trade and other payables	13	4,199,919	4,131,085
Lease liabilities	15	4,404,255	4,652,945
Borrowings	18	<u>125,240,213</u>	<u>126,057,237</u>
<b>Total financial liabilities at amortised cost</b>		<u><u>133,844,387</u></u>	<u><u>134,841,267</u></u>

**Accounting policy for financial instruments**

*Financial assets*

HHS subsequently measure cash and cash equivalents and trade and other receivables at amortised cost.

*Financial liabilities*

HHS subsequently measure trade and other payables, lease liabilities and borrowings at amortised cost using the effective interest method.

A financial liability cannot be reclassified.

*Recognition of expected credit losses in financial statements*

The company recognises a loss allowance for expected credit losses using the simplified approach, as applicable under AASB 9.

**Note 21. Contingent liabilities and contingent assets**

Various Funding Deeds have been executed over previous years between HHS and the Victorian State Government, in which the Victorian State Government generally retains a legal interest in the properties and places certain restrictions on the use of those assets. Once approval to sell has been granted, there is no right to proceeds of the disposed properties, HHS retains the full proceeds of sale.

There are no other known contingent liabilities and no contingent assets for HHS as at 30 June 2025 (2024: nil).

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe  
Notes To The Financial Statements  
30 June 2025**

**Note 22. Capital commitments**

At the reporting date, HHS had entered into the following commitments in respect of construction and land acquisition contracts relating to affordable housing properties (these obligations are not recognised as liabilities at reporting date):

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Within one year:	<u>4,462,721</u>	<u>24,784,336</u>

**Note 23. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Note 24. Key management personnel remuneration and related party disclosures**

The Board of Directors, Group Chief Executive Officer, Chief Executive Officer and the Executive Leadership Team of HHS are deemed to be key management personnel.

<b>Name</b>	<b>Position Title</b>
Robert Camm	Chair
Damien Tangey	Director
Anne Duggan	Director
Michael Page	Director
Patrick Archer	Director
Niraj Pau	Director
Haleh Homaei	Director
Tracy Beaton	Director
Nicola Foxworthy	Director
Jan Snell	Director
David Brant	Director
Gerard Jose	Director
Andrew Cairns	Group Chief Executive Officer
Trudi Ray	Chief Executive Officer
Vanessa Brotto	Chief Operations Officer
Blake Hogan	Chief Commercial Officer
Bernie Moss	Chief People and Change Officer
Jacquelyn Turfrey	Chief Business Services Officer

The totals of remuneration paid to the key management personnel of HHS during the year are as follows:

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Remuneration paid to key management personnel included in employee salaries, benefits and on-costs	1,688,040	1,743,082

Transactions with businesses related to directors were conducted on normal commercial terms. The total amount of such transactions during the year ended 30 June 2025 was \$107,359 (2024: nil).



**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe**  
**Notes To The Financial Statements**  
**30 June 2025**

**Note 25. Auditor's remuneration**

Remuneration of the Auditors, Andrew Frewin Stewart for:

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services -</i>		
Audit of the financial statements	45,150	43,400
<i>Other services -</i>		
Preparation of financial statements	4,325	4,120
Preparation of Fringe Benefits Tax return	1,575	1,500
	5,900	5,620
	<u>51,050</u>	<u>49,020</u>

**Note 26. Members Guarantee**

HHS is a company limited by guarantee. If the company is wound up, the Constitution states that every member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. As at the reporting date there were 8 full members (2024: 9 full members) to which the above provision applies. The maximum amount that the members of the company are required to contribute is \$80 (2024: \$90).

**Note 27. Registered office/principal place of business**

**The registered office is:**  
10-16 Forest Street  
Bendigo VICTORIA 3550

**The principal place of business is:**  
10-16 Forest Street  
Bendigo VICTORIA 3550

**Loddon Mallee Housing Services Ltd. t/as Haven; Home, Safe  
Directors' Declaration  
30 June 2025**

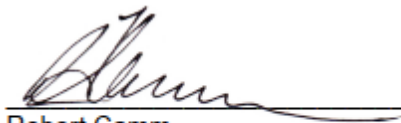
In the directors' opinion the financial statements and notes, as set out on pages 9 to 28, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

- comply with Australian Accounting Standards - Simplified Disclosures, and
- give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the year ended on that date.

In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

On behalf of the directors



Robert Camm  
Chairperson

2 October 2025

# Independent auditor's report to the Directors of Loddon Mallee Housing Services Limited trading as Haven; Home, Safe

## Report on the audit of the financial statements

### Opinion

We have audited the financial report of Loddon Mallee Housing Services Limited trading as Haven; Home, Safe's (the company), which comprises:

- Statement of financial position as at 30 June 2025
- Statement of profit or loss and other comprehensive income for the year then ended
- Statement of changes in equity for the year then ended
- Statement of cash flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory notes
- The directors' declaration of the company.

In our opinion, the financial report of the company is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date, and
- ii. complying with Australian Accounting Standards – Simplified Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulations 2022.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Independence

We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
ABN: 65 684 604 390  
afs@afsbendigo.com.au  
03 5443 0344

## Other Information

The company may prepare an annual report that may include the financial statements, director's report and declaration and our audit report (the financial report). The annual report may also include "other information" on the entity's operations and financial results and financial position as set out in the financial report, typically in a Chairperson's report and reports covering governance and other matters.

The directors are responsible for the other information. An annual report has not been made available to us as of the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we will not express any form of assurance conclusion thereon.

Our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If we identify that a material inconsistency appears to exist when we read the annual report (or become aware that the other information appears to be materially misstated), we will discuss the matter with the directors and where we believe that a material misstatement of the other information exists, we will request management to correct the other information.

## Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company'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 the directors either intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

## Auditor's responsibility for the audit of the financial report

Our 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 our 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. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



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afs@afsbendigo.com.au  
03 5443 0344

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, 3550  
Dated this 2<sup>nd</sup> day of October 2025

**Adrian Downing**  
Lead Auditor