

Australian Housing and Urban Research Institute Limited
ACN 090 448 918

Annual Financial Report
30 June 2024

Contents

	Page
Directors' report	2
Lead auditor's independence declaration	7
Statement of financial position	8
Statement of income and retained earnings	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	26
Independent audit report	27

Australian Housing and Urban Research Institute Limited

Directors' report

For the year ended 30 June 2024

The directors present their report to the members of Australian Housing and Urban Research Institute Limited ("the Company" or "AHURI Limited") together with the financial report for the financial year ended 30 June 2024 and the audit report thereon.

1. Directors

The name of each person who has been a director of the Company during the year and to the date of this report and the number of meetings of the Company's Board attended by each director during the year ended 30 June 2024 were:

Director		Appointed since 1 July 2023	Ceased since 1 July 2023	Board Meetings eligible to attend	Board Meetings attended
Ms Jennifer Cunich (Non Executive Chair) Federal Treasurer's appointment	Appointed by the Federal Minister responsible for the housing portfolio			4	3
Dr Michael Fotheringham (Managing Director)	AHURI Managing Director ex officio appointment			4	4
Ms Kerren Crosthwaite (Non Executive Director) Commonwealth Department of Treasury	Commonwealth Department of Treasury representative appointed by the Board	7 November 2023		3	1
Luke Bo'sher (Non Executive Director) Department of Housing Victoria	State/Territory Government representative appointed by the Board		31 March 2024	2	2
Danni De Kretser (Non Executive Director) Department of Housing Victoria	State/Territory Government representative appointed by the Board	4 April 2024		2	2
Eleri Morgan-Thomas (Non Executive Director) Homes Tasmania	State/Territory Government representative appointed by the Board		14 February 2024	2	2
Mr Michael Buchan (Non Executive Director) Housing South Australia	State/Territory Government representative appointed by the Board	2 April 2024	28 June 2024	2	2
Professor Anthony Koutoulis (Non Executive Director) University of Tasmania	University Participant appointed by the Board			4	4
Professor Jodie Conduit (Non Executive Director) University of Adelaide	University Participant appointed by the Board		30 April 2024	3	2
Mr Tony Richards (Non Executive Director) Federal Treasurer's appointment	Appointed by the Federal Minister responsible for the housing portfolio	30 November 2023		2	2
Ms Jennifer Samms (Non Executive Director) Federal Treasurer's appointment	Appointed by the Federal Minister responsible for the housing portfolio	30 November 2023		2	1
Ms Alexandra Waldren (Non Executive Director) Federal Treasurer's appointment	Appointed by the Federal Minister responsible for the housing portfolio			4	4

Australian Housing and Urban Research Institute Limited

Directors' report

For the year ended 30 June 2024

The directors monitor risk management in respect of operations and the financial position of the Company by regular reporting to the Board by the Chair of the Audit, Finance and Risk Management Committee (AFaRM). The number of meetings attended by each member of the committee during the year ended 30 June 2024 were:

Committee member	Committee Appointments since 1 July 2023	Committee Cessations since 1 July 2023	AFaRM Meetings eligible to attend	AFaRM Meetings attended
Ms Alexandra Waldren AFaRM Committee Chair			4	4
Ms Jennifer Cunich Board Chair and Committee Member			4	4

2. Principal activities and strategic objectives

AHURI is a national independent research network with an expert non-for-profit research management company, AHURI Limited, at its centre. As the only organisation in Australia dedicated exclusively to housing, homelessness, cities and related urban research, AHURI is a unique venture. Through a national network of University research partners, the Company undertakes research leading to the advancement of knowledge on key policy and practice issues. AHURI research informs the decision making of all levels of government, non-government sectors (both private and not-for-profit), peak organisations and the community, and stimulates debate in the media and the broader Australian community.

The Company's mission is to working collaboratively to inform and impact better policy and practice in housing, homelessness, and urban issues. The Company's strategic priorities are the primary focus of the AHURI Board. The key strategic goals are:

- Build public and professional understanding and informed dialogue on housing and cities issues
- Inform and influence housing policy, planning and practice across relevant sectors
- Inform and influence cities policy, planning and practice across relevant sectors
- Foster engagement across all sectors and stakeholder groups
- Enhance national policy and research capability
- Optimise the value we deliver

AHURI receives income from four main sources. Research revenue from the Australian and state and territory governments, contributions from university partners for participation in the National Housing Research Program, registrations and sponsorship fees for AHURI conferences and events, and fee for service research projects and other professional services. The funding from Australian governments and university partners enables the Company to make the research reports from the National Housing Research Program free to download from the website. Depending on the arrangement with professional services clients, consultancy reports may also be publicly available on the website.

Australian Housing and Urban Research Institute Limited

Directors' report

For the year ended 30 June 2024

The Company's key activities are research management, research capacity building, research consulting, conference and event management, and evidence-informed policy development. The Company currently:

- Provides a major influence and focus on national policy discussions on housing and homelessness and the future of Australian cities, and conducts leading research into major issues for Australian housing and urban policy
- Undertakes a series of capacity building measures that develop the skills and resources of policy makers, practitioners and researchers in the housing, homelessness, cities and urban communities in Australia
- Convenes and hosts the biennial National Housing Conference, the biennial National Homelessness Conference, and a range of evidence informed forums, one-day conferences, workshops and other events
- Delivers the National Housing Research Program, to ensure our research activity addresses the policy priorities of state, territory and the Australian governments, through a portfolio of priority-based Inquiries and research projects
- Publishes and disseminates new research reports each year as well as hosting a research library of more than 500 major reports, up-to-date analyses of current policy issues and an ongoing stream of news and commentary through the AHURI website
- Provides a range of professional services that draw on our expert staff as well as on our network of researchers through our university partners

The annual AHURI Operating Plan ensures the Company's capacity to monitor progress against the strategic goals and the associated annual operating budget. A key feature of the plan is the inclusion of a number of indicators (both quantitative data and qualitative assessment) to measure progress for each strategic goal.

There were no significant changes in the nature of the activities of the Company during the year.

3. Key achievements

The National Housing Research Program 2024 awarded 31 new research contracts totaling \$3,058,536 to the university participants. The Company also extended the research evidence base by publishing and disseminating 23 new reports during the year. The AHURI Professional Services continues to grow with 19 research contracts totaling \$1,198,080 in revenue.

In addition to the research, AHURI conferences and events revenue totaled \$1,735,616 including the October 2023 Australian National Housing Conference in Brisbane. The conference was an outstanding success delivered as a hybrid event – attracting 1371 delegates.

Australian Housing and Urban Research Institute Limited

Directors' report

For the year ended 30 June 2024

4. Operating and financial results

A summary of revenues and expenses is set out below:

	2024	2023
	\$	\$
Total revenue	8,509,150	6,939,121
Total expenses	(8,225,597)	(7,197,614)
Net surplus/ (deficit) for the year ended 30 June	<u>283,553</u>	<u>(258,493)</u>

The operating result for the 2024 financial year is surplus of \$283,553.

The total revenue for the year increased by \$1,570,028 to \$8,509,149 mainly due to the increase in revenue from conference and events of \$1,055,120 to \$1,735,616 and interest revenue of \$200,681 to \$357,264.

The expenditure increased by \$1,027,983 to \$8,225,596 mainly due to the increase in conference services expenditure of \$490,435 to \$1,293,187 associated with the above-mentioned increase in revenue, an increase of \$237,501 to \$1,184,113 for professional services associated with its increase in revenue. Distributions to universities increased by \$361,499 to \$3,038,140.

In the balance sheet the total equity increased to \$2,162,428 due the surplus of \$283,553. The cash and cash equivalents decreased slightly by \$106,409. The cash and cash equivalents equates to 85% of AHURI total assets. The current ratio is \$1.57 of current assets for each current liability which, in the opinion of the directors, is more than adequate for the continuing operations.

In the opinion of the directors the Company is able to plan and manage its operational expenditures within the funds currently committed and accordingly the Company continues to operate as a going concern.

5. Dividends

Under the constitution, no dividends are allowed to members of the Company.

6. Members' guarantee

Each Member of the Company undertakes to contribute to the Company's property if the Company is wound up within one year after the Member ceases to be a Member, for payment of the Company's debts and liabilities contracted before the Member ceases to be a Member and of the costs, charges and expenses of winding up and for an adjustment of the rights of contributors among themselves such amount as may be required not exceeding one hundred dollars.

There were 20 members at 30 June 2024 (2023: 20 members).

7. Events subsequent to reporting date

The Commonwealth Government is preparing a new 2 year National Housing Research Program Funding Agreement for the Company to sign.

There were no other matters or circumstances that have arisen which have significantly affected, or may significant affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial periods.

8. Indemnification and insurance of officers and auditors

Indemnification

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Company.

Australian Housing and Urban Research Institute Limited

Directors' report

For the year ended 30 June 2024

9. Insurance premiums

During the financial year, the Company has paid a premium of \$3,740 (2023: \$3,400) for the insurance of the liabilities of directors and officers of the Company.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

10. Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

11. Likely developments

The Company's primary focus will be on the continuing delivery of the National Housing Research Program Funding Agreement in support of the policy development and practice of governments, industry and the community sector.

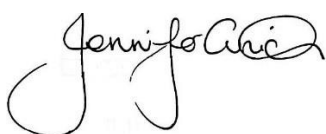
A focus on further business development of professional services and an expanded conference and events program will also continue to be key activities in support of the growing the Company's revenue. Further marketing and promotion of the cities research evidence will continue to be directed mainly towards generating further long term funding for the cities research program.

The Company is planning for a net surplus of \$102,000 for 2024/2025. The directors are of the opinion the current retained earnings of \$2,162,428 are sufficient to support the Company from this period to 30 June 2025.

12. Auditor's independence declaration

The auditor's independence declaration is set out on page 7 and forms part of the directors' report for the financial year ended 30 June 2024.

This report is made out in accordance with a resolution of the directors.



Ms Jennifer Cunich
Chairperson



Dr Michael Fotheringham
Managing Director

Dated at Melbourne this 5th day of September 2024

AUSTRALIAN HOUSING AND URBAN RESEARCH INSTITUTE

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF AUSTRALIAN HOUSING AND
URBAN RESEARCH INSTITUTE

In relation to the independent audit for the year ended 30 June 2024, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.



M J HARRISON

Partner



PITCHER PARTNERS

MELBOURNE

Date: 5th September 2024

Australian Housing and Urban Research Institute Limited

Statement of financial position

As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Cash and cash equivalents	7	7,352,391	7,458,800
Trade and Other receivable	8	267,667	1,174,806
Other Assets	11	326,845	431,974
Total current assets		7,946,903	9,065,580
Property, plant & equipment	9	414,290	479,721
Right of use assets	16	237,967	912,103
Intangibles	10	7,784	38,921
Total non-current assets		660,041	1,430,745
Total assets		8,606,944	10,496,325
Liabilities			
Trade and other payables	12	581,883	719,626
Contracted research funding	13	2,652,443	2,865,186
Provisions	14	407,840	390,115
Deferred income	15	1,298,728	2,723,711
Lease liabilities	16	93,735	176,868
Total current liabilities		5,034,630	6,875,506
Contracted research funding	13	960,250	674,071
Provisions	14	11,625	10,469
Deferred Income	15	-	14,000
Lease liabilities	16	438,011	1,043,406
Total non-current liabilities		1,409,886	1,741,946
Total liabilities		6,444,516	8,617,452
Net assets		2,162,428	1,878,874
Equity			
Reserves	17	660,000	660,000
Retained surplus		1,502,428	1,218,873
Total equity		2,162,428	1,878,873

The notes on pages 13 to 29 are an integral part of these financial statements.

Australian Housing and Urban Research Institute Limited
Statement of income and retained surplus
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Continuing operations			
Revenue from continuing operations	4	8,151,886	6,782,538
Investment income	5	357,264	156,583
National Housing Research Program research expenses		(2,740,140)	(2,571,641)
Research Centre capacity building expenses		(298,000)	(105,000)
Research dissemination and communications expenses		(554,819)	(541,671)
Research stakeholder engagement and project management expenses		(654,622)	(611,691)
Conferences and events expenses		(1,293,187)	(802,752)
Professional services project expenses		(1,184,113)	(946,612)
Finance and corporate services expenses		(406,535)	(432,271)
Board and governance expenses		(484,557)	(475,158)
General administration expenses		(214,358)	(215,420)
Occupancy expenses		(395,266)	(495,398)
Surplus/ (Deficit) for the year before income tax		283,553	(258,493)
Tax expense	2(n)	-	-
Surplus/ (Deficit) for the year		283,553	(258,493)
Total comprehensive income/ (deficit) for the year attributable to Members of Australian Housing and Urban Research Institute Limited		283,553	(258,493)
Retained earnings at the beginning of the financial year		1,218,874	1,477,364
Retained surplus at the end of the financial year		1,502,427	1,218,873

The notes on pages 13 to 29 are an integral part of these financial statements.

Australian Housing and Urban Research Institute Limited**Statement of cash flows****For the year ended 30 June 2024**

	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Receipts from customers		6,393,767	6,620,050
Payments to suppliers and employees		(6,562,111)	(6,145,782)
Payments for interest on leases		(49,522)	(54,711)
Cash generated from/(used in) operations		(217,866)	419,557
Interest received		281,017	94,110
Net cash flows from/ (used in) operating activities		63,152	513,667
Cash flows from investing activities			
Acquisition of property, plant & equipment and intangible assets	9	(42,380)	(36,117)
Net cash flows (used in) investing activities		(42,380)	(36,117)
Cash flows from financing activities			
Payments on principal for lease arrangements		(127,181)	(154,866)
Net cash flows from/(used in) financing activities		(127,181)	(154,866)
Net increase/ (decrease) in cash and cash equivalents		(106,409)	322,684
Cash and cash equivalents at the beginning of year		7,458,800	7,136,116
Cash and cash equivalents at the end of the year	7	7,352,391	7,458,800

The notes on pages 13 to 29 are an integral part of these financial statements.

1. Information about the Company

Australian Housing and Urban Research Institute Limited (the “Company”) is a not-for-profit Company limited by guarantee, incorporated on 5 November 1999 and domiciled in Australia. The address of the Company’s registered office is Level 12, 460 Bourke Street, Melbourne, Victoria, Australia. The Company manages the financing and conduct of research across universities and research facilities around Australia. Revenue is received from the Australian, State and Territory Governments to support a core research program, the National Housing Research Program. Additional funds are received from participating research institutions and from other sources for contracted research. The Commonwealth Government is preparing a new 2 year National Housing Research Program Funding Agreement for the Company to sign.

Basis of Preparation

(a) Statement of compliance

In the opinion of the directors, the Company is not publicly accountable within the definition of public accountability by Appendix A of AASB1053 Application of Tiers of Australian Accounting Standards. These financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure Requirements (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. These financial statements comply with Australian Accounting Standards – Simplified Disclosure Requirements.

The financial statements were authorised for issue on 5th September 2024.

(b) Historical Cost Convention

The financial statements have been prepared on the historical cost basis, except for non-derivative financial instruments at fair value through profit or loss which are measured on each reporting date.

(c) Fair Value Measurement

For a financial reporting purposes, ‘fair value’ is the price that would be received to sell an asset or paid to transfer a liability, in an ordinary transaction between market participants (under current market conditions) at the measurement to date, regardless of whether that price is directly observable or estimated using another valuation technique.

(d) Going concern

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

The Company has cash and cash equivalents at 30 June 2024 of \$7,352,391 and its liabilities include deferred revenue of \$1,298,728 and contracted research funding of \$3,612,693.

The Commonwealth Government is preparing the new 2 year National Housing Research Program Funding Agreement for the Company to sign.

In addition, the directors are also satisfied that in the event there were changes to the quantum of funding secured in future years, the Company is able to plan and manage its operational expenditures within the capacity of confirmed funding amounts, or to initiate commercial activities to provide additional funding for the Company’s future operations.

2. Material Accounting Policy Information

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Company.

(a) Financial instruments

The Company classifies non-derivative financial assets into the following categories: financial assets (Cash & cash equivalent, Trade receivables) at fair value through profit or loss and held to maturity financial assets.

The Company classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – recognition and derecognition

The Company initially recognises receivables on the date that they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets – measurement

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any dividend income, are recognised in profit or loss.

Held-to-maturity financial assets

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Trade and other receivables

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses (see Note 3(c)(i)).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date or that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

2. Material accounting policies (continued)

(a) Financial instruments (continued)

(iii) Non-derivative financial liabilities - measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise: trade and other payables, deferred income and contracted research funding.

(b) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Company has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

If significant 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.

Any gains and losses on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- plant and equipment 3 – 8 years
- leasehold improvements 5 – 10 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

2. Material accounting policies (continued)

(c) Impairment

(i) *Non-derivative financial assets*

A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a service; or
- observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets.

Financial assets measured at amortised cost

The Company considers evidence of impairment for financial assets measured at amortised cost (loans and receivables and cash and cash equivalents) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against the assets carrying value. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) *Non-financial assets*

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Indefinite life intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset cash-generating unit (CGU) exceeds its recoverable amount.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

2. Material accounting policies (continued)

(c) Impairment (continued)

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of assets in the CGU (or group of CGUs) on a pro rata basis.

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.

(d) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) 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 has no legal or constructive obligation to pay further amounts. Obligations for contributions are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(iii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

(e) Revenue from contracts with customers

The Company derives revenue from contracts with customers mainly from government funding for the National Housing Research Program, professional services research and conferences and event. To determine whether to recognise revenue, the Company follows a 5-step process:

- a. Identifying the contract with a customer,
- b. Identifying the performance obligations,
- c. Determining the transaction price,
- d. Allocating the transaction price to the performance obligations,
- e. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the transaction price to which the Company expects to be entitled in exchange for the performance obligation.

Revenue is recognised for the major business activities as follows:

(i) Government funding for National Housing Research Program

Revenue from NHRP funding from governments is recognised over time when performance obligations are satisfied by transferring the contracted services to the customer in terms of AASB 15. Any funding received that has continuing conditions and obligations is shown in the Statement of Financial Position as deferred income at fair value and when there is reasonable assurance the Company has complied with the conditions and obligations of the funding, it is recognised in the Statement of Profit or Loss.

2. Material accounting policies (continued)

(e) Revenue from contracts with customers (continued)

(ii) Professional services revenue

Revenue from professional services contracts with customers is recognised over time when performance obligations are satisfied by transferring the contracted project deliverable to customers.

Any funding received that has continuing conditions and obligations is shown in the Statement of Financial Position as deferred income at fair value and when there is reasonable assurance the Company has complied with the conditions and obligations of the funding, it is recognised in the Statement of Profit or Loss.

(iii) Conferences and events revenue

Registration fees, revenue from sponsors and exhibitor fees is recognised in the statement of profit or loss at a point in time when the conference event is held. Payments that relate to future periods are shown in the Statement of Financial Position as conference and events income in advance under the heading of current liabilities – deferred income and non current liabilities – deferred income.

(f) University participants fee revenue

Revenue is recognised in the Statement of Profit or Loss when the Company receives the funding from the universities. Participant fees received from universities are recognised as contributions, removing the ability to defer the revenue over the period that the funds relate.

(g) Interest revenue

Interest revenue is recognised over time on an accrued basis using the effective interest method. Amounts accrued and not yet received are shown in the Statement of Financial Position as accrued interest in under the heading of trade and other receivables.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(i) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Company recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Company, and an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

2. Material accounting policies (continued)

(i) Leases (continued)

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Company's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

(j) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(k) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(l) Intangibles

Software and website development

Software and website development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

2. Material accounting policies (continued)

(l) Intangibles (continued)

Capitalised software and website development costs are measured at cost less accumulated amortisation and accumulated impairment losses. The assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The estimated useful lives for the current and comparative periods are as follows:

Class of asset	Useful life
Software and website development costs	5 years

(m) New standards and interpretations issued and have been adopted

Several new standards, amendments to standards and interpretations are effective for annual periods beginning from 1 July 2023 and have been applied in preparing these financial statements. None of these adoptions have a significant effect on the financial statements of the Company.

(n) Tax

No income tax expense is charged and no income tax is payable by the Company as the Australian Taxation Office (ATO) has granted the Company an exemption from income tax.

(o) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

3. Significant accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Australian Housing and Urban Research Institute Limited

Notes to the financial statements

For the year ended 30 June 2024

	2024	2023
	\$	\$
4. Revenue from continuing operations		
Revenue from contracts with customers		
<i>Revenue recognized at a point in time</i>		
Conference and events revenue	1,735,616	680,496
	<u>1,735,616</u>	<u>680,496</u>
<i>Revenue recognized over time</i>		
National Housing Research Program Funding Agreement	3,950,127	3,872,674
Professional services revenue contracts	1,198,080	1,025,587
	<u>5,148,207</u>	<u>4,898,261</u>
	<u>6,883,823</u>	<u>5,578,757</u>
Revenue from contributions		
Contributions from Participants Agreement	1,267,378	1,202,446
	<u>1,267,378</u>	<u>1,202,446</u>
Other revenue		
Other revenue	685	1,335
	<u>685</u>	<u>1,335</u>
Total revenue from continuing operations	<u>8,151,886</u>	<u>6,782,538</u>
5. Investment income and finance costs		
Investment income		
Interest on bank deposits	357,264	156,583
	<u>357,264</u>	<u>156,583</u>
Finance costs		
Interest paid on lease obligations	(49,522)	(54,711)
	<u>(49,522)</u>	<u>(54,711)</u>
6. Employee benefits		
Defined contribution superannuation plans		
Amount recognised as an expense for defined contribution plans	257,137	231,431
	<u>257,137</u>	<u>231,431</u>

Australian Housing and Urban Research Institute Limited

Notes to the financial statements

For the year ended 30 June 2024

	2024	2023
	\$	\$
7. Cash and cash equivalents		
Cash at bank and on hand	146,979	425,499
Deposits at call	7,205,412	7,033,301
	<u>7,352,391</u>	<u>7,458,800</u>

Bank guarantee

The Company has a bank guarantee of \$96,226 (2023: \$96,226) as security deposit for the lease of office premises at Level 12, 460 Bourke Street, Melbourne.

Deposits at call

The Company has 25 bank term deposit contracts with maturities ranging from 5 to 290 days at an interest rate ranging from 5.00% to 5.35%. All term deposits are recognised as part of cash and cash equivalents as the Company can convert the term deposits to cash on demand at an insignificant cost.

8. Trade and other receivables

Trade receivables	89,909	1,088,921
Interest receivable	162,131	85,885
Conference receivables	15,627	-
	<u>267,667</u>	<u>1,174,806</u>

As at 30 June 2024, no trade receivable balances were deemed to be impaired (2023: \$nil).

9. Property, plant and equipment

Plant and equipment at cost	306,052	299,799
Accumulated depreciation	(170,839)	(155,166)
Total plant and equipment	<u>135,213</u>	<u>144,633</u>
Leasehold improvements at cost	560,123	560,123
Accumulated depreciation	(281,047)	(225,035)
Total leasehold improvements	<u>279,076</u>	<u>335,088</u>
Total plant and equipment	<u>414,290</u>	<u>479,721</u>

Movements in carrying amounts

Movements in carrying amounts for intangibles between the beginning and the end of the current financial year are as follows

	Plant and equipment	Leasehold Improvements	Total
	\$	\$	\$
Carrying amount at 1 July 2023	144,633	335,088	479,721
Additions	42,380	-	42,380
Depreciation	(49,896)	(56,012)	(105,908)
Loss on disposal	(1,904)	-	(1,904)
Balance at 30 June 2024	<u>135,213</u>	<u>279,076</u>	<u>414,289</u>

Australian Housing and Urban Research Institute Limited

Notes to the financial statements

For the year ended 30 June 2024

	2024	2023
	\$	\$
10. Intangibles		
Intangibles and software at cost	93,410	93,410
Accumulated amortisation	(85,626)	(54,489)
Total intangibles and software	<u>7,784</u>	<u>38,921</u>
Movements in carrying amounts		
Movements in carrying amounts for intangibles between the beginning and the end of the current financial year are as follows		
Carrying amount at 1 July 2023	38,921	70,121
Depreciation	(31,137)	(31,200)
Balance at 30 June 2024	<u>7,784</u>	<u>38,921</u>
11. Other Assets		
Prepayments in relation to revenue from contracts with customers		
Prepayments for professional services contract expenses	12,541	182,975
Prepayments for future conference and event expenses	212,325	151,287
	<u>224,866</u>	<u>334,262</u>
Other prepayments	101,980	97,712
	<u>101,980</u>	<u>97,712</u>
	<u>326,846</u>	<u>431,974</u>
12. Trade and other payables		
Related parties payable	196,365	241,298
Other parties payable	238,302	357,398
Accrued expenses	147,216	120,930
	<u>581,883</u>	<u>719,626</u>
13. Contracted research funding		
Current		
NHRP contracted research funding	2,652,443	2,865,186
	<u>2,652,443</u>	<u>2,865,186</u>
Non-current		
NHRP contracted research funding	960,250	674,071
	<u>960,250</u>	<u>674,071</u>

Contracted research funding is recognised as a liability when the Company enters into agreements for third parties to undertake research such that the Company has no realistic alternative than to fulfil the funding requirements of the research agreement given the contractual obligation to do so and where it has concurrently met its financial obligations under its own grant funding arrangements.

Australian Housing and Urban Research Institute Limited

Notes to the financial statements

For the year ended 30 June 2024

	2024	2023
	\$	\$
14. Provisions		
Current		
Annual Leave	235,469	235,977
Long Service Leave	172,371	154,138
	<u>407,840</u>	<u>390,115</u>
Non-current		
Long Service Leave	11,625	10,469
	<u>11,625</u>	<u>10,469</u>
15. Deferred income		
Current		
NHRP revenue received in advance	639,890	1,458,039
Deferred conference and event income	505,181	975,716
Deferred professional services income	153,657	289,956
	<u>1,298,728</u>	<u>2,723,711</u>
Non-Current		
Deferred conference and event income	-	14,000
	<u>-</u>	<u>14,000</u>
16. Leases		
(a) Lease assets		
<i>Land and buildings (Right of use)</i>		
Land and buildings under lease	701,434	1,527,457
Accumulated depreciation	(483,894)	(642,785)
	<u>217,540</u>	<u>884,672</u>
<i>Office equipment (Right of use)</i>		
Office equipment under lease	35,018	35,018
Accumulated depreciation	(14,591)	(7,587)
	<u>20,427</u>	<u>27,431</u>
Total carrying amount of lease assets	<u>237,967</u>	<u>912,103</u>

Australian Housing and Urban Research Institute Limited

Notes to the financial statements

For the year ended 30 June 2024

16. Leases (continued)

(a) Lease assets (continued)

Movements in carrying amounts

Movements in carrying amounts for each class of lease between the beginning and the end of the current financial year are as follows.

During the year the Company took up the option to renew the lease at Level 12, 460 Bourke Street, Melbourne. The carrying value of the building right of use asset was adjusted for a new 5 year term agreed in the Deed of Renewal and Lease Variation commencing 1 March 2024.

	Building	Equipment	Total
	\$	\$	\$
Carrying amount at 1 July 2023	884,672	27,431	912,103
Disposal/Adjustment	(547,514)	-	(547,514)
Depreciation	(119,618)	(7,004)	(126,622)
Balance at 30 June 2024	217,540	20,427	237,967

	2024	2023
	\$	\$
(b) Lease liabilities		
Current		
Building leases	86,610	170,276
Equipment leases	7,125	6,592
	<u>93,735</u>	<u>176,868</u>
Non-Current		
Building leases	423,407	1,021,677
Equipment leases	14,604	21,729
	<u>438,011</u>	<u>1,043,406</u>
	<u>531,746</u>	<u>1,220,274</u>
Total carrying amount of lease liabilities		
Maturity analysis of future lease payments – Building Lease		
Not later than 1 year	86,610	170,276
Later than 1 year and not later than 5 years	423,407	851,242
Later than 5 years	-	170,435
Total	<u>510,017</u>	<u>1,191,953</u>
Maturity analysis of future lease payments – Equipment Lease		
Not later than 1 year	7,125	6,592
Later than 1 year and not later than 5 years	14,605	21,729
Later than 5 years	-	-
Total	<u>21,730</u>	<u>28,321</u>
Total Maturity of lease payments	<u>531,747</u>	<u>1,220,274</u>

Australian Housing and Urban Research Institute Limited

Notes to the financial statements

For the year ended 30 June 2024

16. Leases (continued)

(b) Lease liabilities (continued)

The above liabilities relate to leases of the Company's premises at Level 12, 460 Bourke Street, Melbourne and the lease of two printer/photocopiers.

During the year the Company signed a Deed of Renewal and Lease Variation for the premises at Level 12, 460 Bourke Street, Melbourne. The deed commences from 1 March 2024 for a further term of 5 years with annual fixed rent increases of 3.75%. The lease includes 2 options to renew of 3 years each with a rent review at the end of each term. At 30 June 2024 the monthly lease payment is \$10,038.

The lease of two printer/photocopiers is for a term of 5 years expiring 2 June 2027 with a fixed monthly payment of \$677.

	2024	2023
	\$	\$
17. Reserves		
Reserves		
Economic dependency reserve	660,000	660,000
	<u>660,000</u>	<u>660,000</u>

Economic dependency reserve

In the event that the Company were to discontinue operations the directors have estimated that it would take up to six months to close the office and deregister the Company. Therefore, it is appropriate that the Company maintains 'liquid funds' of approximately six months' worth of non-research expenditure to adequately meet wind down and closure costs. Such costs relate to managing projects, staff, insurance, office rental (and related costs such as telephone etc.). The directors have also allowed for on-going Board activity until the Company is closed. The directors review the economic dependency reserve on a periodic basis.

18. Remuneration of auditor

Audit and review of financial statements	30,525	30,500
Grant acquittal	1,500	1,300
Total remuneration	<u>32,025</u>	<u>31,800</u>

19. Commitments and contingencies

No commitments or contingencies exist as at 30 June 2024.

20. Related parties

(a) Short-term benefits

Key management personnel remuneration	872,395	826,849
Independent director remuneration	62,780	73,463
	<u>935,175</u>	<u>900,312</u>

Australian Housing and Urban Research Institute Limited

Notes to the financial statements

For the year ended 30 June 2024

20. Related parties (continued)

(a) Short term benefits (continued)

Board directors representing the Australian Government, State and Territory governments and university participants do not receive any remuneration from the Company.

(b) Key director and key management personnel transactions

A number of the directors are stakeholders of universities that have received contracted research funding from the Company. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis. All potential conflicts of interest were declared and dealt with in accordance with AHURI's Corporate Governance Charter.

	2024	2023
	\$	\$
University participants fees paid to AHURI		
University of Adelaide	140,820	133,605
University of South Australia	-	133,605
University of Tasmania	140,820	133,605
	<u>281,640</u>	<u>400,815</u>
AHURI research funding paid & payable to university participants		
University of Adelaide	364,386	322,721
University of South Australia	-	412,185
University of Tasmania	194,159	157,105
	<u>558,545</u>	<u>892,011</u>

21. Subsequent events

The Commonwealth Government is preparing a new 2 year National Housing Research Program Funding Agreement for the Company to sign.

There were no other matters or circumstances that have arisen which have significantly affected, or may significant affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial periods.

22. Consolidated Entity Disclosure Statement 30 June 2024

Australian Housing and Urban Research Institute Limited (AHURI) is not required by Australian Accounting Standards to prepare consolidated financial statements. Accordingly, in accordance with subsection 295(3A) of the Corporation Act 2001, no further information is required to be disclosed in the consolidated entity Disclosure Statement.


Australian Housing and Urban Research Institute Limited

Directors declaration

In the opinion of the directors of Australian Housing and Urban Research Centre Institute Limited ('the Company'):

- (a) the Company is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 8 to 28 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosure Regime and the Corporations Regulations 2001; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Ms Jennifer Cunich
Chairperson



Dr Michael Fotheringham
Managing Director

Dated at Melbourne this 5th day of September 2024

AUSTRALIAN HOUSING AND URBAN RESEARCH INSTITUTE

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN HOUSING AND URBAN RESEARCH INSTITUTE**Report on the Audit of the Financial Report***Opinion*

We have audited the financial report of Australian Housing and Urban Research Institute (“the Company”), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, and the directors’ declaration.

In our opinion, the accompanying financial report of Australian Housing and Urban Research Institute, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company’s financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company’s annual report for the year ended 30 June 2024, but does not include the financial report and our auditor’s report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

AUSTRALIAN HOUSING AND URBAN RESEARCH INSTITUTE

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN HOUSING AND URBAN RESEARCH INSTITUTE

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 and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities 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. 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 this financial report.

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.

We 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.

AUSTRALIAN HOUSING AND URBAN RESEARCH INSTITUTE

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN HOUSING AND URBAN RESEARCH INSTITUTEM J HARRISON
PartnerDate: 5th of September 2024PITCHER PARTNERS
Melbourne