

Performance Outcome 7: Financial Viability Guidance Note



Contents

1. About the National Regulatory System for Community Housing
2. Introduction
3. What is financial viability?
4. Financial performance report
5. Financial viability measures and data definitions
6. Overall financial assessment

Addressing issues and reporting our findings
Summary

References

Annexure 1 Segmented Business Analysis worksheet definitions
Annexure 2 Consolidated Business Analysis worksheet definitions
Annexure 3 Development and Financing worksheet definitions
Glossary

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1. About the National Regulatory System for Community Housing



The National Regulatory System for Community Housing (NRSCH) is a regulatory system designed to contribute to a well governed and managed community housing sector, and provide a platform for the ongoing development and viability of the community housing sector across Australia.

Community housing providers are organisations that deliver social or affordable housing for people on lower incomes and housing-associated services covered by the social and affordable housing policies of government policy and funding agencies.

The key objectives of the NRSCH are to:

- Provide a consistent regulatory environment to support the growth and development of the community housing sector
- Pave the way for future housing product development
- Reduce the regulatory burden on housing providers working across jurisdictions
- Provide a level playing field for providers seeking to enter new jurisdictions.

The governance arrangements are set out in an Inter-Government Agreement (IGA) for a National Regulatory System for Community Housing and provide for the establishment of the National Regulatory Council as an independent advisory committee.

A suite of Operational Guidelines guides the overall operation of the NRSCH in accordance with the National Law.

The scope of a Registrar's functions under the National Regulatory System is limited to regulatory activities. State and territory housing authorities, depending on the arrangements in each jurisdiction, will continue to have responsibility for policy, funding and industry development decisions.

2. Introduction

The National Regulatory Code sets out the performance outcomes and requirements that must be met by registered community housing providers under the National Regulatory System.

Community housing providers must demonstrate their capacity to comply with the Code on application and, once registered, must demonstrate ongoing compliance with the Code.

The Evidence Guidelines describe the performance outcomes and evidence sources for assessing providers against the performance outcomes and requirements for different types of providers (classified as Tier 1, 2 and 3 providers).

Financial viability is a one of seven performance outcomes specified for housing providers within the National Regulatory Code.

3. What is financial viability?

Financial viability is the ability to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow for growth, while maintaining service levels.

The assessment of financial viability is an integrated process involving a review of the audited financial statements, financial performance report, business plan and other information that supports our financial analysis.

The initial focus of the financial viability assessment is the audited financial statements for the previous financial year. As part of our analysis, trends and overall performance of the provider are compared with the budget. The forecasts are analysed to ensure the provider remains viable into the foreseeable future.

To place these results into a broader context, the provider's business plan is used in order to understand their future plans as well as their perspective on the business, growth (where applicable) and risks.

Our assessment may require information around financial plans (where applicable), such as a provider's resource management, growth plans, capital structure, treasury management and liquidity.

Performance and assessment data will be used to inform a risk-based assessment of all registered providers to determine compliance with the National Law and Regulatory Code. This will determine the level of regulatory engagement and, where necessary, action.

4. Financial performance report

The financial performance report (FPR) is used to assess the financial viability of housing providers.

The report is design to allow for analysis of organisational performance, using a comprehensive suite of financial measures. When reviewed alongside the business plan and audited financial statements, the FPR is a powerful tool for the assessment of organisational performance and the impact of future decisions on the provider's viability.

The FPR is a Microsoft Excel document that features number of worksheets covering:

- instructions for use and definitions,
- financial worksheets with historical and forecast sections,
- development and funding assumptions,
- ratio analysis, trend analysis and charts (automatically generated from data entered)
- some non-financial measures

The segmentation in the Segmented Business Analysis worksheet helps us understand the financial contribution that each business segment brings into the overall financial viability and identify potential risks. The segmented business analysis worksheet has five segments;

1. Corporate Overheads
2. Long Term Housing – Owned
3. Long Term Housing – Managed
4. Other Housing Business
5. Other Non-Housing Business

Indirect costs not related to any particular business segments (like CEOs and CFOs salaries etc) are included under corporate overheads. These overheads are then allocated to the business segments based on appropriate methods (this could be based on drivers like numbers of FTEs, percentage of revenue, etc).

The underlying assumption behind separating the housing portfolio by owned and managed is to look at income streams and cost structures that will define the operational viability of these two particular segments. Moreover, the owned portfolio may also carry some level of debt with leverage expectations. Separating these two segments (owned and managed) gives us understanding of financial performance considering the particular characteristics of each segment.

The majority of work undertaken to assess financial viability is based in the form of a review of documents submitted to us. The nature of that review is determined by the tier of the housing provider.

Housing providers will have different disclosure requirements depending on their tier.

Tier 1 housing providers submit three years of historical and ten years of forecast information.

Tier 2 housing providers submit three years of historical and ten years of forecast information.

Tier 3 housing providers submit two years of historical and two years of forecast information.

On registration a community housing provider must demonstrate that it is financially viable in the context of performance outcome 7: financial viability. Viability is reviewed in conjunction with the provider's business plan, its financial policies and procedures, and its financial strategies for the future. Once registered the provider must demonstrate ongoing compliance with this performance outcome. The table in the following pages highlights the sources of evidence to demonstrate capacity and evidence which will be used to demonstrate compliance.

These sources are not intended to be prescriptive or exhaustive and the provider may use to alternative business evidence or data.

The following table demonstrates the performance requirements, performance indicators and evidence sources to demonstrate capacity and compliance.

Performance requirements	Performance indicators	Thresholds	Evidence sources to demonstrate capacity	Evidence sources to demonstrate compliance
Ensuring a viable capital structure	The provider monitors and manages its capital structure to achieve its business goals	<ul style="list-style-type: none"> Capital adequacy – the provider has sufficient capital resources to be able to absorb unexpected losses and to manage adverse shocks so that it can meet its commitments to investors. 	<p>Tiers 1, 2 and 3</p> <ul style="list-style-type: none"> Business plan NRS financial performance report Financial viability measures data <p>Tiers 1 and 2</p> <ul style="list-style-type: none"> Debt financing arrangements and covenants 	<p>Tiers 1, 2 and 3</p> <ul style="list-style-type: none"> Business plan Annual Report NRS financial performance Report Audit management letter for the most recent financial year (where they have been issued) Financial viability measures data Board approved budget and forecast, including financial assumptions. <p>Tiers 1 and 2</p> <ul style="list-style-type: none"> Debt financing arrangements and covenants <p>May be requested</p> <ul style="list-style-type: none"> Sample governing body minutes with relevant operational and financial reports
Maintaining appropriate financial performance	The provider monitors and manages its financial performance to achieve its business goals	<ul style="list-style-type: none"> Financial performance is monitored and managed for short, medium and long-term viability. There are no significant and ongoing or repeated instances of inappropriate financial performance and/or failure to achieve business goals. 	<p>Tiers 1, 2 and 3</p> <ul style="list-style-type: none"> Business plan NRS financial performance report Financial viability measures data 	<p>Tiers 1, 2 and 3</p> <ul style="list-style-type: none"> Business plan Annual Report NRS financial performance Report Audit management letter for the most recent financial year (where they have been issued) Financial viability measures data Board approved budget and forecast, including financial assumptions. <p>Tier 1 and 2</p> <ul style="list-style-type: none"> Financial planning and scenario testing Debt financing arrangements and covenants <p>May be requested</p> <ul style="list-style-type: none"> Sample governing body minutes with relevant operational and financial reports <p>Other sources</p> <ul style="list-style-type: none"> Record of complaints and notifications under the National Law
Managing financial risk exposure	The provider monitors and manages its financial risk exposure to protect its financial interest and the interest of investors	<ul style="list-style-type: none"> Potential financial risks are identified and minimised by developing appropriate mitigation strategies There are no significant and ongoing or repeated instances of financial risks crystallising Any crystallising financial risks are dealt with in a prompt and effective manner 	<p>Tiers 1, 2 and 3</p> <ul style="list-style-type: none"> Business plan NRS financial performance report Financial viability measures data <p>Tiers 1 and 2</p> <ul style="list-style-type: none"> Documented risk management system Risk management plan Risk register 	<p>Tiers 1, 2 and 3</p> <ul style="list-style-type: none"> Business plan Annual Report NRS financial performance Report Board approved budget and forecast, including financial assumptions. <p>Tier 1 and 2</p> <ul style="list-style-type: none"> Financial planning and scenario testing Debt financing arrangements and covenants <p>May be requested</p> <ul style="list-style-type: none"> Sample governing body minutes with relevant operational and financial reports Governing body consideration and approval of significant financial events and risk management (sample) <p>Other sources</p> <ul style="list-style-type: none"> Record of complaints and notifications under the National Law

5. Financial viability measures and data definitions

The financial measures provide an input to the assessment of performance of providers under the National Law and Regulatory Code, and supplement the Evidence Guidelines.

Financial measures are considered as a suite of indicators to assess financial performance.

The financial measures include performance thresholds for some requirements as an indicative guide to assessing performance results. The thresholds do not determine capacity or compliance per se. Rather, they provide a transparent level of performance as a starting point against which results can be assessed.

Measure	Ratio	Calculation	Performance Threshold	Performance Outcome	Data Definition
Operating EBITDA margin	Percentage	$\frac{C33}{(C10-C8-C5)}$	Tier 1 –8% to 15% Tier 2 –3% to 10% Tier 3 –0% to 5%	7b	<ul style="list-style-type: none"> Operating EBITDA (Operating Earnings before interest, tax, depreciation and amortisation) / Operating Revenue Operating revenue excludes capital grants and non-cash income Providers with material interest bearing debt would be expected to operate at higher levels
Working capital ratio	Ratio	$\frac{(C43-C39)}{(C66-C60-C64)}$	Tier 1, 2 & 3 >1.5 times	7b	<ul style="list-style-type: none"> Current Assets less unspent capital grants / Current Liabilities less (capital grants received in advance and accommodation bonds)
Amended quick ratio	Ratio	$\frac{(C38+C40+C91)}{(C66-C60-C64)}$	Tier 1, 2 & 3 >1.2 times	7b	<ul style="list-style-type: none"> (Cash, Short-term investments & unused overdraft facilities) / Current liabilities less (capital grants received in advance and accommodation bonds)
Operating cash adequacy	Percentage	$\frac{C98}{C104}$	Tier 1 >1.20 times Tier 2 >1.05 times Tier 3 >1.00 times	7b/6a	<ul style="list-style-type: none"> Operating Cash Inflows / Operating Cash Outflows
Gearing ratio	Ratio	$\frac{(C57+C61+C62+C63+C69+C70+C71)}{C55}$	Tier 1, 2 & 3 <30%	7a/7b	<ul style="list-style-type: none"> Total repayable debt / Total assets less intangible assets
Interest cover ratio	Ratio	$\frac{C33}{(C30+C31)}$	Tier 1, 2 & 3 >1.5 times	7b	<ul style="list-style-type: none"> Operating EBITDA / Financing costs Financing costs excludes loan establishment costs

Performance results that are below, or are trending below a threshold or a combination of thresholds will raise a flag that there may be a performance concern to be addressed in the assessment of the provider's capacity or ongoing compliance.

The Lead Registrar will seek to understand whether the provider is not complying with the performance requirement or whether the level of performance relates to particular circumstances.

Measure	Ratio	Calculation	Performance Threshold	Performance Outcome	Data Definition
Debt service-ability	Ratio	$\frac{(C57+C61+C62+C63+C69+C70+C71)}{(C33-C30-C31)}$	Trend analysis	7a/7b	<ul style="list-style-type: none"> Repayable debt / (Operating EBITDA - finance costs)
Return on assets	Percentage	$\frac{C33}{C55}$	Trend analysis	7b/6a	<ul style="list-style-type: none"> Operating EBITDA / Average total assets Dependent on asset level of provider. Less assets would normally result in a higher ROA
Cash Cost of capital	Percentage	$\frac{(C30+C31)}{C55}$	Trend analysis	7b	<ul style="list-style-type: none"> Total finance costs / Average total assets Related to return on assets: should be at least 1-3% lower than return on assets. Finance costs should exclude loan establishment costs
Rental bad debt management	Percentage	$\frac{C17}{C3}$	Tier 1, 2 & 3 <1%	7b/6a	<ul style="list-style-type: none"> Bad debts written off during the year may be from current or past year rental debtors

NB: C = Consolidated Business Analysis worksheet

S = Segmented Business Analysis worksheet

6. Other financial performance ratios used in the assessment of financial operating performance

Measure	Unit	Calculation	Performance Threshold	Performance Outcome	Data Definition
Total revenue per tenancy unit	\$	$\frac{C3}{(S32+S56+S82)}$	Trend analysis	7b/6a	<ul style="list-style-type: none"> Total rental revenue divided by the total number of tenancy units
Total responsive maintenance per property unit	\$	$\frac{C13}{(S30+S31+S54+S55+S80+S81)}$	Trend analysis	7b/6a	<ul style="list-style-type: none"> Total responsive maintenance expense divided by total property units (Applies where providers have responsive maintenance responsibility)
Total non-capitalised planned maintenance per property unit	\$	$\frac{C14}{(S30+S31+S54+S55+S80+S81)}$	Trend analysis	7b/6a	<ul style="list-style-type: none"> Total planned maintenance expense divided by total property units Applies where providers have planned maintenance responsibility)
Total corporate overhead/ Total operating expenditure	\$	$\frac{C16}{C19}$	Trend analysis	7b/6a	<ul style="list-style-type: none"> Total Corporate overhead divided by total operating expenses
Employee expenses / Number of FTE	\$	$\frac{(C15+S2)}{(S7+S33+S57+S83+S99)}$	Trend analysis	7b/6a	<ul style="list-style-type: none"> Employee expenses divided by total number of FTE

In assessing overall provider's financial viability, we also consider;

- History and management of the provider, objectives and strategies, business risks and mitigation strategies
- Operating environment, external factors, nature of the entity, financial and accounting policies, and internal control systems
- Operating surplus, in particular looking at operating margins and financial efficiency after removing the impact of capital grants, non-cash income, fair value gains, profit and loss on disposal of assets, and other unusual and non-operating items
- Cash flow dynamics and the organisation's ability to meet its financial obligations
- Capital structure and debt management
- Governance, in particular the role of the governing structures in the financial planning and monitoring, and the decision making process of financial matters
- Development activities and plans for growth

A comprehensive financial assessment not only focuses on available financial data, but also on non-financial data and qualitative factors that will determine the success in overall financial viability. This includes:

- group structures and partnerships
- debt financing arrangements (debt covenants)
- asset management plan
- level of involvement in diverse business activities

Financial ratios quantify and highlight key financial relationships but have limitations. They do not explain underlying causal factors and whether such factors might improve or worsen.

Financial data is considered within the context in which the organisation operates, including the quality and experience of management, the organisation's strategic objectives and the risks to achievement of those objectives.

Before making a final assessment, the business plan and other performance outcomes (including Governance and Management) are used to apply a context to financial information.

We look for evidence that management is aware of key assumptions and business drivers, and has conducted sensitivity and scenario testing as part of a strategy for managing the risks to achieving organisational objectives.

Addressing issues and reporting our findings

Summary

Below are some other indicators which the relevant Registrar would consider in assessing the performance outcome

Indicator type	Examples	Rationale
Unqualified audit report	Existence of an unqualified audit report	A qualified audit report may highlight potential concerns about financial management and viability. We investigate further and discuss results with the provider and its auditor.
Timeliness and quality of submission	Extent to which required information is submitted in a timely fashion and quality of submission is maintained to a satisfactory standards.	Extended delays in submission of information may indicate issues with respect to financial management and solvency.
Commentary on financials	Explanation of major variances, changes or events in most recently completed financial statements	Assists with analysis of the underlying viability of an organisation, and allows us to more clearly understand the financial statements.

Our first course of action where an issue is identified is discussion with the registered provider to ensure we obtain an accurate and comprehensive understanding of the issue. This will be done via Lines of Inquiry.

A collaborative approach is undertaken to resolving the issue in a timely and logical manner.

Where an issue is more significant, we may seek specific undertakings that require action to be taken.

When unsatisfied with progress made by a provider in resolving an issue, we inform the organisation and clarify expectations. The Registrar may also issue a notice of non-compliance and is empowered to use enforcement powers, such as binding instruction, under the National Law where a provider is unwilling or unable to remedy the issues in a satisfactory way.

Further information on powers and our use is available in the National Law.

Financial information provided to the Registrar is treated as in-confidence and will not be disclosed as per Section 26 of the National Law. However in case of multi-jurisdiction providers, some or all information on the financial performance may be shared with relevant Registrars.

Financial viability is a critical performance outcome within the National Regulatory Code.

The approach taken in assessing viability is thorough and proportionate to the tier level of registered providers. Compliance with the financial viability performance outcome ensures that organisations can continue to provide services and produce positive outcomes for tenants and strengthen their capacity to manage, and where appropriate, grow affordable rental housing.

They also provide assurance to the wider housing sector, government and investors that funds are being used efficiently and effectively, and fully meet obligations associated with the provision of these funds.

References:

Please refer to these documents for further guidance:

NRSCH charter

Evidence guidelines

Tiers guidelines

Enforcement guidelines

Fact sheet and FAQs

Visit www.nrsch.gov.au for more information.

Annexure 1: Definitions of line items and various elements included in the financial performance report

Segmented financial performance report

The Segmented Business Analysis worksheet includes five segments: Corporate Overheads, Long-term Housing – Owned, Long-term Housing – Managed, Other Housing Business, Other Non-Housing Business

Item no.	Element	Form	Data Definition
S1	Corporate overhead	Heading	Includes expenses that are not directly attributable to individual business segments. For example: CEO salary, CFO and other corporate administrative functions, rent and other costs of office facilities, motor vehicles shared across business segments.
S2	Salaries and wages	\$	Salaries and wages including: annual leave, fringe benefits tax, long service leave, recruitment expense, salary sacrifice, sick leave, superannuation, termination payments, workers compensation salaries and wages, employee fees paid, and cost recovery
S3	Rent and utilities	\$	Cost of rent and utilities that is not directly attributable to individual business segments e.g. office rates, power and water
S4	Finance/audit/consultancy fees/charges	\$	Financial and other services to the provider as a whole – that cannot be directly attributable to individual business segments
S5	Other corporate overheads	\$	Other corporate overheads that cannot be attributed to individual business segments
S6	Total Corporate overhead	Calculation	Sum of the above
S7	Average number of corporate FTE	Number	The average staffing on corporate activities (includes finance and admin, governance support, executive management). This is calculated by: (FTE at end of year plus FTE at start of year) divided by two.
S8	Long term housing - owned	Heading	This segment includes financial information on long term housing business that is owned by the provider. Long term business is for tenants with tenancy agreements of more than 18 months.
S9	Rent revenue	\$	Any rent received from tenants or sub-tenants and includes all for the year rents not yet collected but is owed by the tenant (i.e. accruals).
S10	Operating grants	\$	Includes operating funds received from Commonwealth, State and local government, for recurrent and non-recurrent purposes
S11	Capital grants	\$	Includes capital funds received to acquire, purchase or construct properties, upgrade or enhance existing properties, or acquire other items reported as assets such as individual pieces of equipment.
S12	NRAS subsidy	\$	Subsidy received or receivable in relation to the NRAS program
S13	Non-cash income	\$	Includes profit on sale of asset, asset transfers, and other income in kind that is not reflected by cash received

Item no.	Element	Form	Data Definition
S14	Other Revenue	\$	Other revenue not identified above
S15	Total Revenue	Calculation	
S16	Property expenses	\$	Insurance, rates and charges, utilities, property management fees
S17	Responsive maintenance	\$	Responsive maintenance is unplanned and reactive maintenance performed to restore a community housing asset (property) to an operational or safe, secure condition. It may also be the result of unforeseen failures such as storms, fire, forced entry, termite infestation or vandal damage. Includes repairs and maintenance on buildings rented out, gardening, mowing
S18	Non-capitalised planned maintenance	\$	Planned maintenance is performed to prevent premature deterioration or failure of components within a built asset before it becomes a major failure that leads to a more expensive repair alternative. In addition, planned maintenance includes inspections and servicing of components to meet statutory compliance and components that require mandatory cyclic services to ensure they are in working order, safe and secure condition.
S19	Employee expenses (including employee benefits)	\$	Salaries and wages including: annual leave, fringe benefits tax, long service leave, recruitment expense, salary sacrifice, sick leave, superannuation, termination payments, workers compensation salaries and wages, employee fees paid, and cost recovery
S20	Apportioned corporate overhead	\$	Allocated proportion of corporate overhead. Providers to determine appropriate allocation method, can be by FTE, number of service units, floor space occupied etc.
S21	Bad debts	\$	Bad debts written-off from long term housing - owned units
S22	Other expenses	\$	Any other operating expense not included above
S23	Operating expenses	Calculation	Sum of the above
S24	Contribution surplus / (deficit)	Calculation	Total income less operating expenses
S25	Contribution surplus / (Deficit) operating	Calculation	Contribution surplus / (deficit) less capital grants and non cash income
S26	Depreciation - Housing assets	\$	Depreciation of housing assets

Item no.	Element	Form	Data Definition
S27	Depreciation and amortisation - Other fixed and intangible assets	\$	Depreciation of other fixed assets (e.g. corporate fixed assets, motor vehicles, plant and equipment, etc) and amortisation of intangible assets
S28	Interest expense	\$	Represents interest paid or interest penalties, including interest accrued that can be attributed to individual business segments. Includes bank charges
S29	Segment surplus/(deficit)	Calculation	
S30	Total long term housing units developed/acquired	Number	Number of separately titled housing units that were acquired or developed by the provider. For example, rooming houses would be one housing unit (multiple tenancy units), whereas strata-titled units would be separate. Land with no tenancy units should not be counted.
S31	Total long term housing units transferred (title)	Number	Number (accumulated as at 30 June) of separately titled housing units that were transferred from government
S32	No of residency / tenancy agreements		Number (accumulated as at 30 June) of separate tenancy agreements which belong to long term housing units as defined in this segment. This is the lowest level of accommodation that is rented. For example, a building (block of units) might be made of 10 self-contained housing units (each one with a tenancy agreement). A housing unit may have one or more tenancy agreements.
S33	Average number of FTE	Number	Average full time equivalent staffing dedicated to this particular segment. (Total FTE at start of the year plus total FTE at the end of the year)/2. Include only PAID full-time, part-time, and contracted employees. DO NOT include volunteers. Full-time Equivalent (FTE): Measures the number of staff working the equivalent of a full-time week. For example, you have two staff during the week, one work 40 paid hours and one worked 20 paid hours. If full-time hours are 38 (as per the Award), then the FTE is 60 paid hours/38 award hours = 1.58 FTE.
S34	Long term housing - managed	Heading	This section captures revenue and expenses associated with housing assets that you manage (don't own) on behalf of government and/or other entities and are used as long term accommodation eg Long Term Community Housing, NRAS. This section includes operating and asset development activities performed on behalf of government and/or other entities. Housing use type long term accommodation is defined as 'no maximum or fixed term'.
S35	Rent revenue	\$	Any rent received from tenants or sub-tenants and includes all rents for the year not yet collected but is owed by the tenant (i.e. accruals).
S36	Operating grants	\$	Includes operating funds received from Commonwealth, State and local government, for recurrent and non-recurrent purposes
S37	Fee for service income	\$	Includes the sale or provision of service to non-government clients
S38	Non-cash income	\$	Includes profit on sale of asset, asset transfers, and other income in kind that is not reflected by cash received

Item no.	Element	Form	Data Definition
S39	Other Revenue	\$	Other revenue not identified above
S40	Total Income	Calculation	
S41	Property expenses	\$	Insurance, rates and charges, utilities, property management fees
S42	Responsive maintenance expenses	\$	Responsive maintenance is unplanned and reactive maintenance performed to restore an asset (property) to an operational or safe, secure condition. It may also be the result of unforeseen failures such as storms, fire, forced entry, termite infestation or vandal damage. Includes repairs and maintenance on buildings rented out, gardening, mowing
S43	Non-capitalised planned maintenance	\$	Planned maintenance is performed to prevent premature deterioration or failure of components within a built asset before it becomes a major failure that leads to a more expensive repair alternative. In addition, planned maintenance includes inspections and servicing of components to meet statutory compliance and components that require mandatory cyclic services to ensure they are in working order, safe and secure condition.
S44	Employee expenses (including employee benefits)	\$	Salaries and wages including: annual leave, fringe benefits tax, long service leave, recruitment expense, salary sacrifice, sick leave, superannuation, termination payments, workers compensation salaries and wages, employee fees paid, and cost recovery
S45	Apportioned corporate overhead	\$	Allocated proportion of corporate overhead. Providers to determine appropriate allocation method, can be by FTE, number of service units, floor space occupied etc.
S46	Bad debts	\$	Bad debts written-off from long term housing - managed units
S47	Other expenses	\$	Any other operating expense not included above
S48	Operating expenses	Calculation	
S49	Contribution surplus / (deficit)	Calculation	Total income less operating expenses
S50	Contribution surplus / (Deficit) operating	Calculation	Contribution surplus / (deficit) less non cash income
S51	Depreciation and amortisation - Other fixed and intangible assets	\$	Depreciation of other fixed assets (e.g. corporate fixed assets, motor vehicles, plant and equipment, etc) and amortisation of intangible assets
S52	Interest expense	\$	Represents interest paid or interest penalties, including interest accrued that can be attributed to individual business segments. Includes bank charges
S53	Segment surplus / (deficit)	Calculation	
S54	Number of housing units managed on behalf of government	Number	Number (accumulated as at 30 June) of self-contained housing units managed by the provider on behalf of government. For example, a building (block of units owned by the Housing Agency) with 10 self-contained housing units (owned by the Housing Agency but managed by the provider).

Item no.	Element	Form	Data Definition
S55	Number of housing units managed on behalf of other entities	Number	Number (accumulated as at 30 June) of self-contained housing units managed by the provider on behalf of other non-government entity. For example, a building (block of units owned by a third non-government entity) with 10 self-contained housing units (owned by the third non-government entity but managed by the provider).
S56	No of residency / tenancy agreements	Number	Number (accumulated as at 30 June) of separate tenancy agreements which belong to long term housing units as defined in this segment. This is the lowest level of accommodation that is rented. For example, a building (block of units) might be made of 10 self-contained housing units (each one with a tenancy agreement). A housing unit may have one or more tenancy agreements.
S57	Average number of FTE	Number	Average full time equivalent staffing working on long term housing where the provider owns the properties.(Total FTE at start of the year plus total FTE at the end of the year)/2. Include only PAID full-time, part-time, and contracted employees. DO NOT include volunteers. Full-time Equivalent (FTE): Measures the number of staff working the equivalent of a full-time week. For example, you have two staff during the week, one work 40 paid hours and one worked 20 paid hours. If full-time hours are 38 (as per the Award), then the FTE is 60 paid hours/38 award hours = 1.58 FTE.
S58	Other housing business	Heading	This section captures revenue and expenses associated with housing support services and housing used as transitional or crisis accommodation eg Community Rent Scheme, Crisis, Supported Accommodation Assistance Program (SAAP), HAS, HACC. This section includes operating and asset development activities from housing assets owned by the CHP and/or managed on behalf of government and/or other entities. Housing use type transitional accommodation is defined as 'typically from at least six months to two years'. Housing use type crisis accommodation is defined as 'typically not more than 12 months and often less'.
S59	Rent revenue	\$	Any rent received from tenants or sub-tenants and includes all rents for the year not yet collected but is owed by the tenant (i.e. accruals).
S60	Operating grants	\$	Includes operating funds received from Commonwealth, State and local government, for recurrent and non-recurrent purposes.
S61	Capital grants	\$	Includes capital funds received to acquire, purchase or construct properties, upgrade or enhance existing properties, or acquire other items reported as assets such as individual pieces of equipment.
S62	Fee for service income	\$	Includes the sale or provision of service to non-government clients.
S63	Non-cash income	\$	Includes asset transfers and other income in kind that is not reflected by cash received.
S64	Other Revenue	\$	Other revenue not identified above.
S65	Total Income	Calculation	

Item no.	Element	Form	Data Definition
S66	Property expenses	\$	Insurance, rates and charges, utilities, property management fees, rental expenses
S67	Responsive maintenance expenses	\$	Responsive maintenance is unplanned and reactive maintenance performed to restore an asset (property) to an operational or safe, secure condition. It may also be the result of unforeseen failures such as storms, fire, forced entry, termite infestation or vandal damage. Includes all costs associated with the repair and maintenance of plant and equipment, buildings and office furniture. Includes repairs and maintenance on buildings rented out, gardening, mowing
S68	Non-capitalised planned maintenance	\$	Planned maintenance is performed to prevent premature deterioration or failure of components within a built asset before it becomes a major failure that leads to a more expensive repair alternative. In addition, planned maintenance includes inspections and servicing of components to meet statutory compliance and components that require mandatory cyclic services to ensure they are in working order, safe and secure condition.
S69	Employee expenses (including employee benefits)	\$	Salaries and wages including annual leave, fringe benefits tax, long service leave, recruitment expense, salary sacrifice, sick leave, superannuation, termination payments, workers compensation salaries and wages.
S70	Apportioned corporate overhead	\$	Allocated proportion of corporate overheads. Providers to determine appropriate allocation method, can be by FTE, number of service units, floor space occupied etc.
S71	Bad debts	\$	Bad debts written-off from other housing business.
S72	Other expenses	\$	Any other operating expense not included above.
S73	Operating expenses	Calculation	
S74	Contribution surplus / (deficit)	Calculation	Total income less operating expenses.
S75	Contribution surplus/(deficit) operating	Calculation	Contribution surplus/(deficit) less capital grants and non-cash income.
S76	Depreciation – Housing Assets	\$	Depreciation of housing assets.
S77	Depreciation and amortisation - Other fixed and intangible assets	\$	Depreciation of other fixed assets (e.g. corporate fixed assets, motor vehicles, plant and equipment, etc) and amortisation of intangible assets
S78	Interest expense	\$	Represents interest paid or interest penalties, including interest accrued that can be attributed to individual business segments. Includes bank charges.
S79	Segment surplus / (deficit)	Calculation	
S80	Number of units managed on behalf of government	Number	Number (accumulated as at 30 June) of self-contained housing units managed by the provider on behalf of government. For example, a block of 10 self-contained housing units (owned by the Housing Agency but managed by the provider). A rooming house (owned by government) would be counted as one self-contained housing unit.

Item no.	Element	Form	Data Definition
S81	Number of units managed on behalf of other entities	Number	Number (accumulated as at 30 June) of self-contained housing units managed by the provider on behalf of other non-government entity. For example, a block of 10 self-contained housing units (owned by a third non-government entity but managed by the provider). A rooming house (owned by a third non-government entity) would be counted as one self-contained housing unit.
S82	Number of residency / tenancy agreements	Number	Number (accumulated as at 30 June) of separate tenancy agreements which belong to long term housing units as defined in this segment. This is the lowest level of accommodation that is rented. For example, a building (block of units) might be made of 10 self-contained housing units (each one with a tenancy agreement). A housing unit may have one or more tenancy agreements.
S83	Average number of FTE	Number	Average full time equivalent staffing dedicated to this particular segment. (Total FTE at start of the year plus total FTE at the end of the year)/2. Include only PAID full-time, part-time, and contracted employees. DO NOT include volunteers. Full-time Equivalent (FTE): Measures the number of staff working the equivalent of a full-time week. For example, you have two staff during the week, one work 40 paid hours and one worked 20 paid hours. If full-time hours are 38 (as per the Award), then the FTE is 60 paid hours/38 award hours = 1.58 FTE.
S84	Other Non-Housing Business	Heading	
S85	Operating grants	\$	Includes operating funds received from Commonwealth, State and local government, for recurrent and non-recurrent purposes
S86	Capital grants	\$	Includes capital funds received to acquire, purchase or construct properties, upgrade or enhance existing properties, or acquire other items reported as assets such as individual pieces of equipment.
S87	Non cash income	\$	Includes asset transfers, and other income in kind that is not reflected by cash received.
S88	Other revenue	\$	
S89	Total Income	Calculation	Sum of the above accounts

Item no.	Element	Form	Data Definition
S90	Employee expenses (including employee benefits)	\$	Salaries and wages including annual leave, fringe benefits tax, long service leave, recruitment expense, salary sacrifice, sick leave, superannuation, termination payments, workers compensation salaries and wages.
S91	Apportioned corporate overhead	\$	Allocated proportion of corporate overheads. Providers to determine appropriate allocation method, can be by FTE, number of service units, floor space occupied etc.
S92	Other expenses	\$	Any other operating expense not included above.
S93	Operating expenses	Calculation	Sum of expense accounts above
S94	Contribution surplus /(deficit)	Calculation	Total income less operating expenses
S95	Contribution surplus/ (Deficit) operating	Calculation	Contribution surplus / (deficit) less capital grants and non cash income
S96	Depreciation and amortisation - Other fixed and intangible assets	\$	Depreciation of other fixed assets (e.g. non-housing property, corporate fixed assets, motor vehicles, plant and equipment, etc) and amortisation of intangible assets.
S97	Interest expense	\$	Represents interest paid or interest penalties, including interest accrued that can be attributed to individual business segments. Includes bank charges.
S98	Segment surplus / (deficit)	Calculation	
S99	Average number of FTE	Number	Average full time equivalent staffing dedicated to this particular segment. (Total FTE at start of the year plus total FTE at the end of the year)/2. Include only PAID full-time, part-time, and contracted employees. DO NOT include volunteers. DO NOT include volunteers.

Annexure 2: Definitions of line items and various elements included in the financial performance report

Consolidated financial performance report

The Consolidated Business Analysis worksheet includes the main financial statements: Income Statement, Balance Sheet, Cash Flow Statement, and the Reconciliation of Operating Cash Flow.

Item no.	Element	Form	Data Definition
C1	Income Statement	Report title	Measures the providers financial performance over a specific accounting period
C2	Income	Heading	Inflows or other enhancements of assets or decreases of liabilities that result in increase in equity, other than those relating to contributions from equity participants
C3	Rental Revenue	\$	Any rent received from tenants or sub-tenants and includes all rents for the year not yet collected but is owed by the tenant (i.e. accruals).
C4	Operating Grants	\$	Includes operating funds received from Commonwealth, State and local government, for recurrent and non-recurrent purposes
C5	Capital Grants	\$	Includes capital funds received to acquire, purchase or construct properties, upgrade or enhance existing properties, or acquire other items reported as assets such as individual pieces of equipment.
C6	NRAS Subsidy	\$	Subsidy received or receivable in relation to the NRAS program
C7	Fees for service income	\$	Includes the sale or provision of service to non-government clients
C8	Non cash income	\$	Includes profit on sale of asset, asset transfers, and other income in kind that is not reflected by cash received
C9	Other revenue	\$	
C10	Total Income	Calculation	Calculated as the sum of the above operating income items
C11	Operating Expense	Heading	
C12	Property expenses	\$	Insurance, rates and charges, utilities, property management fees
C13	Responsive maintenance expense	\$	Responsive maintenance is unplanned and reactive maintenance performed to restore an asset (property) to an operational or safe, secure condition. It may also be the result of unforeseen failures such as storms, fire, forced entry, termite infestation or vandal damage. Includes repairs and maintenance on buildings rented out, gardening, mowing
C14	Non-capitalised planned maintenance	\$	Planned maintenance is performed to prevent premature deterioration or failure of components within a built asset before it becomes a major failure that leads to a more expensive repair alternative. In addition, planned maintenance includes inspections and servicing of components to meet statutory compliance and components that require mandatory cyclic services to ensure they are in working order, safe and secure condition

Item no.	Element	Form	Data Definition
C15	Employee expenses	\$	Salaries and wages including: annual leave, fringe benefits tax, long service leave, recruitment expense, salary sacrifice, sick leave, superannuation, termination payments, workers compensation salaries and wages, employee fees paid, and cost recovery
C16	Corporate overhead	\$	Allocated proportion of corporate overhead (this total should equal the sum of the individual business unit overheads)
C17	Bad debts	\$	Bad debts written-off
C18	Other expenses	\$	Any other operating expense not included above
C19	Total operating expenses	Calculation	Sum of operating expenses above
C20	Contribution from business segments	Calculation	Total income less total operating expenses
C21	Other unusual and non-operating items	\$	Any other revenue and expenses that is unusual, non-operating or non-recurring. (Expenses enter as negative)
C22	Fair value gains / (losses)	\$	Gain or (loss) on revaluation of assets
C23	Profit / (loss) on disposal of housing assets	\$	Gain or (loss) on sale of housing assets
C24	Profit / (loss) on disposal of other fixed assets	\$	Gain or (loss) on sale of any other fixed assets
C25	EBITDA – Total	Calculation	Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)
C26	Depreciation – Community Housing properties	\$	Depreciation of housing assets
C27	Depreciation and amortisation – other fixed assets	\$	Depreciation of other fixed assets (e.g. non-housing property, corporate fixed assets, motor vehicles, plant and equipment, etc) and amortisation of intangible assets
C28	EBIT	Calculation	Earnings Before Interest and Tax (EBIT) EBITDA less interest income, interest expense, depreciation and amortisation
C29	Interest income	\$	Includes interest earned on the investments, cash or banked funds
C30	Interest expenses (segment specific)	\$	Represents interest paid or interest penalties, including interest accrued that can be attributed to individual business segments. Includes bank charges
C31	Interest expenses (non-segment specific)	\$	Represents interest paid or interest penalties, including interest accrued that cannot be attributed to individual business segments. Includes bank charges

Item no.	Element	Form	Data Definition
C32	Net surplus	Calculation	EBIT less interest income and interest expense
C33	Operating EBITDA	Calculation	EBITDA less Capital grants, other unusual and non-operating items, fair value gains/(losses) and profit/(loss) on sale of assets
C34	Operating EBIT	Calculation	EBIT less Capital grants, other unusual and non-operating items, fair value gains/(losses) and profit/(loss) on sale of assets
C35	Net operating surplus	Calculation	Net surplus less Capital grants, other unusual and non-operating items, fair value gains/(losses) and profit/(loss) on sale of assets
C36	Balance Sheet	Report title	Statement of financial position for the provider as an organisation
C37	Current asset	Heading	All assets with future economic benefit expected to become available or used within the next 12 months
C38	Cash and cash equivalents	\$	Cash at bank – unrestricted, petty cash, cash float. An investment normally qualifies as cash equivalent only when it is readily convertible to a known amount of cash and has a short maturity of, say, three months or less from the date of acquisition.
C39	Unspent capital grants and restricted cash	\$	Capital grants received in advance – that are subject to a funding deed restricting the use of the monies for specific purposes or projects.
C40	Short term investments	\$	Includes term deposits and short-term investments e.g. securities, shares in listed or unlisted companies expected to be realised in the next 12 months.
C41	Receivables and other debtors	\$	Includes receivables for trade, rental and other debtors, net of provision for doubtful debts for trade, rental and other debtors, expected to be realised within the next 12 months.
C42	Other current assets	\$	Other current assets not specifically included in previous accounts. may include inventory.
C43	Total current assets	Calculation	Sum of the above current asset accounts
C44	Non-current assets	Heading	
C45	Housing assets	Heading	
C46	Housing assets at cost / fair value	\$	Includes freehold and leasehold land and buildings reported at cost, fair value, impaired value or re-valued amount.
C47	Housing assets - Accumulated depreciation	\$	Represents the accumulated depreciation to date in respect of buildings and improvements. Investment properties do not need to be depreciated.
C48	Housing assets - Written down value WDV	Calculation	

Item no.	Element	Form	Data Definition
C49	Non housing assets	Heading	
C50	Other fixed and intangible assets	\$	Non-housing property, movable plant and equipment, including motor vehicles, rental property furniture and fittings. Intangible assets represents purchased and internally generated e.g. goodwill, software, distribution rights, intellectual property, etc.
C51	Other fixed and intangible assets accumulated depreciation and	\$	Represents the accumulated depreciation and amortisation to date in respect of other fixed and intangible assets as described above.
C52	Other fixed and intangible assets – Written down value WDV	Calculation	
C53	Other non-current assets	\$	Other non-current assets not included in the accounts above, included non-current receivables from trade, rental and other (net of provision for doubtful debts)
C54	Total non-current assets	Calculation	Sum of above non-current asset accounts
C55	Total assets	Calculation	Sum of current and non-current asset accounts
C56	Current liabilities	Heading	
C57	Bank overdrafts	\$	Outstanding balance of bank overdraft
C58	Payables	\$	Includes trade, employee related and other creditors.
C59	Provisions	\$	Represents the current year liability for employee related expenses e.g. long service leave, annual leave, personal/carer's leave, sick leave
C60	Unspent capital grants (received in advanced)	\$	Any capital grants received in advance
C61	Current loan liability – housing	\$	Loan liability due and payable within the next 12 months related to housing assets or activities
C62	Current loan liability – other commercial	\$	Loan, lease and hire purchase liability due and payable within the next 12 months related to operations other than housing assets or activities
C63	Non-interest bearing loans	\$	Loans from related and/or other parties that were not obtained commercially, which are repayable within 12 months, but with no interest costs associated
C64	Accommodation bonds/loans/ entrance fees (aged care)	\$	Accommodation bonds/loans/fees that are contractually refundable and become payable by the community housing provider to departed residents.
C65	Other current liabilities	\$	
C66	Total current liabilities	Calculation	Sum of current liabilities above

Item no.	Element	Form	Data Definition
C67	Non-current liabilities	Heading	
C68	Provisions	\$	Represents the future years liability for employee related expenses (e.g. long service leave, annual leave, personal/carer's leave, sick leave)
C69	Loan liabilities – housing	\$	Loan liability due and payable in future years related to housing assets or activities
C70	Loan liabilities other commercial loans	\$	Loan, lease and hire purchase liability due and payable in future years related to operations other than housing assets or activities
C71	Non-interest bearing loans	\$	Loans from related and/or other parties that were not obtained commercially, which are repayable in future years, but with no interest costs associated.
C72	Debentures	\$	
C73	Unspent capital grants (received in advanced)	\$	Any capital grants received in advance not expected to be used within 12 months
C74	Accommodation bonds/. loans/ entrance fees (aged care)	\$	Accommodation bonds/loans/fees that are contractually refundable and become payable by the community housing provider to departed residents.
C75	Other non-current liabilities	\$	Other liabilities that are not expected to be actioned in the next 12 months and that are not specifically listed
C76	Total non-current liabilities	Calculation	Sum non-current liabilities above
C77	Total liabilities	Calculation	Sum of current and non-current liabilities
C78	Net assets	Calculation	Total assets less total liabilities
C79	Retained earnings	Heading	
C80	Retained earnings at start of year	\$	Represents the total value of accumulated surpluses over the years, can be surplus or (loss). Includes member funds
C81	Net surplus/(deficit)	\$	Current year surplus or deficit from the income statement.
C82	Transfers (to)/from reserves	\$	Represents transfers between accumulated surpluses/(deficits) and reserves through the year
C83	Total retained earnings	Calculation	Sum of the above retained earnings accounts

Item no.	Element	Form	Data Definition
C84	Reserves	Heading	
C85	Opening balance	\$	Represents the total value at the start of the year of any reserves established by the organisation as an internal commitment of future internal provision determined by the board at a board meeting
C86	Transfers to/(from) reserves	\$	Represents transfers between accumulated surpluses/(deficits) and reserves through the year
C87	Asset revaluation reserve	\$	Accumulated value of revaluations of non-current assets e.g. land and buildings. Represents the difference in value between the asset's cost and its market (or current) value
C88	Closing reserve balance	Calculation	Sum of the above reserve accounts
C89	Total equity	Calculation	Sum of total retained earnings and closing reserve balance. Should equal net assets
C90	Available overdraft, line of credit or similar	\$	Total level of overdraft or lines of credit approved by financial institution
C91	Unused overdraft, line of credit or similar	\$	Portion of total overdraft or line of credit that has not been used or has been repaid into the overdraft or line of credit account.
C92	Cash flow statement	Report title	
C93	Operating cash inflow from:	Heading	
C94	Government operating grant received	\$	Represents total cash received from government for operating grants
C95	Receipts from clients/tenants	\$	Represents total cash received from tenants and other clients during the year
C96	Interest received	\$	Interest received from financial institutions and/or related entities. reflects actual cash received
C97	Other inflow	\$	Any other cash inflow that has not been incorporated in the above accounts
C98	Total operating cash inflow	Calculation	Total of operating cash inflow accounts
C99	Cash was applied to:	Heading	
C100	Payment to employees and suppliers	\$	Total cash paid to employees and suppliers for operating activities
C101	Interest paid	\$	Reflects actual cash paid to financial institutions and/or related entities for interest on loans and other financial charges

Item no.	Element	Form	Data Definition
C102	Net GST	\$	Cash payments and receipts of GST to or from the Australian Taxation Office
C103	Other	\$	Any other operating cash payments not included in the above accounts
C104	Total operating cash outflow	Calculation	Sum of the above operating cash outflow accounts
C105	Total cash flow from operating activities	Calculation	Total operating cash inflow less total operating cash outflow
C106	Cash flow from investment activities	Heading	Represents cash payments for investment in community housing and other fixed assets. (Includes capitalised maintenance)
C107	Cash from divestments (sale of housing assets and other fixed assets)	\$	Proceeds from the sale of housing assets and other fixed and intangible assets received during the year
C108	Housing investments	\$	Cash paid to developers and other suppliers for housing assets
C109	Other fixed assets investments	\$	Cash paid to purchase or build other fixed assets
C110	Capitalised planned maintenance	\$	Cash paid for maintenance that materially increases the value of assets
C111	Other investment cash flows	\$	Any other cash payments or receipts related to investment activities
C112	Total investing cash flow	Calculation	Sum of the above investment cash flow accounts
C113	Cash flow from financing activities	Heading	Represents the cash used to finance investments and / or operational shortfalls
C114	Government capital grants/ other capital grants	\$	Receipts from government and other sources for capital grants
C115	New loans	\$	Cash inflow from new loans or new draw down of lines of credit.

Item no.	Element	Form	Data Definition
C116	Loan repayments	\$	Cash outflow to repay loans or reduce lines of credit
C117	Overdraft	\$	Cash flow from the use of approved overdraft, includes draw down and repayment
C118	Other financial cash flows	\$	Other financial cash flows not included in the above
C119	Total financial cash flows	Calculation	Sum of the above financial cash flow accounts
C120	Net cash flow	Calculation	Total of operating, investment and financial cash flows
C121	Opening cash balance	\$	Cash and cash equivalents at the beginning of the year (equals the balance at the end of the previous year)
C122	Closing cash balance	Calculation	Cash and cash equivalents at the end of the year (will be carried forward to the following year as opening cash balance)

Annexure 3: Definitions of line items and various elements included in the financial performance report

Development and financing worksheet definitions

The Development and Financing worksheet includes economic assumptions, development assumptions – housing units, development assumptions – non-housing units and other fixed assets, and loan details.

Item no.	Element	Form	Data Definition
DF1	Economic assumptions	Heading	
DF2	Inflation rate on rent (%)		Estimate of the rate of increase in rental prices. Used to estimate future rental revenue of a housing provider.
DF3	Inflation rate on operating costs (%)		Estimate of the rate of increase in operating costs of a housing provider. Includes costs such as employee costs, rates and charges, insurances, and other costs included in direct operations of running a social business
DF4	Inflation rate on overheads (%) (Includes construction costs)		
DF5	Development Assumptions - housing units	Heading	(For the purpose of this worksheet, please match funding income to capital expenditure)
DF6	Total cost of new housing units (GST exclusive)	Dollar	The total gross capital cost of all new housing units completed during each period, irrespective of the type of housing or nature of the funding.
DF7	Sales proceeds	Dollar	The total amount of sales proceeds from housing units that will be netted off against the total cost of development of new housing units during each period. Includes the sale of housing properties for lease-back schemes during each period. (GST exclusive) (Enter as negative)
DF8	Net cost	Calculation	Sum of the above
DF9	Number of housing units to be developed	Number	Number of new properties for which capital costs are included in Development assumptions - housing units
DF10	Financed by:	Heading	Include in the following lines all sources of finance being used to fund new development and capital expenditure. These should be positive and not used to show loan facilities drawn down in anticipation of future development.
DF11	NRAS Capital Funding (GST exclusive)	Dollar	The total amount of NRAS Capital Grants received or receivable in respect of schemes completed and included in Development assumptions - housing assets
DF12	Government Capital Grants other than NRAS (GST exclusive)	Dollar	The total amount of Capital Grants from Government received or receivable in respect of schemes completed and included in Development assumptions - housing assets
DF13	Other grants (GST exclusive)	Dollar	The total amount of other grants and donations received or receivable in respect of the schemes included in Development assumptions - housing assets
DF14	Provider's contribution - cash reserves or in-kind	Dollar	The total amount of the provider's cash reserves that have been or will be used to fund the schemes included in Development assumptions - housing assets
DF15	Non-interest bearing loans	Dollar	The total amount of loan finance received or receivable in respect of the schemes included in completing Development assumptions - housing assets

		Data Definition	
DF16	Interest bearing loans		The total amount of loan finance received or receivable in respect of the schemes included in completing Development assumptions - housing assets
DF17	Loans partially used to fund housing units		When a loan is used to fund properties including housing units and non-housing units, insert the part of the loan used to fund housing units.
DF18	Total	Calculation	Sum of the above
DF19	Development Assumptions – non-housing units and other fixed assets	Heading	(For the purpose of this worksheet, please match funding income to capital expenditure)
DF20	Total cost of new non-housing units (GST exclusive)	Dollar	The total gross capital cost of all new non-housing units completed during each period, irrespective of the type of housing or nature of the funding.
DF21	Sales proceeds		The total amount of sales proceeds from non-housing units that will be netted off against the total cost of development of new non-housing units during each period. Includes the sale of non-housing properties for lease-back schemes during each period. (GST exclusive) (Enter as negative)
DF22	Net cost	Calculation	Sum of the above
DF23	Number of non-housing units to be developed	Number	Number of new properties for which capital costs are included in Development Assumptions – non-housing units and other fixed assets
DF24	Financed by:	Heading	Include in the following lines all sources of finance being used to fund new development and capital expenditure. These should be positive and not used to show loan facilities drawn down in anticipation of future development.
DF25	Government Capital Grants other than NRAS (GST exclusive)		The total amount of Capital Grants from Government received or receivable in respect of schemes completed and included in Development Assumptions – non-housing units and other fixed assets
DF26	NRAS Capital Funding (GST exclusive)		The total amount of Capital Grants received or receivable in respect of schemes completed and included in Development Assumptions – non-housing units and other fixed assets
DF27	Other grants (GST exclusive)		The total amount of other grants and donations received or receivable in respect of the developments included in Development Assumptions – non-housing units and other fixed assets
DF28	Provider's contribution - cash reserves or in-kind		The total amount of the provider's cash reserves that have been or will be used to fund the developments included in Development Assumptions – non-housing units and other fixed assets
DF29	Non-interest bearing loans		The total amount of loan finance received or receivable in respect of the developments included in completing Development Assumptions – non-housing units and other fixed assets
DF30	Interest bearing loans		The total amount of loan finance received or receivable in respect of the developments included in completing Development Assumptions – non-housing units and other fixed assets

Item no.	Element	Form	Data Definition
DF31	Loans partially used to fund non-housing units		When a loan is used to fund properties including housing units and non-housing units, insert the part of the loan used to fund non-housing units.
DF32	Total	Calculation	Sum of the above
DF33	Security	Heading	
DF34	Security on drawn facilities	Dollar	The value of properties for security purposes, which have been used as security on loan facilities that have been drawn down as at the balance sheet date.
DF35	Security on undrawn facilities	Dollar	The value of properties for security purposes, which have been identified for use as security on loan facilities that have not yet been drawn down.
DF36	Unutilised security	Dollar	The value of properties for security purposes, which are not included in lines 52 and 53, and which the provider is free to use to secure loan funding.
DF37	Total security	Calculation	Sum of the above
DF38	Covenant Compliance	Heading	
DF39	Are you in breach of covenants? (YES / NO answer)	Yes/No	Was the provider in breach of its financial covenants during the last accounting period under review or does it anticipate being so within the forecast period? If YES – explanation is required.
DF40	Other Information	Heading	
DF41	Capitalised interest	Dollar	Total amount of interest capitalised on to the cost of fixed assets during the period.
DF42	Capital expenditure in maintenance and major repairs	Dollar	The cost of major repairs which increase the value of an asset.
DF43	Cost incurred to manage interest rate risk (e.g. hedging cost)	Dollar	The cost associated with guard against adverse interest rate fluctuations.
DF44	Maturity of loans	Heading	
DF45	Loans repayable within 12 months	Dollar	Total amount of loan principal repayable within 12 months of the balance sheet date. Take into account any loans maturing within one year and also any instalments of principal which fall due within one year.
DF46	Loans repayable between 1 and 2 years	Dollar	Total amount of loan principal repayable between 12 and 24 months from the balance sheet date.
DF47	Loans repayable in more than 2 years	Dollar	The total amount of loans repayable in more than 24 months from the balance sheet date.
DF48	Total loans outstanding	Calculation	Sum of the above loans
DF49	Net issue costs	Dollar	The net amount of issue costs, loan premium and discounts
DF50	Net loans outstanding	Calculation	Sum of Total loans outstanding and net issue loans

Glossary

Community housing

Housing for people on a very low, low or moderate income or for people with additional needs that is delivered by non-government organisations.

Community housing provider

An organisation that delivers social or affordable housing for people on lower incomes and housing-associated services covered by the social and affordable housing policies of government policy and funding agencies.

Enforcement Guidelines

Guidelines setting out the enforcement actions available to Registrars under the National Law if they reasonably believe that a provider is not complying with the community housing legislation of a participating jurisdiction.

Evidence Guidelines

Guidelines that describe the performance indicators and evidence sources for the assessment of providers against the National Regulatory Code in respect of Tier 1, 2 and 3 providers.

Housing and Homelessness Ministers' Advisory Committee (HHMAC)

A committee of the Select Council on Housing and Homelessness (SCOHH), including the heads of Commonwealth, state and territory government agencies with primary responsibility for housing issues. It has been responsible for overseeing development of the NRSCH.

Inter-Government Agreement (IGA)

A joint ministerial agreement, signed by Australian housing ministers in November 2012, which commits governments to proceeding with the National Regulatory System for Community Housing and outlines the basis for its establishment and operation.

National Law

The state and territory based legislation through which the NRSCH is being introduced. The National Law is enacted in the host jurisdiction, New South Wales, and either applied or adopted by participating jurisdictions.

National Regulatory Council

An independent advisory committee to be appointed by housing ministers as an independent advisory committee to oversee the operation of the NRSCH with Secretariat support.

National Regulatory System for Community Housing (NRSCH)

A national system of registration, monitoring and regulation of community housing providers to encourage the development, viability and quality of community housing to promote confidence in the good governance of registered community housing providers so as to:

- facilitate greater investment in the sector
- make it easier for community housing providers to operate in more than one participating jurisdiction, and
- identify appropriate entities to which government funding for community housing might be provided under other legislation or policies of a jurisdiction.

National Regulatory Code

The performance requirements that registered housing providers must comply with in providing community housing.

National Regulatory Council

An independent advisory committee to be appointed by housing ministers as an independent advisory committee to oversee the operation of the NRSCH with Secretariat support.

NRSCH Charter

A document endorsed by housing ministers that sets out the overarching vision, objectives, regulatory principles and philosophy of the National Regulatory System for Community Housing.

NRSCH Regulatory Framework

The regulatory policies and protocols that govern or describe the way in which Registrars will fulfil their regulatory responsibilities under the NRSCH.

NRSCH Corporate Framework

The operating policies and protocols that govern or describe the way in which Registrars will operate to fulfil their responsibilities under the NRSCH.

Operational guidelines

The suite of guidelines that governs the operation of the regulatory system including the Evidence Guidelines, Tiers Guidelines and Enforcement Guidelines.

Participating jurisdictions

Commonwealth, States and Territories whose governments have agreed to participate in the NRSCH.

Primary Registrar

The Registrar for the primary jurisdiction in which the community housing provider is operating or intends to operate, generally the Registrar in the state or territory in which the provider undertakes the majority of its community housing activity.

Select Council on Housing and Homelessness (SCOHH)

A Council of Australian Governments (COAG) body with ministerial representation from all jurisdictions and responsibility for housing policy reform of national significance.

Tiers Guidelines

Guidelines for the application of the three-tiered registration system based on risk, whereby different levels of regulatory oversight apply to providers based on the scale and scope of their community housing activities.

Please note:

Some common terms may have slightly different definitions in different jurisdictions that reflect variations in their legislation and/or existing terminology.

For more information

For more information on the National
Regulatory System for Community Housing,
please visit: www.nrsch.gov.au

