



Government of **Western Australia**
Department of **Communities**



Housing Authority

Annual Report 2024–2025

Accessibility statement

The Department of Communities strives to achieve online accessibility when delivering information to be inclusive of a wide range of people, including people with disability. This annual report has been designed in both a PDF and accessible Word format. Some parts of the report may not achieve accessibility standards; for example, the text size in some financial tables has been reduced to fit an A4 page.

If you require an alternative format, please email:
enquiries@communities.wa.gov.au

Acknowledgement of Country

The Department of Communities proudly acknowledges Traditional Custodians throughout Western Australia and recognises their continuing connection to the land and waters, families and community.

We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders past and present.



Located in Bassendean, these newly completed social housing apartments offer 13 modern dwellings, including both one and two-bedroom units. Delivered as part of the METRONET Program, the project was finalised in January 2025.



Memphis Jackson is a Noongar woman with close family connections to Wagyl Kaip, Yamatji and Whadjuk Boodja countries. She was born in Waikiki and grew up between Secret Harbour and Jarrahdale.

"This artwork was inspired by Jarrahdale – its rolling hills, deep valleys, and magical watering holes and streams. The town is quite small, making it feel like a tight-knit community that comes together to keep the forests and waterways clean and beautiful for years to come. I wanted to include both the established and new families in the town, as well as the bright green leaves that define Jarrahdale."

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Statement of compliance

For the year ended 30 June 2025

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the annual report of the Housing Authority for the financial year ended 30 June 2025.

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



Leon McIvor
Chief Executive Officer
Accountable Authority

21 October 2025



Hon John Carey
MLA

Minister for Planning and Lands;
Housing and Works;
Health Infrastructure

Overview



Photo credit: Henderson Photographics

The Department is speeding up the delivery of new social housing by using timber frame and modular construction. Modular homes (such as this one in Collie) are built in Perth metro yards and transported to regional areas on trucks.

Overview

Operational structure

The Department of Communities (Communities) was established on 1 July 2017 under the *Public Sector Management Act 1994*. At the creation of Communities, the Disability Services Commission (the Commission) and the Housing Authority (the Authority) joined the new Department.

The Authority is a statutory authority established under the *Housing Act 1980* to provide and improve housing and accommodation in Western Australia (WA).

On 31 March 2025, WA Premier the Hon Roger Cook MLA announced a targeted reform of WA Government departments. As a result, Communities' Housing functions responsible for social housing and tenancy management – including the legal entity Housing Authority – moved under the responsibility of the newly created Department of Housing and Works on 1 July 2025. This new Department was established under the *Public Sector Management Act 1994*.

Communities has prepared an annual report for 2024–25. The Authority and the Commission have specific reporting requirements in accordance with the *Financial Management Act 2006* and have therefore prepared separate annual reports to meet those requirements. The Department of Housing and Works has also prepared an annual report for 2024–25, including information on the operations of the former Department of Finance.

Contact information

The Department of Communities was responsible for the Housing portfolio during the 2024–25 reporting period. The Department of Housing and Works was established as a separate entity on 1 July 2025 and assumed responsibility for the Housing portfolio at this time. For all future correspondence, please direct enquiries to the Department of Housing and Works.

Department of Housing and Works

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Email: customerservice@dohw.wa.gov.au

Website: [Department of Housing and Works](https://www.wa.gov.au/organisation/departments/departments-of-housing-and-works) (<https://www.wa.gov.au/organisation/departments/departments-of-housing-and-works>)

Translating and Interpreting Service (TIS) – Telephone: 13 14 50

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Agency performance



Communities has delivered more than 75 new homes for social housing in the Great Southern region since July 2021. These include a number of modular homes that are built to Silver Livable Homes Standard in Perth and transported to the regions on trucks.

Agency performance

Report on operations

The activities of the Authority have been reported in the Department of Communities' Annual Report for 2024–25.

Summary of key performance indicators

The Authority's performance in the achievement of its outcomes and delivery of its services is demonstrated in the key performance effectiveness and efficiency indicators, which are outlined in tables 1 to 4. Further details on the indicators are contained in the key performance indicators section of this report.

The targets are published in the 2024–25 Western Australian State Budget Paper No 2 (Volume 2, Division 35, Part 8).

Table 1: Outcome. Affordable housing options are available to eligible Western Australians

Effectiveness key performance indicator	2023–24 actual	2024–25 target	2024–25 actual	Explanation of significant variance
Responsiveness – Total housing assistances provided relative to the public rental waiting list	0.30	0.26	0.30	The 2024–25 Actual exceeded the 2024–25 Target, primarily due to a substantial increase in bond assistance loans and a higher than anticipated uptake in new home loans following Keystart product adjustments in December 2024. The result also reflects ongoing efforts to reduce pressure on the public housing waiting list through increased supply of new social homes.
Waiting times for accommodation – applicants housed: Average (in weeks)	149	163	156	–
Waiting times for accommodation – applicants housed: Median (in weeks)	122	144	123	For the median wait time, the 2024–25 Actual is lower than the 2024–25 Target and consistent with the 2023–24 Actual. Additional Public Housing stock, minimising stock disposals and a sustained refurbishment program to extend the life of homes has increased the total stock and may have resulted in the difference in Actual median wait time compared to the Target median wait time

Table 2: Service 7. Rental housing

Efficiency key performance indicator	2023–24 actual	2024–25 target	2024–25 actual	Explanation of significant variance
Average operating cost per public rental property	\$20,593	\$20,001	\$21,801	The 2024–25 Actual is broadly consistent with both the 2024–25 Target and the 2023–24 Actual.
Average operating cost per Government Regional Officers' Housing (GROH) rental property	\$20,917	\$16,849	\$22,455	The variance between the 2024–25 Actual and 2024–25 Target is mainly due to higher than expected rental costs incurred, including for GROH properties leased from the private rental market, and maintenance costs. These increases were driven by limited housing supply and challenges in sourcing labour for property maintenance, particularly in remote regional areas.

Table 3: Service 8. Home loans

Efficiency key performance indicator	2023–24 actual	2024–25 target	2024–25 actual	Explanation of significant variance
Average operating cost per current loan account	\$3,727	\$8,224	\$4,702	The 2024–25 Actual is lower than the 2024–25 Target, mainly due to lower than expected Keystart expenses, loss on disposal of non-current assets, depreciation, and supplies and services expenses. Many of these factors moved strongly in a direction opposite to what was anticipated at the time the 2024–25 Target was set, resulting in a high 2024–25 Target and a substantial variance from the 2024–25 Actual. The 2024–25 Actual is higher than the 2023–24 Actual, primarily due to continuing high levels of loan discharges through 2024–25, which could be attributed to current market conditions, resulting in a net decline in the loan book portfolio even as loan approvals increased.

Table 4: Service 9. Land and housing supply

Due to the current priority of properties being built for rental housing (social housing), there are no build-to-sell inventory properties to be delivered or sold in 2024–25 and as such the Department has been exempted from reporting on this key performance indicator for 2024–25.

Efficiency key performance indicator	2023–24 actual	2024–25 target	2024–25 actual	Explanation of significant variance
Average operating cost per property sold	\$663,434	N/A	N/A	Exempted from reporting in 2024–25

Disclosures and legal compliance



Disclosures and legal compliance

Certification of financial statements

For the reporting period ended 30 June 2025

The accompanying financial statements of the Housing Authority and the accompanying consolidated financial statements have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2025 and the financial position as at 30 June 2025.

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



Shaun McLeod
Chief Finance Officer
8 October 2025



Leon McIvor
Accountable Authority
8 October 2025



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Housing Authority

To the Parliament of Western Australia

Report on the audit of the financial statements

Qualified opinion

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

- the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, except for the effects of the matters described in the Basis for qualified opinion section of my report, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Authority for the year ended 30 June 2025 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for qualified opinion

My opinion in the prior year was qualified because I was unable to obtain sufficient appropriate audit evidence for additions to Land and buildings and Buildings under construction, as disclosed in note 5.2 of the financial statements, amounting to \$131.3 million and \$331.4 million respectively as at 30 June 2024, due to support for some items of these amounts not being provided and I was unable to verify these by alternative means. Consequently, my opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of the current period's figure and the corresponding figures.

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7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

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

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

Emphasis of Matter

Loss on transfer of assets to Western Australian Land Authority (Development WA)

I draw attention to note 9.9 to the financial statements which discloses that the Housing Authority recognised a loss of \$27.2 million on transfer of certain land assets to Development WA during the year, effected through non-reciprocal transfer of equity between the entities. My opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer for the financial statements

The Chief Executive Officer is responsible for:

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

In preparing the financial statements, the Chief Executive Officer is responsible for:

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

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

Report on the audit of controls

Basis for qualified opinion

I identified significant weaknesses in procurement controls implemented by the Housing Authority. The controls were inadequate with purchase orders being raised subsequent to the receipt of an invoice and officers approving non-purchase order invoices above their delegated authority levels. These weaknesses increase the risk of erroneous or fraudulent payments, and ordering of inappropriate or unnecessary goods or services.

Qualified opinion

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

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, except for the possible effects of the matters described in the Basis for qualified opinion section of my report, the controls exercised by the Housing Authority are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2025, and the controls were implemented as designed as at 30 June 2025.

The Chief Executive Officer's responsibilities

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

Auditor General's responsibilities

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

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

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

Limitations of controls

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

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Authority for the year ended 30 June 2025 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators report of the Authority for the year ended 30 June 2025 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2025.

The Chief Executive Officer's responsibilities for the key performance indicators

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

In preparing the key performance indicators, the Chief Executive Officer is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 3 Financial Sustainability – Requirement 5: Key Performance Indicators.

Auditor General's responsibilities

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

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 3 - Requirement 5 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality management relating to the report on financial statements, controls and key performance indicators

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

Other information

The Chief executive Officer is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2025, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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

This auditor's report relates to the financial statements and key performance indicators of the Housing Authority for the year ended 30 June 2025 included in the annual report on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Caroline Spencer
Auditor General for Western Australia
Perth, Western Australia
9 October 2025

Financial statements

Statement of comprehensive income

For the year ended 30 June 2025

Table 5: Statement of comprehensive income

Statement of comprehensive income	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Income	–	–	–	–	–
Sales	3.1	32,279	28,534	32,279	28,534
Rental revenue	3.2	325,858	321,120	325,858	321,120
Grants, contributions and subsidies	3.3	165,214	142,668	165,214	142,668
Interest revenue	3.4	175,536	219,500	17,607	11,508
Other income	3.5	8,891	19,669	7,862	18,379
Total income	–	707,778	731,491	548,820	522,209
Expenses	–	–	–	–	–
Cost of sales	3.1	22,019	18,263	22,019	18,263
Rental expenses	4.1	469,106	417,896	469,106	417,896
Community support expense	4.1	116,063	129,114	116,063	129,114

Statement of comprehensive income	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Supplies and services	4.1	313,888	315,467	304,327	307,426
Depreciation and amortisation expense	5.2, 5.3, 5.4, 5.5	165,022	147,112	162,952	144,951
Finance costs	7.3	124,311	156,838	124,172	156,684
Grants and subsidies	4.2	50,574	54,621	50,574	54,621
Accommodation expenses	4.1	9,754	11,154	9,377	10,828
Other expenses	4.1	79,515	65,195	57,620	45,656
Loss on disposal of non-current assets	4.3	33,294	44,992	33,294	44,992
Total expenses	–	1,383,546	1,360,652	1,349,504	1,330,431
Loss before income from State Government	–	(675,768)	(629,161)	(800,684)	(808,222)
Income from State Government	–	–	–	–	–
Service appropriation	3.6	313,210	262,743	313,210	262,743
Income from other public sector entities	3.6	195,562	135,780	319,415	315,865
Royalties for Regions Fund	3.6	87,797	88,924	87,797	88,924
Resources received	3.6	279	266	279	266
Total income from State Government	–	596,848	487,713	720,701	667,798
Surplus/(deficit) for the period	7.4.2	(78,920)	(141,448)	(79,983)	(140,424)
Other comprehensive income	–	–	–	–	–

Statement of comprehensive income	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Changes in asset revaluation surplus	9.9	3,069,042	1,173,405	3,069,042	1,173,405
Total other comprehensive income	–	3,069,042	1,173,405	3,069,042	1,173,405
Profit/(loss) attributable to:	–	–	–	–	–
Consolidated equity	–	(78,920)	(141,448)	–	–
Total	–	(78,920)	(141,448)	–	–
Total comprehensive income attributable to:	–	–	–	–	–
Consolidated equity	–	2,990,122	1,031,957	–	–
Total	–	2,990,122	1,031,957	–	–
Total Comprehensive income for the period	–	2,990,122	1,031,957	2,989,059	1,032,981

The Statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2025

Table 6: Statement of financial position

Statement of financial position	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Assets – Current assets	–	–	–	–	–
Cash and cash equivalents	7.4	823,276	722,028	210,986	270,602
Restricted cash and cash equivalents	7.4	52,311	18,981	52,311	18,981
Inventories	5.1	14,586	68,532	14,586	68,532
Loans and receivables	6.1	758,937	905,939	217,830	209,828
Other current assets	6.3	21,299	14,005	31,424	30,325
Non-current assets classified as held for sale	5.6	5,207	6,242	5,207	6,242
Other financial assets	6.4	–	321,578	–	–
Total current assets	–	1,675,616	2,057,305	532,344	604,510
Assets – Non-current assets	–	–	–	–	–
Inventories	5.1	59,289	100,699	59,289	92,579
Loans and receivables	6.1	1,140,220	1,401,509	1,994,272	2,572,693
Other financial assets	6.4	–	–	–	2,011

Statement of financial position	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Property, plant and equipment	5.2	17,315,253	14,099,654	17,313,548	14,098,270
Right-of-use assets	5.3	7,906	8,500	5,032	5,098
Intangible assets	5.4	1,325	2,268	–	–
Service concession assets	5.5	2,815,270	2,364,430	2,815,270	2,364,430
Total non-current assets	–	21,339,263	17,977,060	22,187,411	19,135,081
Total assets	–	23,014,879	20,034,365	22,719,755	19,739,591
Liabilities – Current liabilities	–	–	–	–	–
Payables	6.5	62,188	119,240	55,052	109,675
Borrowings	7.1	623,751	48,898	623,751	48,898
Lease liabilities	7.2	106,470	93,018	102,146	88,016
Provisions	6.6	3,086	692	–	–
Other current liabilities	6.7	19,354	23,136	19,354	23,136
Total current liabilities	–	814,849	284,984	800,303	269,725
Liabilities – Non-current liabilities	–	–	–	–	–
Payables	6.5	231	237	231	237
Borrowings	7.1	1,601,230	2,875,277	1,601,230	2,875,277
Lease liabilities	7.2	112,306	67,439	112,306	67,439

Statement of financial position	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Provisions	6.6	78,330	58,213	78,330	58,213
Other non-current liabilities	6.7	129,399	132,694	129,399	132,694
Total non-current liabilities	–	1,921,496	3,133,860	1,921,496	3,133,860
Total liabilities	–	2,736,345	3,418,844	2,721,799	3,403,585
Net assets	–	20,278,534	16,615,521	19,997,956	16,336,006
Equity	–	–	–	–	–
Contributed equity	–	4,034,536	3,361,645	3,954,266	3,281,375
Reserves	–	12,682,456	9,667,592	12,682,456	9,667,592
Retained earnings	–	3,561,542	3,586,284	3,361,234	3,387,039
Total equity attributable to the consolidated entity	–	20,278,534	16,615,521	19,997,956	16,336,006
Total equity	–	20,278,534	16,615,521	19,997,956	16,336,006

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

Statement of changes in equity

For the year ended 30 June 2025

Table 7: Statement of changes in equity

Statement of changes in equity	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Balance of equity at start of year	–	16,615,521	15,029,745	16,336,006	14,749,206
Contributed equity	9.9	–	–	–	–
Balance at start of the year	–	3,361,645	2,807,825	3,281,375	2,727,555
Transactions with owners in their capacity as owners:	–	–	–	–	–
Capital contribution	–	246,487	307,845	246,487	307,845
Other contributions by owners	–	433,419	252,489	433,419	252,489
Distributions to owners	–	(7,015)	(6,514)	(7,015)	(6,514)
Balance at end of the period	–	4,034,536	3,361,645	3,954,266	3,281,375
Reserves	9.9	–	–	–	–
Balance at start of the year	–	9,667,592	8,523,111	9,667,592	8,523,111
Asset revaluation increment	–	3,069,042	1,173,405	3,069,042	1,173,405
Transfer to retained earnings	–	(54,178)	(28,924)	(54,178)	(28,924)
Balance at end of the period	–	12,682,456	9,667,592	12,682,456	9,667,592

Statement of changes in equity	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Retained earnings	9.9	–	–	–	–
Balance at start of the year	–	3,586,284	3,698,809	3,387,039	3,498,540
Transfer from reserves	–	54,178	28,923	54,178	28,923
Profit/(loss) for the period	–	(78,920)	(141,448)	(79,983)	(140,424)
Balance at end of the period	–	3,561,542	3,586,284	3,361,234	3,387,039
Equity attributable to equity holder Housing Authority	–	20,278,534	16,615,521	19,997,956	16,336,006
Balance of equity at the end of the period	–	20,278,534	16,615,521	19,997,956	16,336,006

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

Statement of cash flows

For the year ended 30 June 2025

Table 8: Statement of cash flows

Statement of cash flows	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Cash flows from operating activities – Receipts	–	–	–	–	–
Rental receipts	–	303,077	279,992	302,793	281,219
Grants, contributions and subsidies	–	165,214	142,668	165,214	142,668
Interest received	–	(149,967)	1,670	17,026	10,543
Inventory receipts on sales	–	25,553	27,343	32,279	28,534
Other receipts	–	13,339	26,379	20,431	25,181
GST receipts on sales	–	4,145	20,103	4,145	20,103
GST receipts from taxation authority	–	27,322	21,951	27,325	21,936
Cash flows from operating activities – Payments	–	–	–	–	–
Rental property payments	–	(466,016)	(417,896)	(466,016)	(417,896)
Community support payments	–	(116,063)	(129,114)	(116,063)	(128,675)
Supplies and services	–	(416,509)	(319,229)	(387,492)	(291,136)

Statement of cash flows	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Finance costs	–	(129,511)	(156,838)	(129,372)	(156,684)
Accommodation	–	(9,475)	(10,888)	(11,608)	(10,562)
Grants and subsidies	–	(50,574)	(54,621)	(50,574)	(54,621)
Purchase and development of inventory	–	(30,363)	(12,501)	(38,483)	(12,495)
GST payments on purchases	–	(47,213)	(38,472)	(47,213)	(38,472)
GST payments to taxation authority	–	–	–	–	–
Other payments	–	–	(2,261)	–	(2,269)
Net cash used in operating activities	7.4.2	(877,041)	(621,714)	(677,608)	(582,626)
Cash flows from investing activities – Receipts	–	–	–	–	–
Proceeds from the sale of non-current physical assets	–	56,734	7,533	56,734	7,533
Home loan repayments received	–	915,924	1,147,413	–	–
Other investing receipts	–	–	–	910,000	880,000
Dividends received	–	–	–	34,916	81,403
Cash flows from investing activities – Payments	–	–	–	–	–
Purchase of non-current physical assets	–	(745,327)	(464,315)	(744,636)	(464,028)
New home loans advanced	–	(102,087)	(262,397)	–	–

Statement of cash flows	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Other investing payments	–	(195)	(6)	(288,184)	(360,000)
Net cash provided by investing activities	–	125,049	428,228	(31,170)	144,908
Cash flows from financing activities – Receipts	–	–	–	–	–
Proceeds from borrowings WA Treasury Corporation	–	290,000	360,057	290,000	360,057
Finance lease receipts	–	122,433	103,836	122,433	103,836
Cash flows from financing activities – Payments	–	–	–	–	–
Repayment of borrowings from WA Treasury Corporation	–	(965,102)	(984,892)	(965,102)	(984,892)
Repayment of Commonwealth borrowings	–	(17,894)	(17,941)	(17,894)	(17,941)
Principal elements of lease payments	–	(126,163)	(107,606)	(125,256)	(106,727)
Net cash used in financing activities	–	(696,726)	(646,546)	(695,819)	(645,667)
Cash flows from State Government	–	–	–	–	–
Service appropriation	–	313,210	262,743	313,210	262,743
Capital Appropriation	–	246,487	307,845	246,487	307,845
Royalties for Regions recurrent fund	–	87,797	88,924	87,797	88,924
Royalties for Regions capital fund	–	3,807	–	3,807	–
Other contributions/distributions of equity	–	414,855	245,975	414,855	245,975

Statement of cash flows	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Funds from other public sector entities	–	195,562	135,780	312,155	283,363
Net cash provided by State Government	–	1,261,718	1,041,267	1,378,311	1,188,850
Net increase/(decrease) in cash and cash equivalents	–	(187,000)	201,235	(26,286)	105,465
Cash and cash equivalents at the beginning of the period	–	1,062,587	861,352	289,583	184,118
Cash and cash equivalents at the end of the period	7.4.1	875,587	1,062,587	263,297	289,583

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

Notes to the financial statements

1. Basis of Preparation

The Housing Authority is a Statutory Authority controlled by the State of Western Australia, which is the ultimate parent.

The Housing Authority is a not-for-profit entity (as profit is not its principal objective).

These financial statements have been prepared on a going concern basis as the State of Western Australia which is the ultimate parent entity has no solvency concerns.

The State budget papers highlight that the Housing Authority is fully appropriated to provide its ongoing services from 2025–26 through to 2029–30, including positive cash at bank and cashflow balances.

To the best of the Housing Authority's knowledge there are no plans from Government to reduce the Housing Authority's ability to meet its obligations. The Housing Authority also has the capacity to seek Supplementary funding from the State of Western Australia as the parent entity if cash management issues were to arise.

Noting that the appropriation published in the Budget represents the sum of funding provided to the Department of Communities, including the Housing Authority and its subsidiaries. The Housing Authority has been working with the Department of Treasury to consolidate cash appropriations to simplify arrangements going forward; within this context, there are no overall solvency concerns.

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Housing Authority on 08/10/2025.

Statement of compliance

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer's instructions. Several of these are modified by Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* (the Act) and Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Comparative information

Where necessary, comparative information has been reclassified to achieve consistency in the disclosure with the current financial year amounts and other disclosures.

Basis of consolidation

The investments in subsidiaries are accounted for in the Housing Authority financial statements at cost. The Housing Authority recognises dividends from the subsidiaries when its right to receive the dividend is established.

The reporting entity comprises the Housing Authority and controlled entities included below.

The investment in the subsidiaries is accounted for in the consolidated financial statements in accordance with AASB 10 'Consolidated Financial Statements'. In preparing consolidated financial statements, the financial statements of the parent and the

subsidiaries have been combined line by line by adding together like items of assets, liabilities, equity, income and expenses. In order that the consolidated financial statements present financial information about the Consolidated Entity as that of a single economic entity.

Subsidiaries are consolidated from the date on which control is transferred to the group and cease to be consolidated from the date on which control is transferred out of the group.

Legal form of subsidiaries

- (i) The Keystart Housing Scheme includes a trust and company structure set up to enable funds to be raised through the Housing Authority at competitive rates and on lent to Keystart borrowers for the purchasing of owner occupied homes.

The structure comprises of:

- The Keystart Housing Scheme Trust established by a Deed of Trust in the State of Western Australia, dated 5 April 1989 with Keystart Loans Ltd (a special purpose nominal capital company) as trustee and the Authority is the sole beneficiary of the trust. Keystart Scheme Management Pty Ltd has been appointed as Manager.
- Keystart Scheme Management Pty Ltd – A special purpose nominal capital company created to provide management services to the Keystart Trustee and group of companies.

All these Keystart trusts and companies have been established in the State of Western Australia. The financial transactions for these entities have no effect on the operating result of the Housing Authority. The Housing Authority provides a support arrangement to the structure through the Support Trust.

- (ii) Homeswest Loan Scheme Trust – A special purpose Trust established by a Trust Deed in the State of Western Australia dated 19 September 1995 to operate as an agent for the Housing Authority's home loan schemes. In its capacity as agent, the Trust receives advances for the purpose of providing mortgages to Western Australians. The Housing Authority is the sole beneficiary of the Trust, and Keystart Loans Ltd is the trustee of the Trust.

Ownership interest

The Housing Authority is the instigator of the Keystart Housing Scheme and has effective control over the whole structure either directly or indirectly through various agreements which constitute the structure and to which it is a party. The Board of Directors of the Keystart group of companies comprises six directors from the private sector.

The ownership interest held by the Housing Authority in the companies is as follows:

- Keystart Loans Ltd: 100 per cent of the total shareholding
- Keystart Scheme Management Pty Ltd: 100 per cent owned by Keystart Loans Ltd

Table 9: Controlled entities and contribution to retained earnings

Name	Percentage owned 2025 %	Percentage owned 2024 %	Contribution to consolidated entity result 2025 \$'000	Contribution to consolidated entity result 2024 \$'000	Investment shares at cost 2025 \$'000	Investment shares at cost 2024 \$'000
Goldmaster Enterprises Pty Ltd	—	—	—	—	—	—
Profit/(loss)	—	100.00%	—	(227)	—	37,951
Keystart Loans Ltd	100.00%	100.00%	Nil	Nil	—	—
Keystart Scheme Management Pty Ltd	100.00%	100.00%	Nil	Nil	—	—
Keystart Housing Scheme Trust	—	—	—	—	—	—
(Loss)/profits	100.00%	100.00%	Nil	Nil	—	—
Transfer from reserve	—	—	—	—	—	—
Homeswest Loan Scheme Trust	100.00%	100.00%	Nil	Nil	—	—

The Housing Authority is obligated to the Scheme in that it has given various representations and obligations to investors or other creditors to the extent that it will meet cash shortfalls and losses from the Scheme. Funding for Keystart is through the Housing Authority. The Housing Authority's obligations to the various participants are contained in a Support Agreement of the Scheme. No subsidies were required from the Housing Authority for the 2024–25 financial year.

Effective 1 July 2025 the Government Trading Enterprise (GTE) Keystart was established as a statutory corporation under the *Keystart Act 2024*. This was undertaken to consolidate the operations of Keystart Housing Scheme Trust and other related entities into a single GTE with its own enabling legislation. A Statutory Transfer Order (STO) has been used to transfer all assets, liabilities, functions, and operations of the Trust to the newly established government trading enterprise (GTE), Keystart. See Note 9.1 Events occurring after the end of the reporting period.

Accounting for Goods and Services tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Agency as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 8 Requirement 8.1 'Contributions by Owners made to Wholly Owned Public Sector Entities' and will be credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

Insurance

In accordance with TI 4 Requirement 4 'Insurance' the Housing Authority maintains an appropriate level of insurance cover for insurable risks.

The Housing Authority has a policy of not insuring its residential property assets as it is considered uneconomical, however, the Authority does insure:

- Residential properties related to employment-related accommodation (Government Regional Officer's Housing)
- Key worker villages
- Residential property constructed by the Authority under the Affordable Housing Strategy for sale to private individuals
- Residential properties (complexes) with a replacement value of \$10 million or greater.

The Housing Authority's other insurance programs continue to be a combination of insurance policies provided by commercial insurance providers and the Western Australian Government's RiskCover Fund.

As per Treasurer's Instruction 4 'Risk Management and Internal Control', insurance is complemented by a comprehensive approach to Risk Management and prudent management policies and practices.

Income tax

The parent entity and its subsidiary, Keystart Housing Scheme Trust, are income tax exempt bodies.

Current income tax is the tax on the current period's taxable income based on the applicable income tax rate adjusted for changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities settled. No deferred tax asset or liability is recognised in relation to temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity. Refer Note 6.2 'Deferred income Tax Asset'.

Judgements and estimates

Judgements, estimates, and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experiences and various other factors that are believed to be reasonable under the circumstances.

2. Agency outputs

How the agency operates

This section includes information regarding the nature of funding the Agency receives and how this funding is utilised to achieve the Agency’s objectives.

	Notes
Agency objectives	2.1
Schedule of income and expenses by service	2.2

2.1 Agency objectives

Mission

The Housing Authority's mission is working in partnership to build economic and social prosperity by enabling Western Australians to have a place to call home.

The Housing Authority operates across the land, housing and property finance and human services sectors to provide affordable housing opportunities for people who would otherwise be unable to access housing through the private market.

Services

The Housing Authority provides the following services:

Service 1: Rental Housing

The provision of housing to eligible Western Australians through public housing, community housing managed properties, rental housing for key workers in regional Western Australia, Government Regional Officer Housing (GROH) and properties for remote Aboriginal Communities.

Service 2: Home Loans

Enabling the financing of home ownership schemes for eligible applicants.

Service 3: Land and Housing Supply

Development of land for housing and the provision of housing for sale to the Western Australian housing market.

2.2 Schedule of income and expenses by service

Table 10: Schedule of income and expenses by service

Consolidated 2025	Rental Housing \$'000	Home Loans \$'000	Land and Housing Supply \$'000	Total \$'000
Income	–	–	–	–
Sales	–	–	32,279	32,279
Rental revenue	325,849	–	9	325,858
Grants, contributions and subsidies	165,214	–	–	165,214
Interest revenue	17,521	157,940	75	175,536
Other income	7,215	1,097	579	8,891
Total income	515,799	159,037	32,942	707,778
Expenses	–	–	–	–
Cost of sales	786	–	21,233	22,019
Rental expenses	468,433	168	505	469,106
Community support expense	115,723	314	26	116,063
Employee benefits expense	–	–	–	–
Supplies and services	301,880	9,776	2,232	313,888
Depreciation and amortisation expense	156,379	8,553	90	165,022
Finance costs	24,191	99,387	733	124,311

Consolidated 2025	Rental Housing \$'000	Home Loans \$'000	Land and Housing Supply \$'000	Total \$'000
Grants and subsidies	50,572	—	2	50,574
Accommodation expenses	9,297	387	70	9,754
Other expenses	50,021	22,440	7,054	79,515
Loss on disposal of non-current assets	39,489	(6,240)	45	33,294
Total expenses	1,216,771	134,785	31,990	1,383,546
Loss before income from State Government	(700,972)	24,252	952	(675,768)
Income from State Government	—	—	—	—
Service appropriation	312,981	30	199	313,210
Income from other public sector entities	195,525	6	31	195,562
Royalties for Regions Fund	87,797	—	—	87,797
Resources received	277	—	2	279
Total income from State Government	596,580	36	232	596,848
Surplus/(deficit) for the period	(104,392)	24,288	1,184	(78,920)
Other comprehensive income	—	—	—	—
Changes in asset revaluation surplus	3,069,042	—	—	3,069,042
Total other comprehensive income	3,069,042	—	—	3,069,042
Profit/(loss) attributable to:	—	—	—	—
Consolidated equity	(104,392)	24,288	1,184	(78,920)

Consolidated 2025	Rental Housing	Home Loans	Land and Housing Supply	Total
	\$'000	\$'000	\$'000	\$'000
Non-controlling interest	—	—	—	—
Total	(104,392)	24,288	1,184	(78,920)
Total comprehensive income attributable to:	—	—	—	—
Consolidated equity	2,964,650	24,288	1,184	2,990,122
Non-controlling interest	—	—	—	—
Total	2,964,650	24,288	1,184	2,990,122
Total Comprehensive income for the period	2,964,650	24,288	1,184	2,990,122

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

Table 11: Schedule of income and expenses by service

Consolidated 2024	Rental Housing \$'000	Home Loans \$'000	Land and Housing Supply \$'000	Total \$'000
Income	–	–	–	–
Sales	861	–	27,673	28,534
Rental revenue	321,100	–	20	321,120
Grants, contributions and subsidies	142,668	–	–	142,668
Interest revenue	10,834	208,109	557	219,500
Other income	16,333	2,124	1,212	19,669
Total revenue and income	491,796	210,233	29,462	731,491
Expenses	–	–	–	–
Cost of sales	135	–	18,128	18,263
Rental expenses	418,785	60	(949)	417,896
Community support expense	127,416	614	1,084	129,114
Supplies and services	284,681	11,830	18,956	315,467
Depreciation and amortisation expense	137,673	8,401	1,038	147,112
Finance costs	22,273	132,420	2,145	156,838
Grants and subsidies	54,585	6	30	54,621
Accommodation expenses	9,749	505	900	11,154
Other expenses	40,192	20,213	4,790	65,195
Loss on disposal of non-current assets	288	(6,316)	51,020	44,992

Consolidated 2024	Rental Housing \$'000	Home Loans \$'000	Land and Housing Supply \$'000	Total \$'000
Total expenses	1,095,777	167,733	97,142	1,360,652
(Loss)/profit before income from State Government	(603,981)	42,500	(67,680)	(629,161)
Income from State Government	–	–	–	–
Service appropriation	262,031	712	–	262,743
Income from other public sector entities	135,263	85	432	135,780
Royalties for Regions Fund	88,924	–	–	88,924
Resources received	235	5	26	266
Total income from State Government	486,453	802	458	487,713
Surplus/(deficit) for the period	(117,528)	43,302	(67,222)	(141,448)
Other comprehensive income	–	–	–	–
Changes in asset revaluation surplus	1,173,405	–	–	1,173,405
Total other comprehensive income	1,173,405	–	–	1,173,405
Surplus/(deficit) attributable to:	–	–	–	–
Consolidated equity	(117,528)	43,302	(67,222)	(141,448)
Non-controlling interest	–	–	–	–
Total	(117,528)	43,302	(67,222)	(141,448)
Total comprehensive income attributable to:	–	–	–	–
Consolidated equity	1,055,877	43,302	(67,222)	1,031,957
Non-controlling interest	–	–	–	–
Total	1,055,877	43,302	(67,222)	1,031,957
Total Comprehensive income for the period	1,055,877	43,302	(67,222)	1,031,957

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

Table 12: Schedule of income and expenses by service

Housing Authority 2025	Rental Housing \$'000	Home Loans \$'000	Land and Housing Supply \$'000	Total \$'000
Revenue and Income	–	–	–	–
Sales	–	–	32,279	32,279
Rental revenue	325,849	–	9	325,858
Grants, contributions and subsidies	165,214	–	–	165,214
Interest revenue	17,521	11	75	17,607
Gain on disposal of fixed assets	–	–	–	–
Other income	7,215	68	579	7,862
Total revenue and income	515,799	79	32,942	548,820
Expenses	–	–	–	–
Cost of sales	786	–	21,233	22,019
Rental expenses	468,433	168	505	469,106
Community support expense	115,723	314	26	116,063
Employee benefits expense	–	–	–	–
Supplies and services	301,880	215	2,232	304,327
Depreciation and amortisation expense	156,379	6,483	90	162,952
Finance costs	24,191	99,248	733	124,172
Grants and subsidies	50,572	–	2	50,574

Housing Authority 2025	Rental Housing	Home Loans	Land and Housing Supply	Total
	\$'000	\$'000	\$'000	\$'000
Accommodation expenses	9,297	10	70	9,377
Other expenses	50,021	545	7,054	57,620
Loss on disposal of non-current assets	39,489	(6,240)	45	33,294
Total expenses	1,216,771	100,743	31,990	1,349,504
Loss before income from State Government	(700,972)	(100,664)	952	(800,684)
Income from State Government	–	–	–	–
Service appropriation	312,981	30	199	313,210
Income from other public sector entities	195,525	123,859	31	319,415
Royalties for Regions Fund	87,797	–	–	87,797
Services received	277	–	2	279
Total income from State Government	596,580	123,889	232	720,701
Surplus/(deficit) for the period	(104,392)	23,225	1,184	(79,983)
Other comprehensive income	–	–	–	–
Changes in asset revaluation surplus	3,069,042	–	–	3,069,042
Total other comprehensive income	3,069,042	–	–	3,069,042
Total Comprehensive income for the period	2,964,650	23,225	1,184	2,989,059

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

Table 13: Schedule of income and expenses by service

Housing Authority 2024	Rental Housing \$'000	Home Loans \$'000	Land and Housing Supply \$'000	Total \$'000
Revenue and Income	–	–	–	–
Sales	861	–	27,673	28,534
Rental revenue	321,100	–	20	321,120
Grants, contributions and subsidies	142,668	–	–	142,668
Interest revenue	10,834	117	557	11,508
Other income	16,333	848	1,198	18,379
Total revenue and income	491,796	965	29,448	522,209
Expenses	–	–	–	–
Cost of sales	135	–	18,128	18,263
Rental expenses	418,785	60	(949)	417,896
Community support expense	127,416	175	1,084	128,675
Employee benefits expense	–	–	–	–
Supplies and services	284,681	3,789	18,956	307,426
Depreciation and amortisation expense	137,673	6,240	1,038	144,951
Finance costs	22,273	132,266	2,145	156,684
Grants and subsidies	54,585	6	30	54,621
Accommodation expenses	9,749	179	900	10,828

Housing Authority 2024	Rental Housing	Home Loans	Land and Housing Supply	Total
	\$'000	\$'000	\$'000	\$'000
Other expenses	40,192	1,340	4,563	46,095
Loss on disposal of non-current assets	288	(6,316)	51,020	44,992
Total expenses	1,095,777	137,739	96,915	1,330,431
Loss before income from State Government	(603,981)	(136,774)	(67,467)	(808,222)
Income from State Government	–	–	–	–
Service appropriation	262,031	712	–	262,743
Income from other public sector entities	135,263	180,170	432	315,865
Royalties for Regions Fund	88,924	–	–	88,924
Services received	235	5	26	266
Total income from State Government	486,453	180,887	458	667,798
Surplus/(deficit) for the period	(117,528)	44,113	(67,009)	(140,424)
Other comprehensive income	–	–	–	–
Changes in asset revaluation surplus	1,173,405	–	–	1,173,405
Total other comprehensive income	1,173,405	–	–	1,173,405
Total Comprehensive income for the period	1,055,877	44,113	(67,009)	1,032,981

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

3 Our Funding Sources

How we obtain our funding

This section provides additional information about how the Housing Authority obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Housing Authority and the relevant notes are:

Table 14: Primary income received

Primary income received	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Sales	3.1	32,279	28,534	32,279	28,534
Rental revenue	3.2	325,858	321,120	325,858	321,120
Grants, contributions and subsidies	3.3	165,214	142,668	165,214	142,668
Interest revenue	3.4	175,536	219,500	17,607	11,508
Other income	3.5	8,891	19,669	7,862	18,379
Income from State Government	3.6	596,848	487,713	720,701	667,798

3.1. Sales

Table 15: Sales

Sales	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Sales	–	–	–	–
Joint operations land	26,347	22,261	26,347	22,261
Land	5,932	1,505	5,932	1,505
House and land packages	–	4,768	–	4,768
Total	32,279	28,534	32,279	28,534
Less cost of sales	–	–	–	–
Joint operations land	(16,553)	(13,052)	(16,553)	(13,052)
Land	(4,405)	(2,884)	(4,405)	(2,884)
House and land packages	(1,061)	(2,327)	(1,061)	(2,327)
Total	(22,019)	(18,263)	(22,019)	(18,263)
Trading profit	10,260	10,271	10,260	10,271

Revenue from land sales is recognised at the transaction price when the Housing Authority transfers the land title to the buyer (at settlement when control of the land transfers to the customer).

3.2. Rental revenue

Table 16: Rental revenue

Rental revenue	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Rental and other properties	322,706	317,977	322,706	317,977
Rental amenities	3,152	3,143	3,152	3,143
Total rental revenue	325,858	321,120	325,858	321,120

The Housing Authority charges rents in accordance with section 30 of the *Housing Act*. The basis for the amount of rent to be charged is determined from market rent information received from the Western Australian Land Information Authority (Valuations Services) and due consideration to regional rental markets. Rental property revenue represents the net rental revenue which consists of market rents less vacancies, concessions and rental subsidies granted throughout the year. Rental income is recognised on a straight-line basis over the lease term.

The Housing Authority requires tenants to pay either 25 per cent of the household income as rent or market rent for the property. Tenants eligible to pay rent by reference to the household income will pay no more than 25 per cent of the household income as rent. If 25 per cent of the household income is more than the market rent, then the rent payable is the market rent. Any income that is regular, ongoing, and provided to meet the cost of living is considered by the Housing Authority to be 'assessable' and used to calculate how much rent is payable. If applicable, tenants who occupied their current rental property before 28 March 2016 will receive rent increases until they are paying 25 per cent of the assessable household income as rent or the market rent. The rent increases will be staged with increase limits applied to reduce the impact of the changes for these tenants.

3.3. Grants, contributions and subsidies

Table 17: Grants, contributions and subsidies

Grants, contributions and subsidies	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Commonwealth grants and contributions	–	–	–	–
Recurrent grants	–	–	–	–
National Agreement on Social Housing and Homelessness	164,148	139,201	164,148	139,201
Total Commonwealth recurrent grants	164,148	139,201	164,148	139,201
Capital Grants	–	–	–	–
Homelessness projects	1,066	3,467	1,066	3,467
Total Commonwealth capital grants	1,066	3,467	1,066	3,467
Total grants, contributions and subsidies	165,214	142,668	165,214	142,668

Recurrent grants are recognised as income when the grants are receivable.

Income from grants to acquire/construct a recognisable non-financial asset (capital grants) to be controlled by the Housing Authority is recognised when the Housing Authority satisfies its obligations under the transfer. The Housing Authority typically satisfies the obligations under the transfer when it achieves milestones specified in the grant agreement.

3.4. Interest revenue

Table 18: Interest revenue

Interest revenue	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Loan interest	–	–	–	–
Keystart secured mortgage advances	129,850	178,670	–	–
Total loan interest	129,850	178,670	–	–
Other interest	–	–	–	–
Interest on cash at bank	8,682	5,635	8,682	5,635
Interest on finance leases	8,896	5,867	8,896	5,867
Interest on investments	28,079	29,322	–	–
Interest other	29	6	29	6
Total other interest	45,686	40,830	17,607	11,508
Total interest revenue	175,536	219,500	17,607	11,508

Interest income is recognised as interest accrues. For all financial instruments measured at amortised cost interest income is recognised using the effective interest rate method.

3.5. Other income

Table 19: Other income

Other income	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Bad debts recovered	990	979	990	979
Conveyancing fees	759	694	759	694
Revenue related to service concession arrangements	3,295	3,295	3,295	3,295
Other revenue	3,847	14,701	2,818	13,411
Total other income	8,891	19,669	7,862	18,379

Other income is recognised when the Authority satisfies the performance obligations when services have been provided.

Revenue related to service concession arrangements reflects the progressive unwinding of the 'grant of right to operate' liability (Note 6.7 'Other liabilities') over the remaining period of the arrangement. Refer to Note 5.5 'Service concession assets'.

3.6. Income from State Government

Table 20: Income from State Government

Income from State Government	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Appropriation received during the period	–	–	–	–
Service appropriation	313,210	262,743	313,210	262,743
Total service appropriation received	313,210	262,743	313,210	262,743
Royalties for Regions Fund	–	–	–	–
Regional Infrastructure and Headworks account	87,797	88,924	87,797	88,924
Total Royalties for Regions Fund	87,797	88,924	87,797	88,924
Resources received from other public sector entities	–	–	–	–
Services received free of charge	279	266	279	266
Total resources received	279	266	279	266
Income received from other public sector entities during the period	–	–	–	–
Recurrent grants	–	–	–	–
Department of Fire and Emergency Services	13,104	12,195	13,104	12,195
Department of Planning, Lands and Heritage	420	–	420	–
Total recurrent grants	13,524	12,195	13,524	12,195
Capital grants	–	–	–	–

Income from State Government	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Mental Health Commission	–	5,990	–	5,990
Department of Primary Industries and Regional Development	–	2,344	–	2,344
Total capital grants	–	8,334	–	8,334
Other income received	–	–	–	–
GROH rental revenue	178,376	110,886	178,376	110,886
Department of Communities – Service Delivery Agreement	3,662	4,365	3,662	4,365
Keystart dividend revenue	–	–	13,455	34,916
Keystart interest revenue	–	–	110,398	145,169
Total other income received	182,038	115,251	305,891	295,336
Total income received from other public sector entities	195,562	135,780	319,415	315,865
Total income from State Government	596,848	487,713	720,701	667,798

Service Appropriations are recognised as income at fair value of consideration received in the period in which the Housing Authority gains control of the appropriated funds. The Housing Authority gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the holding account held at Treasury.

Income from other public sector entities are recognised as income when the Agency has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Agency receives the funds.

The Regional Infrastructure and Headworks Account is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as income when the Housing Authority receives the funds.

Resources received from other public sector entities is recognised as income equivalent to the fair value of assets received or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

Dividends are recognised when Keystart, the Housing Authority's subsidiary, has declared dividends for distribution.

Summary of consolidated account appropriations

For the year ended 30 June 2025

Table 21: Summary of consolidated account appropriations

Summary of consolidated account appropriations	2025 Budget \$'000	2025 Additional Funding* \$'000	2025 Revised Budget \$'000	2025 Actual \$'000	2025 Variance \$'000
Delivery of Services	–	–	–	–	–
Item 77 net amount appropriated to deliver the services	303,471	9,739	313,210	313,210	–
Capital	–	–	–	–	–
Item 150 capital appropriations	225,009	21,478	246,487	246,487	–
Grand total	528,480	31,217	559,697	559,697	–

* Additional funding includes supplementary funding and new funding authorised under section 27 of the Act and amendments to standing appropriations.

4. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Housing Authority's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Housing Authority in achieving its objectives and the relevant notes are:

Table 22: Expenses incurred in the delivery of services

Expenses incurred in the delivery of services	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Other expenditures	4.1	988,326	938,826	956,493	910,920
Grants and subsidies expense	4.2	50,574	54,621	50,574	54,621
(Gain)/Loss on disposal of non-current assets	4.3	33,294	44,992	33,294	44,992

4.1. Other expenditures

Table 23: Other expenditures

Other expenditures	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Rental expenses	–	–	–	–
Debt collection expenses	806	879	806	879
Demolition costs	4,602	4,999	4,602	4,999
Estate management expenses	7,376	6,533	7,376	6,533
General expenses	43,835	41,849	43,835	41,849
Self-insurance expenses	14,048	12,730	14,048	12,730
Maintenance expenses	274,896	228,925	274,896	228,925
Rates expenses	119,792	109,583	119,792	109,583
Renovations and improvements	3,751	12,398	3,751	12,398
Total rental expenses	469,106	417,896	469,106	417,896
Community support expense	–	–	–	–
Aboriginal Housing	102,789	106,107	102,789	106,107
Community Housing	13,274	23,007	13,274	23,007
Total community support expense	116,063	129,114	116,063	129,114
Supplies and services	–	–	–	–

Other expenditures	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Asset maintenance	11	41	11	41
Audit fees	1,930	1,749	1,315	1,267
Communication	438	445	281	285
Minor equipment purchases	73	116	73	116
Motor vehicles	1,227	1,316	1,227	1,316
Other personnel costs	1,330	3,300	1,652	3,579
Professional services, consultants and contractors	13,394	11,650	13,394	11,650
Stationery and supplies	890	903	305	325
Travel	1,570	2,396	1,570	2,396
Other costs and expenses	9,150	9,301	1,461	2,984
Service Delivery Agreement (SDA) employee benefits	159,430	153,406	158,593	152,623
SDA overheads	124,445	130,844	124,445	130,844
Total supplies and services expenses	313,888	315,467	304,327	307,426
Accommodation expenses	—	—	—	—
Rental	3,985	4,718	3,985	4,718
Accommodation outgoings and repairs and maintenance	5,769	6,436	5,392	6,110
Total accommodation expenses	9,754	11,154	9,377	10,828

Other expenditures	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Other expenses	–	–	–	–
Assets transferred to Crown Land	–	260	–	260
Expected credit loss expense	5,424	13,543	7,166	15,985
Fees – Keystart	23,175	20,481	–	–
Impairment – Investments	195	24	195	251
Impairment of non-current assets	6,819	9,876	6,819	9,876
Land expenses	5,044	3,370	5,044	3,370
Loan scheme expenses	363	208	348	276
Project expenses	2,579	1,109	2,579	1,109
Other expenses	35,916	16,324	35,469	14,529
Total other expenses	79,515	65,195	57,620	45,656
Total other expenditure	988,326	938,826	956,493	910,920

Aboriginal housing community support consists of expenses incurred in the provision of remote indigenous community housing and support programmes.

Community Housing support consists of expenses incurred in the provision of housing undertaken by community groups.

Supplies and Services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Agency and the Department of Finance for the leasing of office accommodation contain significant substitution rights.

Accommodation outgoings and repairs and maintenance are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Expected credit loss is an allowance of trade receivables and loans to homebuyers, measured at the lifetime expected credit losses at each reporting date. The Housing Authority has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Keystart (Consolidated entity) has a 'three-stage' model for impairment based on changes in credit quality since initial recognition in accordance with AASB 9. Please refer to Note 6.1.1 Movement in the allowance for impairment of trade receivables and Movement in the allowance for impairment of loans to homebuyers (Consolidated entity only).

Grants and subsidies are transactions in which the Housing Authority provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return. These payments or transfers are recognised at fair value at the time of the transaction and are recognised as an expense in the reporting period in which they are paid. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Write-down of non-current assets classified as held for sale to the lower of carrying amount and fair value less selling costs.

Service Delivery Agreement (SDA) expenses relate to the cost associated with the provision of staff resources by the Department of Communities to the Housing Authority. The Department of Communities recovers the costs for these services from the Housing Authority and the Housing Authority recognises these as a service expense rather than employee expense. In addition, the overhead costs paid by the Housing Authority to other entities are included in supplies and services and the recoverable amounts from other entities (where applicable) are shown as Income from State government.

4.2. Grants and subsidies

Table 24: Grants and subsidies

Grants and subsidies	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Regional renewal program grants	2,666	4,729	2,666	4,729
National rent affordability scheme grants	13,582	12,842	13,582	12,842
Social Housing Economic Recovery Package grants	30,331	31,904	30,331	31,904
Regional construction program grants	2,772	3,973	2,772	3,973
Other	1,223	1,173	1,223	1,173
Total grants and subsidies expense	50,574	54,621	50,574	54,621

4.3. (Gain)/Loss on disposal of non-current assets

Table 25: (Gain)/Loss on disposal of non-current assets

(Gain)/Loss on disposal of non-current assets	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Proceeds from the disposal of non-current assets	–	–	–	–
Rental properties	10,199	6,864	8,107	5,694
Shared Equity properties	38,965	34,000	38,965	34,000
Total	49,164	40,864	47,072	39,694
Carrying amount of non-current assets disposed (i)	–	–	–	–
Community Housing properties	222	1,430	222	1,430
Rental properties	30,246	2,347	28,154	1,177
Shared Equity properties	24,762	30,504	24,762	30,504
Plant and equipment and intangible assets	–	273	–	273
Right-of-use assets	(6)	(3)	(6)	(3)
Total	55,224	34,551	53,132	33,381
Net loss/(gain) on non-current assets	6,060	(6,313)	6,060	(6,313)
Loss on transfer of land assets to Development WA (ii)	27,234	51,305	27,234	51,305
Net loss/(gain)	33,294	44,992	33,294	44,992

- (i) The cost on disposal of properties includes the value of properties demolished of \$6.570 million (2024: \$10.563 million).
- (ii) The current year loss on transfer of land assets to the Western Australian Land Authority (DevWA) arised on the transfer of the Davis Park Portfolio (Davis Park) land assets to DevWA in accordance with the agreement between both parties as detailed in note 9.9

The prior year loss on transfer of land assets to DevWA arised on the transfer of the Bentley Redevelopment Project (Bentley 360) land assets to DevWA in accordance with the agreement between both parties.

Realised and unrealised gains are usually recognised on a net basis.

Gains or losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the Statement of comprehensive income.

5. Key Assets

Assets the agency utilises for economic benefit or service potential

This section includes information regarding the key assets the Housing Authority utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

Table 26: Key Assets

Key Assets	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Inventories	5.1	73,875	169,231	73,875	161,111
Property, plant and equipment	5.2	17,315,253	14,099,654	17,313,548	14,098,270
Right-of-use assets	5.3	7,906	8,500	5,032	5,098
Intangibles	5.4	1,325	2,268	–	–
Service concession assets	5.5	2,815,270	2,364,430	2,815,270	2,364,430
Non-current assets classified as held for sale	5.6	5,207	6,242	5,207	6,242

5.1. Inventories

Table 27: Inventories

Inventories	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
Land acquisition and development at cost	–	48,937	–	48,937
Joint operations land at cost	12,100	14,610	12,100	14,610
House and land packages for sale	2	694	2	694
House and land packages construction in progress	2,484	4,291	2,484	4,291
Total current inventories	14,586	68,532	14,586	68,532
Non-current	–	–	–	–
Land acquisition and development at cost	54,073	92,025	54,073	83,905
Joint operations land at cost	5,216	8,674	5,216	8,674
Total non-current inventories	59,289	100,699	59,289	92,579
Total inventories	73,875	169,231	73,875	161,111

Inventories

Current Inventories are measured at the lower of cost or net realisable value. Costs includes the cost of acquisition/development and other capitalised costs. After development is completed, other holding charges are expensed as incurred.

Non-current inventories consist of both broad hectare land and lots under development, excluding lots available for external sale (current inventory), and are valued at acquisition cost plus capitalised costs. Developed lots on which dwellings are subsequently constructed by the Housing Authority are transferred to the stock of Rental properties at fair value as determined by the Western Australian Land Information Authority at the date of practical completion. The difference between this valuation and the cost of the land transferred to Rental properties represents a revaluation increment/decrement which is brought to account as an increase/decrease in the asset revaluation reserve.

Work in progress for house and land packages are classified as non - current whilst they are being constructed and reclassified as current when they are available for sale.

Joint Operations

The Housing Authority has interests in joint arrangements that are joint operations. A joint arrangement is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control and whereby the parties have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Housing Authority recognises its interests in the joint operations by recognising the assets it controls and the liabilities that it incurs in respect of the joint arrangements.

The Housing Authority also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods and services by the joint operations.

- Joint operations land represents the Housing Authority's equity in Joint operations land development projects.
- Development costs represent the agreed proportion of development costs incurred plus capitalised costs.
- Land owned by the Housing Authority is shown at cost plus capitalised costs.

As of 1 July 2021, the Housing Authority transferred its interest in joint operations to the Western Australian Land Authority (DevWA) as part of the Machinery of Government (MoG) changes. The Butler and Dalyellup Beach joint operations have been retained by the Housing Authority and continue to be disclosed in the financial statements.

(a) The Housing Authority enters into joint operations for the development of land holdings. The principal place of business for all operations is Western Australia. Listed below are current joint operations.

Butler

The Housing Authority holds a 46.78 per cent interest in an incorporated joint operation with Butler Land Pty Ltd for the development of land at the Brighton estate. The incorporated joint operation is named Ocean Springs Pty Ltd.

The Housing Authority contributes development costs and receives revenues on the basis of the interest held in the joint operation.

Dalyellup Beach

The Housing Authority holds a 50 per cent interest in an incorporated joint operation with Home Satterley Dalyellup Pty Ltd for the development of land at Dalyellup Beach, Bunbury. The incorporated joint operation is named Dalyellup Beach Pty Ltd.

The Housing Authority contributes development costs and receives revenues on the basis of the interest held in the joint operation.

Summary of the Housing Authority's share in joint operation assets and liabilities

Table 28: Joint operation assets and liabilities

Joint operation assets and liabilities 2025	Notes	Butler \$'000	Dalyellup Beach \$'000	Total \$'000
Current assets	–	–	–	–
Cash and cash equivalents	7.4	1,626	6,561	8,187
Receivables	6.1	634	1,602	2,236
Inventories	5.1	6,902	5,199	12,101
Other current assets	6.3	211	–	211
Total	–	9,373	13,362	22,735
Non-current assets	–	–	–	–
General assets	5.2	–	30	30
Buildings	5.2	942	–	942
Development costs (1)	5.1	1,171	3,741	4,912
Total	–	2,113	3,771	5,884
Total assets	–	11,486	17,133	28,619
Current liabilities	–	–	–	–
Payables	6.5	1,016	780	1,796
Other liabilities	6.7	6	–	6
Total	–	1,022	780	1,802

Joint operation assets and liabilities 2025	Notes	Butler \$'000	Dalyellup Beach \$'000	Total \$'000
Non-current liabilities	–	–	–	–
Payables	6.5	231	–	231
Total	–	231	–	231
Total liabilities	–	1,253	780	2,033
Net assets	–	10,233	16,353	26,586
Land (1)	–	302	2	304

- (1) The total development costs (\$4.912 million) and Authority land (\$0.304 million) represents the total (\$5.216 million) joint operations land non-current portion.

Table 29: Joint operation assets and liabilities

Joint operation assets and liabilities 2024	Notes	Butler \$'000	Dalyellup Beach \$'000	Total \$'000
Current assets	–	–	–	–
Cash and cash equivalents	7.4	3,365	5,265	8,630
Receivables	6.1	134	250	384
Inventories	5.1	7,068	7,542	14,610
Other current assets	6.3	224	–	224
Total	–	10,791	13,057	23,848
Non-current assets	–	–	–	–
General assets	5.2	–	33	33
Buildings	5.2	972	–	972
Development costs (1)	5.1	1,393	6,888	8,281
Total	–	2,365	6,921	9,286
Total assets	–	13,156	19,978	33,134
Current liabilities	–	–	–	–
Payables	6.5	1,383	449	1,832
Other liabilities	6.7	7	–	7
Total	–	1,390	449	1,839
Non-current liabilities	–	–	–	–

Joint operation assets and liabilities 2024	Notes	Butler \$'000	Dalyellup Beach \$'000	Total \$'000
Payables	6.5	237	—	237
Total	—	237	—	237
Total liabilities	—	1,627	449	2,076
Net assets	—	11,529	19,529	31,058
Land (1)	—	391	2	393

- (1) The total development costs (\$8.281 million) and Authority land (\$0.393 million) represents the total (\$8.674 million) joint operations land non-current portion, per Note 5.1.

5.2. Property, plant and equipment

Table 30: Property, plant and equipment

Consolidated Year ended 30 June 2025	Land and Buildings \$'000	Plant and Equipment \$'000	Buildings Under Construction \$'000	Total \$'000
1 July 2024	–	–	–	–
Gross carrying amount	13,891,373	11,140	315,245	14,217,758
Accumulated depreciation	(108,913)	(9,191)	–	(118,104)
Accumulated impairment loss	–	–	–	–
Carrying amount at start of period	13,782,460	1,949	315,245	14,099,654
Additions	404,934	706	338,336	743,976
Transfer from /(to) owner	–	7,742	–	7,742
Transfers – Service Concession Assets	(29,813)	–	–	(29,813)
Transfers to Profit and Loss	(1,507)	–	(1,583)	(3,090)
Transfers from inventory and asset held for sale	99,590	–	–	99,590
Transfer to/(from) buildings under construction	315,370	–	(315,370)	–
Disposals	(90,097)	–	–	(90,097)
Impairment losses (a)	–	–	–	–
Revaluation increments (decrements) (b)	2,623,854	–	–	2,623,854
Depreciation	(136,025)	(538)	–	(136,563)
Carrying amount at 30 June 2025	16,968,766	9,859	336,628	17,315,253

Consolidated Year ended 30 June 2025	Land and Buildings \$'000	Plant and Equipment \$'000	Buildings Under Construction \$'000	Total \$'000
Gross carrying amount	17,079,083	17,167	336,628	17,432,878
Accumulated depreciation	(110,317)	(7,308)	—	(117,625)
Carrying amount at 30 June 2025	16,968,766	9,859	336,628	17,315,253

- (a) Impairment losses are recognised in the Statement of Comprehensive Income. Where an asset is measured at cost is written-down to recoverable amount, an impairment loss is recognised in profit or loss. Where previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. Information on fair value measurements is provided in Note 8.3.
- (b) The increment is mainly due to general market movements in the residential property sector within Western Australia during the 12 months period up to 1 July 2024 (date of valuation). With the majority of the Housing Authority's asset portfolio comprising of dwellings (for public housing purposes) which are measured at market value, the increase in the general market prices has consequently resulted in the significant fair value movement compared to the comparative period.

In addition, the Housing Authority adopted the requirements of the new accounting standard AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities which came into effect this financial year. This resulted in the recognition of approximately \$33m relating to professional and project management fees and once-only costs, which are now included in the value of current use building assets under the current replacement cost basis as required by this new standard.

Table 31: Property, plant and equipment

Consolidated Year ended 30 June 2024	Land and Buildings \$'000	Plant and Equipment \$'000	Buildings Under Construction \$'000	Total \$'000
1 July 2023	–	–	–	–
Gross carrying amount	12,612,206	11,332	217,160	12,840,698
Accumulated depreciation	(8,265)	(8,502)	–	(16,767)
Accumulated impairment loss	–	–	–	–
Carrying amount at start of period	12,603,941	2,830	217,160	12,823,931
Additions	131,341	84	331,415	462,840
Transfers to/(from) buildings under construction	233,330	–	(233,330)	–
Transfers – Service Concession Assets	(10,413)	–	–	(10,413)
Transfers from inventory and asset held for sale*	388	–	–	388
Disposals	(54,097)	(276)	–	(54,373)
Impairment losses (a)	–	–	–	–
Revaluation increments (decrements)	997,810	–	–	997,810
Depreciation	(119,840)	(689)	–	(120,529)
Carrying amount at 30 June 2024	13,782,460	1,949	315,245	14,099,654
Gross carrying amount	13,891,373	11,140	315,245	14,217,758
Accumulated depreciation	(108,913)	(9,191)	–	(118,104)
Carrying amount at 30 June 2024	13,782,460	1,949	315,245	14,099,654

(a) Impairment losses are recognised in the Statement of Comprehensive Income. Where an asset is measured at cost is written-down to recoverable amount, an impairment loss is recognised in profit or loss. Where previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. Information on fair value measurements is provided in Note 8.3.

Table 32: Property, plant and equipment

Housing Authority Year ended 30 June 2025	Land and Buildings \$'000	Plant and Equipment \$'000	Buildings Under Construction \$'000	Total \$'000
1 July 2024	–	–	–	–
Gross carrying amount	13,891,373	3,727	315,245	14,210,345
Accumulated depreciation	(108,913)	(3,162)	–	(112,075)
Accumulated impairment loss	–	–	–	–
Carrying amount at start of period	13,782,460	565	315,245	14,098,270
Additions	404,934	15	338,336	743,285
Transfer from /(to) owner	–	7,742	–	7,742
Transfers – Service Concession Assets	(29,813)	–	–	(29,813)
Transfers to Profit and Loss	(1,507)	–	(1,583)	(3,090)
Transfers from inventory and asset held for sale	99,590	–	–	99,590
Transfer to/(from) buildings under construction	315,370	–	(315,370)	–
Disposals	(90,097)	–	–	(90,097)
Impairment losses (a)	–	–	–	–
Revaluation increments (decrements) (b)	2,623,854	–	–	2,623,854
Depreciation	(136,025)	(168)	–	(136,193)
Carrying amount at 30 June 2025	16,968,766	8,154	336,628	17,313,548
Gross carrying amount	17,079,083	11,455	336,628	17,427,166

Housing Authority Year ended 30 June 2025	Land and Buildings \$'000	Plant and Equipment \$'000	Buildings Under Construction \$'000	Total \$'000
Accumulated depreciation	(110,317)	(3,301)	—	(113,618)
Carrying amount at 30 June 2025	16,968,766	8,154	336,628	17,313,548

- (a) Impairment losses are recognised in the Statement of Comprehensive Income. Where an asset is measured at cost is written-down to recoverable amount, an impairment loss is recognised in profit or loss. Where previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. Information on fair value measurements is provided in Note 8.3.
- (b) The increment is mainly due to general market movements in the residential property sector within Western Australia during the 12 months period up to 1 July 2024 (date of valuation). With the majority of the Housing Authority's asset portfolio comprising of dwellings (for public housing purposes) which are measured at market value, the increase in the general market prices has consequently resulted in the significant fair value movement compared to the comparative period.

In addition, the Housing Authority adopted the requirements of the new accounting standard AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities which came into effect this financial year. This resulted in the recognition of approximately \$33m relating to professional and project management fees and once-only costs, which are now included in the value of current use building assets under the current replacement cost basis as required by this new standard.

Table 33: Property, plant and equipment

Housing Authority Year ended 30 June 2024	Land and Buildings \$'000	Plant and Equipment \$'000	Buildings Under Construction \$'000	Total \$'000
1 July 2023	–	–	–	–
Gross carrying amount	12,612,206	4,014	217,160	12,833,380
Accumulated depreciation	(8,265)	(3,001)	–	(11,266)
Carrying amount at start of period	12,603,941	1,013	217,160	12,822,114
Additions	131,341	12	331,415	462,768
Transfers to/(from) buildings under construction	233,330	–	(233,330)	–
Transfers – Service Concession Assets	(10,413)	–	–	(10,413)
Transfers from inventory and asset held for sale	388	–	–	388
Disposals	(54,097)	(276)	–	(54,373)
Impairment losses (a)	–	–	–	–
Revaluation increments (decrements)	997,810	–	–	997,810
Depreciation	(119,840)	(184)	–	(120,024)
Carrying amount at 30 June 2024	13,782,460	565	315,245	14,098,270
Gross carrying amount	13,891,373	3,727	315,245	14,210,345
Accumulated depreciation	(108,913)	(3,162)	–	(112,075)
Carrying amount at 30 June 2024	13,782,460	565	315,245	14,098,270

(a) Impairment losses are recognised in the Statement of Comprehensive Income. Where an asset is measured at cost is written-down to recoverable amount, an impairment loss is recognised in profit or loss. Where previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. Information on fair value measurements is provided in Note 8.3.

Initial recognition

Items of property and plant and equipment costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property and plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of comprehensive income (other than where they form part of a group of similar items which are significant in total).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of land and buildings.

Land is carried at fair value.

Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Buildings under construction are recorded at cost which includes all costs directly related to specific constructions plus capitalised administration charges incurred in connection with these activities.

Revaluation model

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Additions to non-current physical assets are measured at cost and are considered to represent fair value. Additions less than one year old are measured at construction cost, which is considered to represent fair value, plus land at fair value.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting

period. Where properties have not been valued by Valuation Services, these are valued by management with inference to similar assets valued by Valuation Services. In addition, for buildings under the current replacement cost basis, estimated professional and project management fees are included in the valuation of current use assets as required by AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

Rental properties represent the properties acquired or constructed for public housing. They also include State owned properties leased to State Government departments for Government employees housing.

Community Housing properties include properties acquired under the Commonwealth and State programs of Crisis Accommodation and Community Housing and Joint Charity Properties.

Shared Equity properties represent the equity in dwellings constructed or purchased under the Shared Equity Scheme. Under the scheme the Housing Authority and the purchaser are co-owners of the properties constructed or purchased as Tenants in Common with the purchaser having total occupation of the dwelling.

Other Properties includes offices and commercial properties which are owned or are leased from various organisations and individuals.

Derecognition:

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is transferred to Retained earnings.

Asset revaluation reserve:

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets on an individual asset basis.

5.2.1. Depreciation and impairment

Table 34: Depreciation and impairment

Charge for the period	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Depreciation	–	–	–	–
Land and buildings	136,025	119,840	136,025	119,840
Plant, equipment and vehicles	538	689	168	184
Total depreciation for the year	136,563	120,529	136,193	120,024

As at 30 June 2025 there were no indications of impairment to property, plant and equipment.

All surplus assets as at 30 June 2025 have either been classified as assets held for sale or have been written-off.

Useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Table 35: Asset depreciation rate

Asset	Depreciation rate
Land	Nil
Buildings	2% – 6%
Plant and equipment	10% – 50%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Land, which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Impairment of assets

Non-financial assets, including items of plant and equipment are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is

less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit and loss.

Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Housing Authority is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

5.3. Right-of-use assets

Table 36: Right-of-use assets

Consolidated Year ended 30 June 2025	Buildings GROH \$'000	Other \$'000	Vehicles \$'000	Total \$'000
1 July 2024	–	–	–	–
Gross carrying amount	12,692	–	5,250	17,942
Accumulated depreciation	(6,256)	–	(3,186)	(9,442)
Carrying amount at start of period	6,436	–	2,064	8,500
Additions	2,833	–	1,729	4,562
Disposals	(1,434)	–	(111)	(1,545)
Impairment losses/loss on disposal	(2)	–	–	(2)
Depreciation	(2,611)	–	(998)	(3,609)
Carrying amount at 30 June 2025	5,222	–	2,684	7,906
Gross carrying amount	14,089	–	6,868	20,957
Accumulated depreciation	(8,867)	–	(4,184)	(13,051)
Carrying amount at 30 June 2025	5,222	–	2,684	7,906

Table 37: Right-of-use assets

Consolidated Year ended 30 June 2024	Buildings \$'000	Other \$'000	Vehicles \$'000	Total \$'000
1 July 2023	–	–	–	–
Gross carrying amount	9,688	–	3,375	13,063
Accumulated depreciation	(4,036)	–	(2,186)	(6,222)
Carrying amount at start of period	5,652	–	1,189	6,841
Additions	3,467	–	1,889	5,356
Disposals	(461)	–	(14)	(475)
Impairment losses/loss on disposal	(2)	–	–	(2)
Depreciation	(2,220)	–	(1,000)	(3,220)
Carrying amount at 30 June 2024	6,436	–	2,064	8,500
Gross carrying amount	12,692	–	5,250	17,942
Accumulated depreciation	(6,256)	–	(3,186)	(9,442)
Carrying amount at 30 June 2024	6,436	–	2,064	8,500

Table 38: Right-of-use assets

Housing Authority Year ended 30 June 2025	Buildings GROH \$'000	Other \$'000	Vehicles \$'000	Total \$'000
1 July 2024	–	–	–	–
Gross carrying amount	5,379	–	5,250	10,629
Accumulated depreciation	(2,345)	–	(3,186)	(5,531)
Carrying amount at start of period	3,034	–	2,064	5,098
Additions	2,604	–	1,729	4,333
Disposals	(1,434)	–	(111)	(1,545)
Impairment losses/loss on disposal	(2)	–	–	(2)
Depreciation	(1,854)	–	(998)	(2,852)
Carrying amount at 30 June 2025	2,348	–	2,684	5,032
Gross carrying amount	6,547	–	6,868	13,415
Accumulated depreciation	(4,199)	–	(4,184)	(8,383)
Carrying amount at 30 June 2025	2,348	–	2,684	5,032

Table 39: Right-of-use assets

Housing Authority Year ended 30 June 2024	Buildings \$'000	Other \$'000	Vehicles \$'000	Total \$'000
1 July 2023	–	–	–	–
Gross carrying amount	2,407	–	3,375	5,782
Accumulated depreciation	(854)	–	(2,186)	(3,040)
Carrying amount at start of period	1,553	–	1,189	2,742
Additions	3,435	–	1,889	5,324
Disposals	(461)	–	(14)	(475)
Impairment losses/loss on disposal	(2)	–	–	(2)
Depreciation	(1,491)	–	(1,000)	(2,491)
Carrying amount at 30 June 2024	3,034	–	2,064	5,098
Gross carrying amount	5,379	–	5,250	10,629
Accumulated depreciation	(2,345)	–	(3,186)	(5,531)
Carrying amount at 30 June 2024	3,034	–	2,064	5,098

Initial recognition

At the commencement date of the lease, the Housing Authority recognises right-of-use assets at cost comprising of:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs; and
- Restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in Note 7.2 'Lease liabilities'.

The Agency has leases for vehicles and residential accommodations.

The Housing Authority has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of less than 12 months) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Housing Authority at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 5.2.1.

Table 40: Right-of-use assets relating to leases

The following amounts relating to leases have been recognised in the Statement of comprehensive income:

Right-of-use assets relating to leases	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Depreciation expense of right-of-use assets	3,609	3,220	2,852	2,491
Lease interest expense	9,358	6,234	9,224	6,091
Total amount recognised in the statement of comprehensive income	12,967	9,454	12,076	8,582

The total cash outflow for leases in 2025 was \$125.256 million (2024: \$106.727 million – Housing Authority) and \$126.163 million (2024: \$107.606 million – Consolidated entity).

The Housing Authority's leasing activities and how these are accounted for:

The Housing Authority has leases for office and residential accommodation, office equipment and vehicles.

The Housing Authority has also entered into a Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

The Housing Authority recognises leases as right-of-use assets and associated lease liabilities in the Statement of financial position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in Note 7.2.

5.4. Intangible assets

Table 41: Consolidated – Intangible assets

Consolidated – Intangible assets	Computing software 2025 \$'000	Computing software 2024 \$'000	Computing development 2025 \$'000	Computing development 2024 \$'000	Total 2025 \$'000	Total 2024 \$'000
Gross carrying amount	10,153	9,938	50,253	50,253	60,406	60,191
Accumulated depreciation	(7,885)	(6,958)	(50,253)	(50,253)	(58,138)	(57,211)
Carrying amount at start of period	2,268	2,980	–	–	2,268	2,980
Intangible assets reconciliation	–	–	–	–	–	–
Additions	–	215	–	–	–	215
Amortisation expense	(943)	(927)	–	–	(943)	(927)
Carrying amount at end of period	1,325	2,268	–	–	1,325	2,268
Gross carrying amount	10,153	10,153	50,253	50,253	60,406	60,406
Accumulated depreciation	(8,828)	(7,885)	(50,253)	(50,253)	(59,081)	(58,138)
Carrying amount at end of period	1,325	2,268	–	–	1,325	2,268

Table 42: Housing Authority – Intangible assets

Housing Authority – Intangible assets	Computing software 2025 \$'000	Computing software 2024 \$'000	Computing development 2025 \$'000	Computing development 2024 \$'000	Total 2025 \$'000	Total 2024 \$'000
Gross carrying amount	2,048	2,048	50,253	50,253	52,301	52,301
Accumulated depreciation	(2,048)	(2,048)	(50,253)	(50,253)	(52,301)	(52,301)
Carrying amount at start of period	–	–	–	–	–	–
Intangible assets reconciliation	–	–	–	–	–	–
Amortisation expense	–	–	–	–	–	–
Carrying amount at end of period	–	–	–	–	–	–
Gross carrying amount	2,048	2,048	50,253	50,253	52,301	52,301
Accumulated depreciation	(2,048)	(2,048)	(50,253)	(50,253)	(52,301)	(52,301)
Carrying amount at end of period	–	–	–	–	–	–

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- b) an intention to complete the intangible asset, and use or sell it;
- c) the ability to use or sell the intangible asset;
- d) the intangible asset will generate probable future economic benefit;
- e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted above) are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of comprehensive income.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

5.4.1. Amortisation and impairment

Table 43: Amortisation and impairment

Amortisation and impairment charge for the period	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Computer development	–	–	–	–
Computer software	943	927	–	–
Total amortisation and impairment	943	927	–	–

As at 30 June 2025 there were no indications of impairment to intangible assets.

The Housing Authority held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation for intangible assets with finite useful lives is calculated on the straight line basis that allocate the asset's value over its estimated useful life. All intangible assets controlled by the consolidated entity have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Intangible asset	Depreciation rate
Computing software (a)	20% – 50%
Computing development	20%

(a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in Note 5.2.1.

5.5. Service concession assets

Table 44: Service concession assets year ended 30 June 2025

Service concession assets Year ended 30 June 2025	Consolidated \$'000	Housing Authority \$'000
1 July 2024	–	–
Gross carrying amount	2,364,430	2,364,430
Accumulated depreciation	–	–
Carrying amount at start of period	2,364,430	2,364,430
Additions	1,351	1,351
Transfers from/(to) Property, plant and equipment	29,813	29,813
Disposals	(1,605)	(1,605)
Revaluation increments/(decrements)	445,188	445,188
Depreciation	(23,907)	(23,907)
Carrying amount at 30 June 2025	2,815,270	2,815,270
Gross carrying amount	2,815,270	2,815,270
Accumulated depreciation	–	–
Carrying amount at 30 June 2025	2,815,270	2,815,270

Table 45: Service concession assets year ended 30 June 2024

Service concession assets Year ended 30 June 2024	Consolidated \$'000	Housing Authority \$'000
1 July 2023	–	–
Gross carrying amount	2,201,513	2,201,513
Accumulated depreciation	–	–
Carrying amount at start of period	2,201,513	2,201,513
Service concessions reconciliation	–	–
Additions	1,260	1,260
Transfers from/(to) Property, plant and equipment	10,413	10,413
Disposals	(1,915)	(1,915)
Revaluation increments/(decrements)	175,595	175,595
Depreciation	(22,436)	(22,436)
Carrying amount at 30 June 2024	2,364,430	2,364,430
Gross carrying amount	2,364,430	2,364,430
Accumulated depreciation	–	–
Carrying amount at 30 June 2024	2,364,430	2,364,430

Scope

A service concession arrangement is an arrangement which involves an operator:

- that is contractually obliged to provide public services related to a service concession asset on behalf of the grantor; and
- managing at least some of those services under its own discretion, rather than at the direction of the grantor.

Whether an arrangement is providing a public service is a significant area of judgement, as the Standard does not define public services. The Standard, however, has identified the following indicators of public services:

- the services are necessary or essential to the general public;
- generally expected to be provided by a public sector entity in accordance with government policy or regulation; and
- services provided by the asset are not wholly consumed by a public sector entity for the purpose of assisting in the delivery of public services and managed by an external party.

The provision of primary or ancillary services by assets in service concession arrangements are other key considerations that should be taken into account in assessing whether assets provide public services. Ancillary services are excluded from public services assessment as they relate to services that are insignificant to the arrangement as a whole.

Recognition

Control is an essential aspect in assessing whether an arrangement is a service concession arrangement. It is defined as the ability to exclude or regulate access to the benefits of an asset.

Control can be explicit or implicit. The grantor may have explicit control through rights held under the contractual arrangement or the grantor may have implicit control through regulation. It is not essential for the contract to specify the grantor's control. Explicit or implicit control over the asset would result in the arrangement falling within the scope of AASB 1059.

The grantor has control of the asset if, and only if:

- a) the grantor controls or regulates what services the operator must provide with the asset, to whom it must provide them, and at what price; and
- b) the grantor controls significant residual interest in the asset at the end of the term of the arrangement.

Requirement (b) above is not applicable for assets that will be used in a service concession arrangement for its entire economic life or the major part of its economic life. The grantor is considered to have control if they meet requirement (a) under this circumstance.

Assets recognised in a service concession arrangement include:

- existing assets of the operator or grantor provided for use in the arrangement;
- asset constructed, developed, acquired or otherwise provided by the operator; and
- upgrade or replacement of a major component of any of the above assets.

Service concession arrangements may involve multiple assets, comprising of a primary asset that provides the principal public service, and a secondary asset that is used or mainly used to complement the primary asset. Both of which can fall within the scope of AASB 1059.

Where an arrangement contains several assets, the grantor should separately assess individual components of the assets within the arrangement that are:

- physically separable;
- capable of being operated independently; and
- meet the definition of a cash-generating unit under AASB 136 'Impairment of Assets'.

In recognising a service concession asset, the grantor is required to recognise a corresponding liability.

Measurement

A service concession asset is initially measured at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. This reflects the amount that would be required currently to replace the service capacity of the assets.

This same measurement approach applies to existing assets of an agency that has been reclassified as service concession assets at the date of reclassification. Any difference between the carrying amount of the asset and its current replacement cost will be accounted for as if it is a revaluation of the asset.

Subsequent to initial recognition or reclassification, a service concession asset is depreciated or amortised in accordance with AASB 116 'Property, Plant and Equipment' or AASB 138 'Intangible Assets', with any impairment recognised in accordance with AASB 136.

References to fair value in other Standards shall be read as references to current replacement cost in accordance with AASB 1059.

At the end of the service concession arrangement, the agency:

- a) reclassifies the asset based on its nature or function;
- b) discontinue references to fair value in other Standards as current replacement cost under AASB 1059; and
- c) derecognises the asset in accordance with AASB 116 or AASB 138 when the agency loses control of the asset.

Table 46: Service concession arrangement

Name of the service concession asset (SCA)	Social Housing Properties
Description of the arrangements	Social housing properties that may be owned and not owned by the Housing Authority that are managed and maintained by Community Housing Organisations (CHOs).
Terms of the arrangement	Varies as this is contract/program specific. Typically involves the contribution of capital or property by the HA to the CHO for their management of the social housing property and HA maintains its interest via certain limitations such as caveats on property titles.
Period of the arrangement	Varies as this is contract specific, though most SCA agreements run indefinitely subject to future reassessments / reviews.
Rights and obligations	Grantor (HA) controls the tenant allocation rights to these assets, while the operator (CHO) manages and maintains these properties.
Changes in the arrangements occurred in period ending 30 June 2025	n/a
Carrying amount as at 30 June 2025	\$2.815 billion

5.6. Non-current assets classified as held for sale

Table 47: Non-current assets classified as held for sale

Non-current assets classified as held for sale	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Opening balance	–	–	–	–
Rental properties	6,242	6,272	6,242	6,272
Movement for the period	–	–	–	–
Disposals	(5,145)	(5,637)	(5,145)	(5,637)
Reclassified from/(to) Rental properties	4,110	5,607	4,110	5,607
Total assets classified as held for sale	5,207	6,242	5,207	6,242

These properties are the Housing Authority's New Living and Redevelopment programs properties that form part of the rental property class that are marketed and available for immediate sale in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations'. Assets held for sale are held at the lower of carrying amount and fair value less costs to sell. Information on fair value measurements are provided in Note 8.3 Fair value measurements.

Non-current assets held for sale are those assets that management has determined are available for immediate sale in their present condition, for which their sale is highly probable within the next twelve months. Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are disclosed separately in the Statement of financial position. Assets classified as held for sale are not depreciated or amortised.

6. Other Assets and Liabilities

This section sets out those assets and liabilities that arose from the Housing Authority's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

Table 48: Other assets and liabilities

Other assets and liabilities	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Loans and receivables	6.1	1,899,157	2,307,448	2,212,102	2,782,521
Deferred income tax asset	6.2	—	—	—	—
Other current assets	6.3	21,299	14,005	31,424	30,325
Other financial assets	6.4	—	321,578	—	2,011
Trade and other payables	6.5	62,419	119,477	55,283	109,912
Provisions	6.6	81,416	58,905	78,330	58,213
Other liabilities	6.7	148,753	155,830	148,753	155,830

6.1. Loans and receivables

Table 49: Loans and receivables

Loans and receivables	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
General debtors	16,983	25,925	15,482	24,508
Rental and lease bonds	18,381	15,799	18,381	15,799
Rents from tenants and other rents	89,200	79,589	89,200	79,589
Loans to commercial organisations	218	327	218	7,783
Dividend receivable	–	–	13,455	34,916
Finance leases receivables	99,967	82,512	99,967	82,512
Joint operations receivables	2,236	383	2,236	383
Loans to homebuyers	553,030	737,038	–	–
Other debtors	4,565	4,965	4,565	4,965
GST Receivable/(payable)	15,402	(344)	15,371	(372)
Less allowance for impairment – receivables	(41,045)	(40,255)	(41,045)	(40,255)
Total current loans and receivables	758,937	905,939	217,830	209,828
Non-current	–	–	–	–
Finance leases receivables	109,272	67,693	109,272	67,693
Keystart preferential shares	–	–	1,885,000	2,505,000

Loans and receivables	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Loans to homebuyers	1,036,176	1,341,714	–	–
Less provision for impairment – loans to homebuyers	(5,228)	(7,898)	–	–
Total non-current loans and receivables	1,140,220	1,401,509	1,994,272	2,572,693
Total loans and receivables at the end of the period	1,899,157	2,307,448	2,212,102	2,782,521

General debtors – are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). Debts are due for settlement within 30 days with the exception of the following receivable categories:

Receivables rent from tenants – are carried at nominal amounts due less any provision for impairment. Rent receivable is due weekly in advance.

Rental and lease bonds receivables – represent advances made to qualifying persons for the purpose of renting properties external to the Housing Authority. Each advance is repayable in minimum fortnightly payments of \$15 for loans granted prior to 1 July 2009 and \$25 per fortnight for loans granted from 1 July 2009 with remaining balance being collectable on vacation of property unless an arrangement is entered into to repay over time.

Keystart preferential shares – The Western Australian Treasury Corporation has provided the Housing Authority with a \$2.085 billion (2024: \$2.530 billion) loan facility to fund Keystart Loans Ltd. The Housing Authority has purchased redeemable preference shares in Keystart Loans Ltd to the same value as the drawn down loan facility as security over the funds. The terms and conditions of the shares reflect the terms and conditions of the loan facility. Keystart Loans Ltd meets all principal, interest and other costs associated with the facility. To date \$1.885 billion (June 2024: \$2.505 billion) of this facility has been drawn down.

Commercial Organisations – Previously the Housing Authority advanced loans totalling \$7.456 million to Goldmaster Enterprises at an interest rate of 0.00 per cent. Goldmaster repaid its debt to the Housing Authority in August 2024 prior to the deregistration of Goldmaster in January 2025.

Loans to Homebuyers – Refer to Note 8.1 'Financial risk management' for an analysis of the Consolidated Entity's exposure to interest rate risk in relation to loans to homebuyers and other receivables. Summarised analysis of the sensitivity of loan and other receivables to interest rate is illustrated in Note 8.1 'Financial risk management'.

Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

6.1.1. Movement in the allowance for impairment of loans and receivables

Table 50: Reconciliation of changes in the allowances for impairment of receivables

Reconciliation of changes in the allowances for impairment of receivables	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Balance at the start of the period	40,255	30,126	40,255	30,126
Expected credit loss expense	7,112	15,882	7,112	15,882
Reversal of opening allowance for impairment of receivables	54	103	54	103
Amounts written off during the period	(6,376)	(5,856)	(6,376)	(5,856)
Balance at the end of period	41,045	40,255	41,045	40,255

An allowance for expected credit losses for general debtors, rental and lease bonds and rents from tenants and other rents receivables are measured at the lifetime expected credit losses for each reporting date, adjusting for forward-looking factors specific to the debtors and economic environment.

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at Note 8.1 'Financial risk management'.

The Housing Authority does not hold any collateral as security or other credit enhancements for general debtors.

Table 51: Movement in allowance for impairment of loans to homebuyers

Movement in allowance for impairment of loans to homebuyers	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Balance at the start of the period	7,898	12,211	—	—
Expected credit loss expense	(2,322)	(3,761)	—	—
Amounts written off during the period	(357)	(602)	—	—
Bad debts recovered	9	50	—	—
Balance at the end of period	5,228	7,898	—	—

As at 30 June 2025, loans to homebuyers with a nominal value of \$0.357 million (2024: \$0.602 million) were impaired and written off against provision for impairment following disposal of mortgaged property. All loans and advances are reviewed and graded according to the anticipated level of credit risk.

A Financial Hardship Scheme is offered to clients who require assistance because of changes in their financial situation. In most cases, assistance is granted for short terms under twelve months and the loans are regularly monitored and reviewed.

The table shows the position as at the end of the financial period for loans provided by Keystart.

Table 52: Loans provided by Keystart

Loans provided by Keystart	2025 Number	2025 \$'000	2024 Number	2024 \$'000
Financial hardship loans	350	114,975	242	80,134
Allowance for impairment	—	(1,106)	—	(795)

Reposessed loans

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

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

Table 53: Reposessed loans – Outstanding balance

Reposessed loans – Outstanding balance	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Outstanding balance on loans for which collateral will be reposessed	–	–	–	–
Balance	3,615	3,035	–	–
Allowance for impairment	(100)	(1,056)	–	–

Table 54: Reposessed loans – Fair value

Reposessed loans – Fair value	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Fair value of collateral obtained in terms of the exercising of rights under the mortgages	5,414	1,591	–	–
Interest foregone on reposessed loans	353	248	–	–

Collateral held

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

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

The collateral held as security for loans that are past due or impaired is in the form of mortgaged residential property.

6.2. Deferred income tax asset

Table 55: Deferred income tax asset

Deferred income tax asset for Goldmaster Pty Ltd	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Numerical reconciliation of income tax expense to the prima facie tax payable:	–	–	–	–
Accounting profit/(loss) before income tax	–	(227)	–	–
Prima facie tax payable on profit/(loss) at 30%	–	(68)	–	–
Add/(less) tax effect of:	–	–	–	–
Current year taxable differences not recognised	–	2	–	–
Deferred tax benefits not recognised	–	66	–	–
Income tax expense/(benefit)	–	–	–	–

The Goldmaster directors considered the probability of taxable profits arising in the near future remote and therefore determined not to recognise any deferred tax assets relating to the unused tax losses.

6.3. Other current assets

Table 56: Other current assets

Other current assets	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Accrued revenue	–	–	–	–
Interest on cash at bank	2,631	2,050	2,631	2,050
Interest Keystart investments	–	–	10,125	16,320
Total	2,631	2,050	12,756	18,370
Prepayments	–	–	–	–
General	15,947	11,731	15,947	11,731
Development proposals	2,510	–	2,510	–
Joint operations	211	224	211	224
Total	18,668	11,955	18,668	11,955
Total other current assets at the end of the period	21,299	14,005	31,424	30,325

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term beyond that period.

6.4. Other financial assets

Table 57: Other financial assets

Other financial assets	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
Deposits at call (a)	–	321,578	–	–
Total current other financial assets	–	321,578	–	–
Non-current investments	–	–	–	–
Goldmaster Enterprises Pty Ltd Shares (b)	–	–	–	2,011
Total non-current other financial assets	–	–	–	2,011
Total other financial assets at the end of the period	–	321,578	–	2,011

(a) The fair values of the short-term deposits are determined using generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions. Information about the Consolidated Entity's exposure to market risk, credit risk and liquidity risk is provided in Note 8.1 'Financial risk management'.

(b) Interest is held in the following companies:

Table 58: Interest held in companies

Name	Principal activities	Types of shares	Percentage of each share class held 2025 %	Percentage of each share class held 2024 %	Value of shares 2025 \$'000	Value of shares 2024 \$'000
Goldmaster Enterprises Pty Ltd	Property development	Ord	—	100.00%	—	2,011

Previously the Housing Authority solely owned Goldmaster Enterprises Pty Ltd. This entity ceased trading in the current year and the remaining assets were transferred to the Housing Authority. Goldmaster Enterprises Pty Ltd was deregistered in January 2025.

6.5. Trade and other payables

Table 59: Trade and other payables

Trade and other payables	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
Accrued SDA Employee Benefits Expense	3,745	2,844	3,745	2,844
Contractors retention monies	10,178	10,943	10,178	10,943
Joint operations creditors	1,796	1,832	1,796	1,832
Rental tenants bonds	1	2	1	2
Trade creditors	46,468	103,619	39,332	94,054
Total current trade and other payables	62,188	119,240	55,052	109,675
Non-current	–	–	–	–
Joint operations creditors	231	237	231	237
Total non-current trade and other payables	231	237	231	237
Total trade and other payables at the end of the period	62,419	119,477	55,283	109,912

Also included in current trade creditors are the unspent funds associated with the Indian Ocean Territories (IOT) service delivery arrangements as per the following:

Table 60: Indian Ocean Territories unspent funds

Indian Ocean Territories unspent funds	2025 \$'000	2024 \$'000
Amounts carried forward from previous financial year	26	19
Payments made by the Commonwealth for IOT services	31	36
Cost of services	(39)	(29)
Amounts carried forward to following financial year	18	26

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

- Payables land deposits – are recognised on receipt of cash. When the sale becomes unconditional the Housing Authority retains the deposit as part of the sale process.
- Payables construction retention monies – are repaid upon 100 per cent completion of the contract with 2.5 per cent withheld to satisfactory agreement completion of maintenance.
- Payables rental bonds – tenant bonds are payable on the tenant vacating the premises. The ultimate amount to be paid is dependent upon the condition of the property upon the tenant vacating, but is not more than the carrying amount of the liability.
- Payables water consumption – liabilities are recognised for amounts to be paid in the future for water usage. Liabilities are settled on 90 day terms.

Accrued SDA Employee Benefits Expense represent the amount due to Department of Communities for provision of staff that remain unpaid at the end of the financial year. Accrued amounts are settled within a fortnight of the financial year end. The Authority considers the carrying amount of accrued amounts to be equivalent to its fair value.

6.6. Provisions

Table 61: Provisions

Provisions	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
Other provisions	3,086	692	–	–
Total current provisions	3,086	692	–	–
Non-current	–	–	–	–
Native Title settlement provision	78,330	58,213	78,330	58,213
Total non-current provisions	78,330	58,213	78,330	58,213
Total provisions at the end of the period	81,416	58,905	78,330	58,213

Table 62: Movement in provisions

Movement in provisions	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Movements in each class of provisions during the period, are set out below.	–	–	–	–
Other provisions	–	–	–	–
Carrying amount at start of period	692	684	–	–
Additional/(reversal of) provisions recognised	2,394	8	–	–
Carrying amount at end of period	3,086	692	–	–
Native Title settlement provision	–	–	–	–
Carrying amount at start of period	58,213	58,839	58,213	58,839
Additional/(reversal of) provisions recognised	20,117	(626)	20,117	(626)
Carrying amount at end of period	78,330	58,213	78,330	58,213
Development levies	–	–	–	–
Carrying amount at start of period	–	1,643	–	1,643
Additional provisions recognised	–	(1,643)	–	(1,643)
Carrying amount at end of period	–	–	–	–

Provisions are liabilities of uncertain timing or amount. The Housing Authority only recognises a provision where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Other provisions – other provisions include Development Management Agreement Success fees and development cost provisions. The success fee is calculated with reference to the sale proceeds of each lot less GST and any other fees. The provision represents the estimated liability of any fees payable in the future. The development cost provision represents the Development managers on charge of development costs to the Housing Authority.

Native Title settlement provision – a provision has been calculated to recognise the Housing Authority's share of the South West Native Title settlement and the Yamatji Nation Indigenous Land Use Agreement settlement.

The reclassification of current to non-current primarily related to housing transfers as part of the South West Native Title Settlement. This is due to the Housing Authority reflowing the timing of the transfers to future years from 2025–26.

6.7. Other liabilities

Table 63: Other liabilities

Other liabilities	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
Administrative and general expenses	455	1,268	455	1,268
Joint operations liabilities	6	7	6	7
Unearned income	15,598	18,566	15,598	18,566
Grant of right to operate under service concessions	3,295	3,295	3,295	3,295
Total current other liabilities	19,354	23,136	19,354	23,136
Non-current	–	–	–	–
Contract liability	–	–	–	–
Grant of right to operate under service concessions	129,399	132,694	129,399	132,694
Total non-current other liabilities	129,399	132,694	129,399	132,694
Total other liabilities at the end of the period	148,753	155,830	148,753	155,830

Grant of right to operate (GORTO) under service concession liabilities are recognised for service concession arrangements where the Housing Authority grants to operators the right to access a revenue generating asset. Liabilities are recognised for the unearned portion of the revenue arising from the exchange of assets between the Housing Authority and the operator. These liabilities are reduced, with revenue recognised according to the economic substance of the relevant service concession arrangement. Refer to Note 5.5 'Service concession assets' for further information on service concession arrangements.

Contract Liabilities relate to income received for maintenance to another agency properties at the end of the reporting period. The Housing Authority does not expect to satisfy the performance obligations unsatisfied at the end of the reporting period within the next 12 months.

7. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of Group.

	Notes
Borrowings	7.1
Lease liabilities	7.2
Finance costs	7.3
Cash and cash equivalents	7.4
Reconciliation of cash	7.4.1
Reconciliation of operating activities	7.4.2
Commitments	7.5

7.1. Borrowings

Table 64: Borrowings

Borrowings	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
WATC	605,070	31,004	605,070	31,004
Commonwealth advances	18,681	17,894	18,681	17,894
Total current borrowings	623,751	48,898	623,751	48,898
Non-current	–	–	–	–
WATC	1,320,001	2,575,309	1,320,001	2,575,309
Commercial loan	62,286	62,344	62,286	62,344
Commonwealth advances	218,943	237,624	218,943	237,624
Total non-current borrowings	1,601,230	2,875,277	1,601,230	2,875,277
Total borrowings at the end of the period	2,224,981	2,924,175	2,224,981	2,924,175

Borrowings refer to interest bearing liabilities raised from public borrowings raised through Western Australian Treasury Corporation (WATC), Commonwealth advances, Fleetwood loan (listed as Commercial loan), finance leases and other interest bearing arrangements. Borrowings are classified as financial instruments. All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Subsequent measurement is at amortised cost. The classification of interest bearing liabilities is determined at initial recognition.

The fair values for WATC borrowings have been calculated by Western Australian Treasury Corporation, based on market valuations. The State Nominated and Commonwealth advances have been calculated using a discount rate of 4.16 per cent which is the Commonwealth bond rate. (June 2024 4.31 per cent).

Commercial loan is a \$62.286 million liability payable to Fleetwood Corporation Limited and administered by Westpac Bank. The liability is for construction costs for the Osprey Key Workers Village. The current repayments are interest only and the loan is due to be repaid in full by July 2029.

Commonwealth advances refer to the Commonwealth and State Housing Agreements. The Commonwealth made advances to the states from 1945 to the mid-to-late-1980s to provide financial assistance to Servicemen for building new public housing and low interest loans to home builders, as well as a range of other housing-related purposes.

Table 65: Borrowings

Borrowings	Total carrying amount 2025 \$'000	Total carrying amount 2024 \$'000	Aggregate net fair value 2025 \$'000	Aggregate net fair value 2024 \$'000
Consolidated	–	–	–	–
WATC	1,925,071	2,606,313	1,919,533	2,604,419
Commercial loan	62,286	62,344	67,488	69,106
Commonwealth advances	237,624	255,518	242,710	258,796
Total	2,224,981	2,924,175	2,229,731	2,932,321
Housing Authority	–	–	–	–
WATC	1,925,071	2,606,313	1,919,533	2,604,419
Commercial loan	62,286	62,344	67,488	69,106
Commonwealth advances	237,624	255,518	242,710	258,796
Total	2,224,981	2,924,175	2,229,731	2,932,321

WATC are variable rate borrowings and repayable when due. Fixed rate borrowings are subject to interest payments only with the full loan being due on maturity.

Commonwealth Advances are fixed rate borrowings and repayable on an annual basis with final instalments being due between July 2014 and June 2042.

Commercial loan is with Westpac and is an interest only variable rate borrowing repayable in full by July 2029.

7.2. Lease liabilities

Table 66: Lease liabilities

Lease liabilities	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	106,470	93,018	102,146	88,016
Non-current	112,306	67,439	112,306	67,439
Total lease liabilities	218,776	160,457	214,452	155,455

Initial Measurement

The Housing Authority measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Housing Authority uses the incremental borrowing rate provided by Western Australian Treasury Corporation.

Lease payments included by the Housing Authority as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Housing Authority exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease

payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Housing Authority if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Authority in profit or loss in the period in which the condition that triggers those payment occurs.

This section should be read in conjunction with Note 5.3 'Right-of-use assets'.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

7.3. Finance costs

Table 67: Finance costs

Finance costs	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Interest expense	114,948	150,593	114,948	150,593
Finance charges	5	11	—	—
Lease interest expense	9,358	6,234	9,224	6,091
Total finance costs	124,311	156,838	124,172	156,684

Finance costs include costs incurred in connection with the borrowing of funds and includes interest on short term and long term borrowings and the interest component of lease liability repayments, and the increase in financial liabilities. Finance costs are expensed when incurred and represents the total finance costs in the Statement of comprehensive income.

7.4. Cash and cash equivalents

7.4.1. Reconciliation of cash

Table 68: Reconciliation of cash

Reconciliation of cash	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Current	–	–	–	–
Cash and cash equivalents	823,276	722,028	210,986	270,602
Total	823,276	722,028	210,986	270,602
Restricted cash:	–	–	–	–
Rental tenants bonds	1	2	1	2
Joint operations cash	8,187	8,630	8,187	8,630
Remote indigenous housing	528	1,374	528	1,374
Royalties for Regions fund	18,595	8,975	18,595	8,975
Housing Australia Future Fund	25,000	–	25,000	–
Total restricted cash	52,311	18,981	52,311	18,981
Deposits at call	–	321,578	–	–
Total current cash and cash equivalents	875,587	1,062,587	263,297	289,583
Total cash and cash equivalents at the end of the period	875,587	1,062,587	263,297	289,583

Rental Tenants Bonds represents bond monies received by the Housing Authority from rental clients. These funds are held in trust in accordance with the *Residential Tenancies Act*.

Joint Operations Cash is restricted for the use of joint operations and is controlled by the respective management groups.

Remote Indigenous cash – the Housing Authority is a property manager for remote indigenous communities and does not have ownership of these properties. The cash held represents unspent funds for these properties.

Royalties for Regions – unspent funds for Royalties for Regions are committed to projects and programs in WA regional areas.

Deposits at call – the fair values of the Bank bills are determined using generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

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

7.4.2. Reconciliation of net cost of services to net cash flows provided used in operating activities

Table 69: Reconciliation of net cost of services

Reconciliation of net cost of services	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Surplus/(deficit) for the period	–	(78,920)	(141,448)	(79,983)	(140,424)
Non-cash items	–	–	–	–	–
Depreciation and amortisation expense	5.2, 5.3, 5.4, 5.5	165,022	147,112	162,952	144,951
Expected credit loss expense	4.1	5,424	13,543	7,166	15,985
Loss/(gain) on disposal of non-current assets	4.3	36,384	52,807	36,384	52,117
Keystart dividends	3.6	–	–	(13,455)	(34,916)
Impairment – non-current assets	4.1	7,014	9,876	7,014	10,127
Revenue related to service concession arrangements	–	(3,295)	(3,295)	(3,295)	(3,295)
Other non-cash items	–	(4,447)	(4,496)	1,748	(1,416)
Cash items:	–	–	–	–	–
Proceeds from State Government (excluding capital contributions)	–	(588,827)	(487,447)	(705,420)	(635,030)
(Increase)/decrease in assets:	–	–	–	–	–
Receivables	–	(336,177)	(234,724)	(3,431)	(16,553)
Inventories	–	(8,344)	5,762	(16,464)	5,768

Reconciliation of net cost of services	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Other assets	–	(7,307)	(2,156)	(7,294)	(2,143)
Increase/(decrease) in liabilities:	–	–	–	–	–
Payables	–	(57,058)	37,989	(54,629)	37,463
Provisions	–	22,511	(2,261)	20,117	(2,269)
Other liabilities	–	(13,275)	(16,558)	(13,275)	(16,558)
Net GST payments	–	(15,746)	3,582	(15,743)	3,567
Net cash flows provided by/(used in) operating activities	–	(877,041)	(621,714)	(677,608)	(582,626)

7.5. Commitments

7.5.1. Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

Table 70: Capital expenditure commitments

Capital expenditure commitments	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Within 1 year	281,177	202,138	281,177	202,138
Later than 1 year and not later than 5 years	106,388	90,783	106,388	90,783
Later than 5 years	395	–	395	–
Total	387,960	292,921	387,960	292,921
The capital commitments include amounts for the following:	–	–	–	–
Community Housing	76,461	55,738	76,461	55,738
Dwelling construction and upgrades	276,630	230,255	276,630	230,255
Land development and redevelopment	10,571	6,928	10,571	6,928
Affordable Housing	24,298	–	24,298	–
Balance at the end of period	387,960	292,921	387,960	292,921

7.5.2. Loan advance commitment

Table 71: Loan advance commitment

Loan advance commitment	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Approved loans not yet fully disbursed	152,204	78,924	–	–
Total	152,204	78,924	–	–
Loan advance commitment includes the following:	–	–	–	–
Loans to Home Buyers	152,204	78,924	–	–
Total	152,204	78,924	–	–

8. Risks and Contingencies

This note sets out the key risk management policies and measurement techniques of the Group.

	Notes
Financial risk management	8.1
Contingent assets and liabilities	8.2
Fair value measurements	8.3

8.1. Financial risk management

Financial instruments held by the Group are cash and cash equivalents, other financial assets, loans to homebuyers, loans to commercial organisations, loans to local and statutory parties, State Nominated borrowings, WATC borrowings, Commonwealth Advances, rental deposits and tenant bonds. The Group's overall risk management program focuses on managing the risks identified below.

(a) Summary of risks and risk management

Credit Risk

The Consolidated Entity's maximum exposures to credit risk at reporting date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of financial position. The Consolidated Entity's credit risk is spread over a significant number of parties and is concentrated only to the extent of the WA residential market. The Consolidated Entity is therefore not materially exposed to any particular individual party or group of parties.

The Consolidated Entity's maximum credit risk exposure in relation to these is as follows:

The Consolidated Entity minimises concentrations of credit risk in relation to loans and advances by undertaking transactions with a number of borrowers, within specified maximum limits based upon the assessment of each borrower's ability to service a mortgage. The Consolidated Entity concentrates 100% of its lending to purchase of residential real estate within Western Australia. Security is provided to the Consolidated Entity through a mortgage over the property.

The maximum exposure to credit risk at reporting date is the higher of the carrying value and fair value of each class of receivables.

Keystart

Credit risk arises from transactions that give rise to actual, contingent, or potential claims against any borrower or counterparty.

Credit risk is managed on a group basis through having prudential lending policies to mitigate borrower risk. This includes having maximum Debt Servicing Ratios and strict income verification procedures. In addition to these credit policies, Keystart maintains adequate provisions for bad and doubtful debts and capital adequacy ratios to manage the effects of any losses. Counterparty credit risk arises from cash and cash equivalents, loans and receivable, derivative financial instruments and deposits with banks and financial institutions including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "P-1" (Moody's) are accepted. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. Counterparties must have Moody's long term rating of at least "Aa3" for authorised investments.

Housing Authority

In relation to other receivables (including rental and bond debtors), the Housing Authority has a minimal credit risk due to the receivables debt being spread across a number of debtors exceeding 45,000. The collectability of rental receivables is reviewed on an ongoing basis in accordance with the Housing Authority's policy and procedure manuals. These policy and procedure manuals are reviewed by Management on a regular basis.

Liquidity Risk

The Consolidated Entity is exposed to liquidity risk in respect of its payables, accrued employee expenses and government borrowings, in that the Consolidated Entity needs to be able to pay these amounts when they fall due. The Consolidated Entity has implemented and maintains robust cash management practices, including day-to-day monitoring and regular liquidity reporting to the Accountable Authority. These practices ensure cash resources are adequate to meet future commitments.

Keystart

Liquidity risk management safeguards the ability of the entity to meet all payment obligations when they become due. Liquidity risk arises when the entity's key assets and liabilities have different maturity profiles. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Risk Committee aims at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the entity's liquidity reserve on the basis of expected cash flow.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments.

The Group has minimal exposure to foreign exchange risk. The Group's exposure to market risk for changes in interest rates relate primarily to long-term debt obligations.

Keystart

The entity's activities expose it to a variety of financial risks; market risk (including interest rate risk), credit risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. The entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis (specifically VaR – Value at Risk model) in the case of interest rate risk and ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Funding and Lending Committee under policies approved by the Keystart Board of Directors. The Funding and Lending Committee identifies, evaluates and hedges financial risks in close co-operation with the entity's operating units. The Keystart Board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of liquidity.

(i) Interest rate risk

Borrowings issued at short-term rates expose the Consolidated Entity to interest rate risk if changes to rates are not passed on to customers. Borrowings issued at fixed rates exposes Keystart to fair value interest rate risk.

During the financial year ending 30 June 2025 and the prior financial year, there were no hedges used by Keystart. Borrowings were denominated in Australian Dollars.

(ii) Summarised sensitivity analysis

The Consolidated Entity uses Value at Risk (VaR) Analysis to measure its sensitivity to movements in interest rates. VaR models are designed to measure market risk in a normal market environment. The VaR measure estimates the potential loss in profit over a given holding period for a specific confidence level. The VaR methodology is a statistically defined, probability based approach that takes into account market volatilities as well as risk diversification by recognising offsetting positions and correlations between products. The main risk arises where the Consolidated Entity cannot pass on changes in borrowing interest rates to its loan

receivables. The VaR for the Consolidated Entity is traditionally low because changes in lending and borrowing rates have generally moved in a similar direction. VaR is calculated incorporating loans, investments and borrowings.

The limitation of the VaR model is that historical data may not provide the best estimates of the risk factor changes in the future and may fail to capture the risk of possible extreme adverse market movements which have not occurred in past calculations.

Table 72: Summary of risks and risk management

Summary of risks and risk management	Weighted average interest rate 2025 %	Balance 2025 \$'000	Weighted average interest rate 2024 %	Balance 2024 \$'000
Variable rate loans	7.39%	1,583,978	7.52%	2,070,853
Short term deposits	4.52%	—	4.47%	321,578
Cash and liquid assets	4.19%	612,290	4.17%	450,082

While VaR captures the Consolidated Entity's exposure under normal market conditions, sensitivity and earnings at risk analysis is also performed.

Table 73: Historical VaR (99%, 20 day) by risk type

Historical VaR (99%, 20 day) by risk type	Average \$'000	Minimum \$'000	Maximum \$'000	Year end \$'000
2025	—	—	—	—
Total VaR Exposure	1,503	985	1,790	1,790
2024	—	—	—	—
Total VaR Exposure	1,926	1,548	2,269	1,889

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

Table 74: Carrying amounts of financial assets and liabilities

Carrying amounts of financial assets and liabilities	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Financial Assets	–	–	–	–
Cash and cash equivalents	823,276	722,028	210,986	270,602
Restricted cash and cash equivalents	52,311	18,981	52,311	18,981
Other financial assets through profit and loss	–	–	–	–
Non-current investments	–	–	–	2,011
Other financial assets at amortised cost	–	–	–	–
Deposits at call	–	321,578	–	–
Financial assets at amortised cost comprising (a)	–	–	–	–
Keystart preference shares	–	–	1,885,000	2,505,000
General debtors	16,983	25,361	15,482	23,944
Rental and lease bonds	18,381	15,173	18,381	15,173
Rent from tenants and other rents	89,200	40,524	89,200	40,524
Loans to commercial organisations	218	327	218	7,783
Dividends receivable	–	–	13,455	34,916
Finance lease receivable	209,239	150,205	209,239	150,205

Carrying amounts of financial assets and liabilities	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Joint operations receivable	2,236	383	2,236	383
Loans to homebuyers	1,583,978	2,070,854	—	—
Other debtors	4,565	4,965	4,565	4,965
Other current assets at amortised cost	—	—	—	—
Accrued revenue	2,631	2,050	12,756	18,370
Total financial assets	2,803,018	3,372,429	2,513,829	3,092,857
Financial Liabilities	—	—	—	—
Financial liabilities at amortised cost comprising	—	—	—	—
Borrowings	—	—	—	—
WATC	1,925,071	2,606,313	1,925,071	2,606,313
Commercial loan	62,286	62,344	62,286	62,344
Commonwealth advances	237,624	255,518	237,624	255,518
Payables	—	—	—	—
General	62,418	119,475	55,282	109,910
Rental deposits and tenant bonds	1	2	1	2
Finance lease liabilities	218,776	160,457	214,452	155,455
Other liabilities	461	1,275	461	1,275
Total financial liabilities	2,506,637	3,205,384	2,495,177	3,190,817

(a) The amount of Financial assets at amortised cost – Loans and receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

(c) Credit risk exposure

Keystart

Loans to homebuyers

Loans to homebuyers are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The collateral held for these loans is by a registered mortgage held over the property.

Recognition and derecognition

Loans and advances continue to be measured at amortised cost and transaction costs are expensed in the Statement of comprehensive income. Transaction costs, including loan origination expenses, are included in the measurement of all loans and advances. The loan origination fees are being amortised in equal instalments over the average life of the loans. Regular purchases and sales of financial assets are recognised on trade date, which is the date on which the Consolidated Entity commits to purchase or sell the assets.

Financial assets are derecognised (removed from the Statement of financial position) when the right to receive cash flows from the financial assets have expired; or have been transferred to a third party under a 'pass-through' arrangements and either the Consolidated Entity has transferred substantially all the risks and rewards of ownership or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in fair value of the 'financial assets at fair value through profit or loss' category are presented in the Statement of comprehensive income in the period in which they arise.

Fair value

The fair value of the financial assets traded in active markets is based on quoted market prices at the Statement of financial position date. If the market for a financial asset is not active (and for unlisted securities), the Consolidated Entity establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of loans

The Consolidated Entity assesses on a forward-looking basis the expected credit loss (ECL) associated with its loans carried at amortised cost. The Consolidated Entity recognises a loss allowance for such losses at each reporting date. Considerable judgement is exercised in determining the extent of the loan loss provision (impairment) for financial assets assessed for impairment both individually and collectively. The loan loss provision for financial assets is based on assumptions about risk of default and expected loss rates. The key judgement area are the assumptions used to measure expected credit losses, including the use of forward-looking and macro-economic information for individual and collective impairment assessment.

The measurement of ECL reflects:

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

Three stage approach

AASB 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk regularly monitored by the Trust.
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is yet to be deemed credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is moved to 'Stage 3'.

- Financial instruments in 'Stage 1' have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from the default events possible within the next 12 months. Instruments in Stages 2 and 3 have their ECL measured based on expected credit losses on a lifetime basis.

An 'Expected credit loss expense' is recognised as a movement in the allowance for impairment account. When a loan or advance is uncollectable, it is written off against the allowance account for loans and advances. Subsequent recoveries of amounts previously written off are credited against 'Expected credit loss expense' in the Statement of comprehensive income.

Where possible, the consolidated entity seeks to restructure loans rather than take possession of collateral. This may involve extending or suspending payment arrangements while the borrower experiences financial difficulty. Management continuously reviews renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subjected to an individual or collective impairment assessment, calculated using the loan's original interest rate.

The following table details credit risk exposure of loans at each stage of impairment.

Table 75: Credit risk exposure - Consolidated

Detail of allowance for impairment	Consolidated 2025 \$'000	Consolidated 2024 \$'000
Collective impairment	–	–
Collective impairment – Stage 1	822	656
Collective impairment – Stage 2	2,695	2,326
Individual impairment – Stage 3	1,711	4,916
Total	5,228	7,898

The following table details the credit risk exposure on the Housing Authority's debtors using a provision matrix.

Table 76: Credit risk exposure – Housing Authority

Credit risk exposure	Days past due					
	Total \$'000	Current \$'000	<90 days \$'000	91–180 days \$'000	181–360 days \$'000	<361 days \$'000
Housing Authority 2025	–	–	–	–	–	–
General debtors						
Expected credit loss rate	–	0.31%	0.42%	0.72%	10.06%	14.29%
Estimated total gross carrying amount at default	15,234	4,005	1,255	574	1,721	7,679
Expected credit losses	1,291	12	5	4	173	1,097
Rent from tenants and other	–	–	–	–	–	–
Expected credit loss rate	–	0.80%	6.08%	11.14%	14.77%	96.14%
Estimated total gross carrying amount at default	89,199	41,900	2,948	2,391	2,429	39,531
Expected credit losses	39,144	335	179	266	359	38,005
Rental and lease bonds	–	–	–	–	–	–
Expected credit loss rate	–	3.22%	1.00%	1.81%	2.99%	7.62%
Estimated total gross carrying amount at default	18,382	17,488	153	103	132	506
Expected credit losses	610	563	2	2	4	39
Total Expected Credit Loss Allowance	41,045	910	186	272	536	39,141

Table 77: Credit risk exposure 2024

Credit risk exposure 2024	Days past due					
	Total \$'000	Current \$'000	<90 days \$'000	91–180 days \$'000	181–360 days \$'000	<361 days \$'000
Housing Authority 2024	–	–	–	–	–	–
General debtors						
Expected credit loss rate	–	0.09%	0.09%	0.13%	0.57%	5.67%
Estimated total gross carrying amount at default	21,070	3,825	2,896	253	4,732	9,364
Expected credit losses	564	3	3	–	27	531
Rent from tenants and other	–	–	–	–	–	–
Expected credit loss rate	–	1.25%	9.79%	17.55%	22.26%	83.32%
Estimated total gross carrying amount at default	78,261	29,795	1,377	577	488	46,024
Expected credit losses	39,064	372	135	101	109	38,347
Rental and lease bonds	–	–	–	–	–	–
Expected credit loss rate	–	3.86%	1.21%	2.30%	3.66%	8.98%
Estimated total gross carrying amount at default	15,799	15,008	127	101	132	431
Expected credit losses	627	579	2	2	5	39
Total Expected Credit Loss Allowance	40,255	954	140	103	141	38,917

Loans and receivables

An expected credit loss expense is recognised as the movement in the allowance for impairment. The allowance for expected credit losses of trade receivables is measured at the lifetime expected credit losses at each reporting date.

The Housing Authority has established a provision matrix that is based on its historical credit loss experience. The loss allowance for receivables reflects the lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Economic changes impacting the Authority's debtors, and relevant industry data form part of the impairment assessment. Refer to Note 6.1.1 'Reconciliation of changes in the allowance for impairment of receivables'.

The Housing Authority uses a provision matrix to measure the expected credit losses on debtors. Loss rates are calculated separately for groupings of customers with similar loss patterns. The Authority has determined there are three material groupings for measuring expected credit losses reflecting the different customer profiles for different revenue streams. The material groupings are for general debtors, rent from tenants debtors and rental and lease bond (bond assistance) debtors.

(d) Liquidity risk and interest rate exposure

The following table details the Housing Authority's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Table 78: Interest rate exposure and maturity analysis of financial assets and financial liabilities – Consolidated 2025

Consolidated 2025	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual maturity dates Within 1 year	Contractual maturity dates 1–5 years	Contractual maturity dates Greater than 5 years
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Financial Assets	–	–	–	–	–	–	–	–	–
Cash and cash equivalents	4.29%	823,276	–	823,276	–	823,276	823,276	–	–
Restricted cash and cash equivalents	4.55%	52,311	–	52,311	–	52,311	52,311	–	–
Other financial assets	–	–	–	–	–	–	–	–	–
• deposits at call	4.52%	–	–	–	–	–	–	–	–
• other assets	–	–	–	–	–	–	–	–	–
Receivables	–	–	–	–	–	–	–	–	–
• general debtors	–	16,983	–	–	16,983	16,983	16,983	–	–
• rental and lease bonds	–	18,381	–	–	18,381	18,381	18,381	–	–
• rent from tenants and other rents	–	89,200	–	–	89,200	89,200	89,200	–	–
• loans to commercial organisations	–	218	–	–	218	218	218	–	–
• finance lease receivable	4.86%	209,239	209,239	–	–	223,714	107,512	112,732	3,470

Consolidated 2025	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual maturity dates Within 1 year	Contractual maturity dates 1–5 years	Contractual maturity dates Greater than 5 years
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
• Joint operations receivable	–	2,236	–	–	2,236	2,236	2,236	–	–
• loans to homebuyers	7.39%	1,583,978	–	1,583,978	–	1,586,446	58	1,845	1,584,543
• other debtors	–	4,565	–	–	4,565	4,565	4,565	–	–
Other current assets	4.29%	2,631	–	2,631	–	2,631	2,631	–	–
Total financial assets	–	2,803,018	209,239	2,462,196	131,583	2,819,961	1,117,371	114,577	1,588,013
(ii) Financial Liabilities	–	–	–	–	–	–	–	–	–
Borrowings	–	–	–	–	–	–	–	–	–
• WATC	3.36%	1,925,071	27,053	1,898,018	–	2,131,630	664,301	1,105,363	361,966
• Commercial loan	6.48%	62,286	–	62,286	–	78,407	4,033	74,374	–
• Commonwealth advances	4.16%	237,624	237,624	–	–	315,556	29,350	110,241	175,965
Payables	–	–	–	–	–	–	–	–	–
• general	–	62,418	–	–	62,418	62,418	62,418	–	–
• rental deposits and tenant bonds *	–	1	–	–	1	1	1	–	–
Finance lease liabilities	4.90%	218,776	218,776	–	–	233,909	111,056	119,319	3,534
Other current liabilities	–	461	–	–	461	461	461	–	–
Total financial liabilities	–	2,506,637	483,453	1,960,304	62,880	2,822,382	871,620	1,409,297	541,465

Table 79: Interest rate exposure and maturity analysis of financial assets and financial liabilities – Consolidated 2024

Consolidated 2024	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual Maturity dates Within 1 year	Contractual Maturity dates 1–5 years	Contractual Maturity dates Greater than 5 years
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Financial assets	–	–	–	–	–	–	–	–	–
Cash and cash equivalents	4.12%	722,028	–	722,028	–	722,028	722,028	–	–
Restricted cash and cash equivalents	4.05%	18,981	–	18,981	–	18,981	18,981	–	–
Other financial assets	–	–	–	–	–	–	–	–	–
• deposits at call	4.47%	321,578	–	321,578	–	321,578	321,578	–	–
• other assets	–	–	–	–	–	–	–	–	–
Receivables	–	–	–	–	–	–	–	–	–
• general debtors	–	25,361	–	–	25,361	25,361	25,361	–	–
• rental and lease bonds	–	15,173	–	–	15,173	15,173	15,173	–	–
• rent from tenants and other rents	–	43,886	–	–	43,886	43,886	43,886	–	–
• loans to commercial organisations	–	327	–	–	327	327	327	–	–
• finance lease receivable	4.79%	150,205	150,205	–	–	158,571	90,878	65,869	1,824
• Joint operations receivable	–	383	–	–	383	1,596	1,596	–	–
• loans to homebuyers	7.52%	2,070,854	–	2,070,854	–	2,074,645	48	2,391	2,072,206
• other debtors	–	4,965	–	–	4,965	4,965	4,965	–	–

Consolidated 2024	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual Maturity dates Within 1 year	Contractual Maturity dates 1–5 years \$'000	Contractual Maturity dates Greater than 5 years \$'000
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Other current assets	4.12%	2,050	–	2,050	–	2,050	2,050	–	–
Total financial assets	–	3,375,791	150,205	3,135,491	90,095	3,389,161	1,246,871	68,260	2,074,030
(ii) Financial liabilities	–	–	–	–	–	–	–	–	–
Borrowings	–	–	–	–	–	–	–	–	–
• WATC	3.61%	2,606,313	66,724	2,539,588	–	2,888,471	19,583	2,467,852	401,036
• Commercial loan	6.80%	62,344	–	62,344	–	83,435	4,232	79,203	–
• Commonwealth advances	4.31%	255,518	255,518	–	–	344,911	29,356	114,300	201,255
Payables	–	–	–	–	–	–	–	–	–
• general	–	119,475	–	–	119,475	119,475	119,475	–	–
• rental deposits and tenant bonds *	–	2	–	–	2	2	2	–	–
Finance lease liabilities	4.83%	160,457	160,457	–	–	169,507	94,219	73,130	2,158
Other current liabilities	–	1,275	–	–	1,275	1,275	1,275	–	–
Total financial liabilities	–	3,205,384	482,699	2,601,932	120,752	3,607,076	268,142	2,734,485	604,449

Table 80: Interest rate exposure and maturity analysis of financial assets and financial liabilities – Housing Authority 2025

Housing Authority 2025	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual Maturity dates Within 1 year	Contractual Maturity dates 1–5 years	Contractual Maturity dates Greater than 5 years
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Financial Assets	–	–	–	–	–	–	–	–	–
Cash and cash equivalents	4.55%	210,986	–	210,986	–	210,986	210,986	–	–
Restricted cash and cash equivalents	4.55%	52,311	–	52,311	–	52,311	52,311	–	–
Other financial assets	–	–	–	–	–	–	–	–	–
• other assets	–	–	–	–	–	–	–	–	–
Receivables	–	–	–	–	–	–	–	–	–
• Keystart preference shares	3.60%	1,885,000	–	1,885,000	–	2,125,152	640,423	1,118,518	366,211
• general debtors	–	15,482	–	–	15,482	15,482	15,482	–	–
• rental and lease bonds	–	18,381	–	–	18,381	18,381	18,381	–	–
• rent from tenants and other rents	–	89,200	–	–	89,200	89,200	89,200	–	–
• loans to commercial organisations	–	218	–	–	218	218	218	–	–
• dividends receivable	–	13,455	–	–	13,455	13,455	13,455	–	–
• finance lease receivable	4.86%	209,239	209,239	–	–	223,714	107,512	112,732	3,470
• Joint operations receivable	–	2,236	–	–	2,236	2,236	2,236	–	–
• other debtors	–	4,565	–	–	4,565	4,565	4,565	–	–

Housing Authority 2025	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual Maturity dates Within 1 year	Contractual Maturity dates 1–5 years \$'000	Contractual Maturity dates Greater than 5 years \$'000
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other current assets	3.82%	12,756	–	12,756	–	12,756	12,756	–	–
Total financial assets	–	2,513,829	209,239	2,161,053	143,537	2,768,456	1,167,525	1,231,250	369,681
(ii) Financial Liabilities	–	–	–	–	–	–	–	–	–
Borrowings	–	–	–	–	–	–	–	–	–
• WATC	3.36%	1,925,071	27,053	1,898,018	–	2,131,630	664,301	1,105,363	361,966
• Commercial loan	6.48%	62,286	–	62,286	–	78,407	4,033	74,374	–
• Commonwealth advances	4.16%	237,624	237,624	–	–	315,556	29,350	110,241	175,965
Payables	–	–	–	–	–	–	–	–	–
• general	–	55,282	–	–	55,282	55,282	55,282	–	–
• rental deposits and tenant bonds *	–	1	–	–	1	1	1	–	–
Finance lease liabilities	4.90%	214,452	214,452	–	–	229,326	109,949	115,843	3,534
Other current liabilities	–	461	–	–	461	461	461	–	–
Total financial liabilities	–	2,495,177	479,129	1,960,304	55,744	2,810,663	863,377	1,405,821	541,465

Table 81: Interest rate exposure and maturity analysis of financial assets and financial liabilities – Housing Authority 2024

Housing Authority 2024	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual Maturity dates Within 1 year	Contractual Maturity dates 1–5 years	Contractual Maturity dates Greater than 5 years
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Financial Assets	–	–	–	–	–	–	–	–	–
Cash and cash equivalents	4.05%	270,602	–	270,602	–	270,602	270,602	–	–
Restricted cash and cash equivalents	4.05%	18,981	–	18,981	–	18,981	18,981	–	–
Other financial assets	–	–	–	–	–	–	–	–	–
• other assets	–	2,011	–	–	2,011	5,751	5,751	–	–
Receivables	–	–	–	–	–	–	–	–	–
• Keystart preference shares	4.63%	2,505,000	–	2,505,000	–	2,847,341	679,546	1,781,588	386,207
• general debtors	–	23,944	–	–	23,944	23,944	23,944	–	–
• rental and lease bonds	–	15,173	–	–	15,173	15,173	15,173	–	–
• rent from tenants and other rents	–	43,886	–	–	43,886	43,886	43,886	–	–
• loans to commercial organisations	–	7,783	–	–	7,783	7,783	7,783	–	–
• dividends receivable	–	34,916	–	–	34,916	34,916	34,916	–	–
• finance lease receivable	4.79%	150,205	150,205	–	–	158,571	90,878	65,869	1,824
• Joint operations receivable	–	383	–	–	383	1,596	1,596	–	–
• other debtors	–	4,965	–	–	4,965	4,965	4,965	–	–

Housing Authority 2024	Weighted average effective interest rate	Carrying amount	Interest rate exposure Fixed interest rate	Interest rate exposure Variable interest rate	Interest rate exposure Non-interest bearing	Nominal amount	Contractual Maturity dates Within 1 year	Contractual Maturity dates 1–5 years	Contractual Maturity dates Greater than 5 years
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other current assets	4.17%	18,370	–	18,370	–	18,370	18,370	–	–
Total financial assets	–	3,096,219	150,205	2,812,953	133,061	3,451,879	1,216,391	1,847,457	388,031
(ii) Financial Liabilities	–	–	–	–	–	–	–	–	–
Borrowings	–	–	–	–	–	–	–	–	–
• WATC	3.61%	2,606,313	66,724	2,539,588	–	2,888,471	19,583	2,467,852	401,036
• Commercial loan	6.80%	62,344	–	62,344	–	83,435	4,232	79,203	–
• Commonwealth advances	4.31%	255,518	255,518	–	–	344,911	29,356	114,300	201,255
Payables	–	–	–	–	–	–	–	–	–
• General	–	109,910	–	–	109,910	109,910	109,910	–	–
• Rental deposits and tenant bonds *	–	2	–	–	2	2	2	–	–
Finance lease liabilities	4.83%	155,455	155,455	–	–	164,130	93,210	69,026	1,894
Other current liabilities	–	1,275	–	–	1,275	1,275	1,275	–	–
Total financial liabilities	–	3,190,817	477,697	2,601,932	111,187	3,592,134	257,568	2,730,381	604,185

* Rental deposits and tenant bonds are repayable only when the tenant vacates the rental property. The full amount owing is not necessarily the amount that will be paid on vacation as this money can be offset against any outstanding rental payments or other payments that are outstanding.

(e) Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Consolidated Entity's financial assets and liabilities at the end of the reporting period on the profit for the period and equity for a 1 per cent change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period. The Consolidated Entity's exposure to market interest rates relates primarily to the Consolidated Entity's long term debt obligations.

Table 82: Interest rate sensitivity analysis – Consolidated

Consolidated	Carrying amount \$'000	Interest rate risk Profit –1% \$'000	Interest rate risk Equity –1% \$'000	Interest rate risk Profit 1% \$'000	Interest rate risk Equity 1% \$'000
Financial Assets 2025	–	–	–	–	–
Cash and cash equivalents	823,276	(8,233)	(8,233)	8,233	8,233
Restricted cash and cash equivalents	52,311	(523)	(523)	523	523
Deposits at call	–	–	–	–	–
Loans to homebuyers	1,583,978	(15,840)	(15,840)	15,840	15,840
Financial Liabilities 2025	–	–	–	–	–
Borrowings	–	–	–	–	–
WATC floating	(741,984)	(7,420)	(7,420)	7,420	7,420
WATC fixed *	27,053	–	–	–	–
Commercial loan	62,286	623	623	(623)	(623)
Commonwealth advances *	237,624	–	–	–	–
Total Increase/(Decrease)	–	(31,393)	(31,393)	31,393	31,393
Financial Assets 2024	–	–	–	–	–
Cash and cash equivalents	722,028	(7,220)	(7,220)	7,220	7,220

Consolidated	Carrying amount \$'000	Interest rate risk Profit –1% \$'000	Interest rate risk Equity –1% \$'000	Interest rate risk Profit 1% \$'000	Interest rate risk Equity 1% \$'000
Restricted cash and cash equivalents	18,981	(190)	(190)	190	190
Deposits at call	321,578	(3,216)	(3,216)	3,216	3,216
Loans to homebuyers	2,070,854	(20,709)	(20,709)	20,709	20,709
Financial Liabilities 2024	–	–	–	–	–
Borrowings	–	–	–	–	–
WATC floating	2,539,589	25,396	25,396	(25,396)	(25,396)
WATC fixed *	66,724	–	–	–	–
Commercial loan	62,344	623	623	(623)	(623)
Commonwealth advances *	255,518	–	–	–	–
Total Increase/(Decrease)	–	(5,316)	(5,316)	5,316	5,316

* Commonwealth Advances and WATC (fixed) are fixed interest loans that are not affected by interest rates.

The following table represents a summary of the interest rate sensitivity of the Parent Entity's financial assets and liabilities at the end of the reporting period on the profit for the period and equity for a 1 per cent change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period. The Parent Entity's exposure to market interest rates relates primarily to the Parent Entity's long term debt obligations.

Table 83: Interest rate sensitivity analysis – Housing Authority

Housing Authority	Carrying amount \$'000	Interest rate risk Profit –1% \$'000	Interest rate risk Equity –1% \$'000	Interest rate risk Profit 1% \$'000	Interest rate risk Equity 1% \$'000
Financial Assets 2025	–	–	–	–	–
Cash and cash equivalents	210,986	(2,110)	(2,110)	2,110	2,110
Restricted cash and cash equivalents	52,311	(523)	(523)	523	523
Keystart preference shares	1,885,000	(18,850)	(18,850)	18,850	18,850
Loans to commercial organisations	218	(2)	(2)	2	2
Financial Liabilities 2025	–	–	–	–	–
Borrowings	–	–	–	–	–
WATC floating	(741,984)	(7,420)	(7,420)	7,420	7,420
WATC fixed *	27,053	–	–	–	–
Commercial loan	62,286	623	623	(623)	(623)
Commonwealth advances *	237,624	–	–	–	–
Total Increase/(Decrease)	–	(28,282)	(28,282)	28,282	28,282
Financial Assets 2024	–	–	–	–	–
Cash and cash equivalents	270,602	(2,706)	(2,706)	2,706	2,706
Restricted cash and cash equivalents	18,981	(190)	(190)	190	190

Housing Authority	Carrying amount \$'000	Interest rate risk Profit –1% \$'000	Interest rate risk Equity –1% \$'000	Interest rate risk Profit 1% \$'000	Interest rate risk Equity 1% \$'000
Keystart preference shares	2,505,000	(25,050)	(25,050)	25,050	25,050
Loans to commercial organisations	7,783	(78)	(78)	78	78
Financial Liabilities 2024	–	–	–	–	–
Borrowings	–	–	–	–	–
WATC floating	2,539,589	25,396	25,396	(25,396)	(25,396)
WATC fixed *	66,724	–	–	–	–
Commercial loan	62,344	623	623	(623)	(623)
Commonwealth advances *	255,518	–	–	–	–
Total Increase/(Decrease)	–	(2,005)	(2,005)	2,005	2,005

* Commonwealth Advances and WATC (fixed) are fixed interest loans that are not affected by interest rates.

8.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

8.2.1. Contingent assets

The following contingent assets are excluded from the assets included in the financial statements:

Litigation in progress

There is one legal case pending for which the outcome is not certain in 2024–25. It is estimated that \$6 million may be receivable as compensation to the Housing Authority at some future point in time. This claim is ongoing with the defence only being filed in the current year.

8.2.2. Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

Litigation in progress

There are currently a number of legal cases pending for which the outcomes are not certain. The State Solicitor's Office and the Housing Authority legal team have estimated that a total amount of up to \$1.1 million (2024: \$2.055 million) may be payable as compensation to claimants at some future point in time for cases where valuation is known. Whilst this is acknowledged as a contingent liability of the Housing Authority, it has yet to be determined whether the Housing Authority will ultimately be responsible for funding the actual amounts paid as compensation, if any.

Other contingent liabilities

Shared equity costs on Required Additional Repayment (RAR) contracts

A potential underpayment or non-payment of the Housing Authority's contribution of shared equity costs has been identified.

Required Additional Repayment (RAR) contracts are contracts issued by Keystart in the late 1990s and early 2000s. These are substantially like other Keystart lending contracts, with a key difference regarding payment of costs in relation to council rates and Water Corporation expenses. Keystart has identified an issue in how these RAR contracts have been managed on shared equity accounts, where the responsibility for council rates and Water Corporation expenses is shared between the co-owner (the Keystart customer) and Housing Authority. This issue has been notified to ASIC in July 2022. The issues under consideration is this remediation are:

- Whether the customers are owed a contribution from the Housing Authority towards shire, water and other outgoings for the property (pursuant to the rights and obligations between those parties as co-owners' of the property); and
- Whether Keystart has operated the RAR facility on the loan correctly and, if not, whether the customers have suffered loss as a result, referred to as 'impact to loan' remediation.

The Housing Authority now accepts that it has likely breached the terms of the co-ownership deeds in question and is likely to be liable to compensate co-owners to the extent of the rates and charges overpaid by those co-owners.

While significant efforts have been made during this financial year to ascertain the extent of this liability, the amount of remediation is not presently quantifiable as further investigation and analysis is being undertaken.

Proceedings filed in the Federal Court

Slater and Gordon, filed proceedings in the Federal Court for a class action against the Housing Authority (first respondent) and State of Western Australia (second respondent) on 19 August 2024.

The Statement of Claim concerns an aboriginal housing tenant that asserts the Authority has failed to comply with the *Residential Tenancies Act 1987 (WA)* (the RTA), various local laws of the Shire of Derby-West Kimberley and the Australian Consumer Law (the ACL). The plaintiff seeks orders for the Authority to comply with relevant legislation, and seeks damages, restitution and legal costs. The plaintiff seeks these orders on behalf of group members consisting of Aboriginal people resident outside the South West of WA who entered into a residential tenancy agreement with the Housing Authority or the State and who suffered loss or damage by reason of the alleged failure to comply with the law. The Statement of Claim estimates there to be 3000 tenancies falling within this scope.

The Housing Authority and State of WA have filed a statement of defence and are now involved with a lengthy and resource heavy discovery of documents process.

It is very difficult to quantify any liability at this stage. There are 3000 tenancies, however the exposure per property is unknown. In addition, the extent of any potential liability for the Applicants' substantial legal costs is also unclear at this stage.

Contaminated sites

Under the *Contaminated Sites Act 2003*, the Housing Authority is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated - remediation required or possibly contaminated – investigation required, the Housing Authority may have a liability in respect of investigation or remediation expenses.

The Housing Authority has identified three sites that have been identified as 'Contaminated - remediation required'. There are three "Suspected contaminated" sites which have been listed as "Possibly contaminated – investigation required". Additionally, there is one site under the "Contaminated Site – Restricted Use" category. The Authority is unable to assess the likely outcome of the classification process, and accordingly, it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows.

Whilst there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the Housing Authority may apply for funding from the Contaminated Sites Management Account to undertake further investigative work or to meet remediation costs that may be required.

8.3. Fair value measurements

Table 84: Assets measured at fair value

Assets measured at fair value:	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Fair value at the end of the period \$'000
2025	–	–	–	–
Non-current assets classified as held for sale	–	5,207	–	5,207
Land (a)	–	9,546,455	33,342	9,579,797
Buildings and improvements	–	10,016,678	187,561	10,204,239
Total	–	19,568,340	220,903	19,789,243
2024	–	–	–	–
Non-current assets classified as held for sale	–	6,242	–	6,242
Land (a)	–	7,955,530	18,977	7,974,507
Buildings and improvements	–	6,860,654	65,142	6,925,796
Total	–	14,822,426	84,119	14,906,545

(a) The land values herein will include inventory land assets where these land assets have been recognised at net realisable value in accordance with AASB 2 Inventories. This net realisable value is approximated based on the fair value (being market value from landgate). There was no inventory recognised at fair value in 2024–25.

There were no transfers between Levels 1, 2 and 3 during the current and previous periods.

Valuation techniques and inputs

Level 2 assets

Fair values of non-current assets held for sale, and market type land and buildings are derived using the market approach. Market evidence of sales prices of comparable assets in close proximity is used to determine price per square metre.

Non-current assets held for sale have been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Level 3 assets

Land assets

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility are selected by Landgate and represents the application of a significant Level 3 input in this valuation technique. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Building assets

Fair value for current use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Valuation using current replacement cost utilises the significant Level 3 input of obsolescence estimated by Landgate. The fair value measurement is sensitive to the estimate of obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

In addition, professional and project management fees estimated and added to the current replacement costs provided by Landgate for current use buildings represent significant Level 3 inputs used in the valuation process. The fair value of these assets will increase with a higher level of professional and project management fees.

Valuation processes

There were no changes in valuation techniques during the period.

Fair value for restricted use land is based on market value, by either using market evidence of sales of comparable land that is unrestricted less restoration costs to return the site to a vacant and marketable condition (low restricted use land) or, comparison with market evidence for land with low level utility (high restricted use land).

9. Other Disclosures

This section includes additional material disclosures, pertaining to the Consolidated Entity and the Housing Authority, required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	9.1
Changes in accounting policy	9.2
Future impact of Australian standards issued but not yet operative	9.3
Key management personnel	9.4
Related party transactions	9.5
Administered transactions - Remote Indigenous Housing	9.6
Remuneration of auditors	9.7
Act of grace payments	9.8
Equity	9.9
Supplementary financial information	9.10

9.1 Events occurring after the end of the reporting period

9.1.1. Keystart Housing Scheme

In September 2024, the Western Australian (WA) Government announced Legislation was being introduced into Parliament to establish Keystart as a Government Trading Enterprise (GTE). Effective 1 July 2025 the Keystart GTE was established as a statutory corporation under the *Keystart Act 2024*. This was undertaken to consolidate the operations of Keystart Housing Scheme Trust and other related entities into a single GTE with its own enabling legislation. A Statutory Transfer Order (STO) has been used to transfer all assets, liabilities, functions, and operations of the Trust to the newly established government trading enterprise (GTE), Keystart.

All Financial Assets and Loans and Receivables were transferred at book value with obligations assumed by Keystart. Redeemable Preference Shares were reassigned from the Trust to Keystart and subsequently cancelled, as part of the steps required to establish Keystart's funding facility with directly with WATC.

Prior to 1 July 2025 the Housing Authority was the instigator of the Keystart Housing Scheme and had effective control over the whole structure either directly or indirectly through various agreements which constitute the structure and to which it was a party.

9.1.2. Public Sector Reform

On 31 March 2025, the WA Government announced reform of some public sector agencies. This involved 9 departments and included the Department of Communities oversight of the Housing Authority statutory entity.

From 1 July 2025, the Department of Finance was renamed Department of Housing and Works (DoHW) and took over responsibility for all of the Department of Communities' housing functions including oversight of the Housing Authority statutory entity. The Office of Homelessness was retained within the Department of Communities supporting the recently appointed Minister for Homelessness. Currently the Housing Authority is in a period of transition to DoHW with the Department of Communities continuing to administer the corporate functions on on behalf of DoHW. In line with the government's timeline, the transition is expected to be completed by 1 January 2026.

These changes have been considered non-adjusting subsequent events as they occurred after the end of the reporting period and did not affect the financial statements of Housing Authority as at 30 June 2025. The financial effect, if any, of the above reforms is not presently determinable.

9.2 Changes in accounting policy

The following standards are first applied for the reporting period ended on 30 June 2025:

- AASB 2020-1 - Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2022-5 - Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback
- AASB 2022-6 - Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants
- AASB 2022-10 - Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities
- AASB 2023-1 - Amendments to Australian Accounting Standards – Supplier Finance Arrangements

9.3. Future impact of Australian Accounting Standards not yet operative

The Housing Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 9 – Requirement 4 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 9. Where applicable, the Housing Authority plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
	Operative for reporting periods beginning on/after 1 Jan 2025	
AASB 2023-5	<p><i>Amendments to Australian Accounting Standards – Lack of Exchangeability</i></p> <p>This Standard amends AASB 121 and AASB 1 to require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not exchangeable.</p> <p>The Standard also amends AASB 121 to extend the exemption from complying with the disclosure requirements for entities that apply AASB 1060 to ensure Tier 2 entities are not required to comply with the new disclosure requirements in AASB 121 when preparing their Tier 2 financial statements.</p> <p>There is no financial impact.</p>	1 Jan 2025
	Operative for reporting periods on/after 1 Jan 2026	
AASB 2024-2	<p><i>Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments</i></p> <p>This Standard amends AASB 7 and AASB 9 as a consequence of the issuance of Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) by the International Accounting Standards Board in May 2024. The Housing Authority has not assessed the impact of the Standard.</p>	1 Jan 2026

AASB 2024-3	<p><i>Amendments to Australian Accounting Standards – Annual Improvements Volume 11</i></p> <p>This Standard amends AASB 1, AASB 7, AASB 9, AASB 10 and AASB 107 as a consequence of the issuance of Annual Improvements to IFRS Standards – Volume 11 by the International Accounting Standards Board in July 2024.</p> <p>The Housing Authority has not assessed the impact of the Standard.</p> <p>Operative for reporting periods on/after 1 Jan 2027</p>	1 Jan 2026
AASB 18(FP)	<p><i>Presentation and Disclosure in Financial Statements (Appendix D) [for for-profit entities]</i></p> <p>This Standard replaces AASB 101 with respect to the presentation and disclosure requirements in financial statements applicable to for-profit entities. This Standard is a consequence of the issuance of International Financial Reporting Standard 18 Presentation and Disclosure in Financial Statements by the International Accounting Standards Board in April 2024.</p> <p>This Standard also makes amendments to other Australian Accounting Standards set out in Appendix D of this Standard.</p> <p>The Housing Authority has not assessed the impact of the Standard.</p> <p>Operative for reporting periods on/after 1 Jan 2028</p>	1 Jan 2027
AASB 2014-10	<p><i>Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i></p> <p>This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.</p> <p>There is no financial impact.</p>	1 Jan 2028
AASB 2024-4b	<p><i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]</i></p> <p>This Standard defers (to 1 January 2028) the amendments to AASB 10 and AASB 128 relating to the sale or contribution of assets between an investor and its associate or joint venture.</p>	1 Jan 2028

The Standard also includes editorial corrections.

There is no financial impact.

AASB 18(NFP/super)

Presentation and Disclosure in Financial Statements (Appendix D) [for not-for-profit and superannuation entities]

This Standard replaces AASB 101 with respect to the presentation and disclosure requirements in financial statements applicable to not-for-profit and superannuation entities. This Standard is a consequence of the issuance of IFRS 18 Presentation and Disclosure in Financial Statements by the International Accounting Standards Board in April 2024.

1 Jan 2028

This Standard also makes amendments to other Australian Accounting Standards set out in Appendix D of this Standard.

The Housing Authority has not assessed the impact of the Standard.

9.4. Key management personnel

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

Compensation payments for key management personnel of the Housing Authority are made by the Department of Communities (as they perform services across the Department of Communities, Disability Services Commission and/or Housing Authority) and included in the Department of Communities Annual Report. The Department of Communities recovers these costs through the Service Delivery Agreement expenses as disclosed in Note 4.1.

9.5. Related party transactions

The Housing Authority is a not-for-profit entity and is wholly controlled by the State of Western Australia in conducting its activities.

Related parties of the Authority include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements;
- the Government Employees Superannuation Board (GESB);
- subsidiaries including Keystart and Goldmaster; and
- all joint venture parties, for details refer to Note 5.1.

Significant transactions with Government-related entities

In conducting its activities, the Agency is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Significant transactions include:

- service appropriation (Note 3.6);

- capital appropriation (Note 9.9);
- remuneration for services provided by the Auditor General (Note 9.7);
- Service delivery agreement income received from and expenses paid to the Department of Communities (Note 3.6 and Note 4.1);
- Lease rentals payments to the Department of Finance (Note 4.1) and related outstanding balances (Note 6.5);
- Insurance payments to the Insurance Commission of Western Australia and Risk Cover (Note 4.1);
- Receipt and repayment of borrowings to WATC (Note 7.1); and
- Interest expenses payable to WATC (Note 7.3).

Material transactions with other related parties

Outside of normal citizen type transactions with the Authority, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

Material transactions with subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the Basis of Consolidation in Note 1.

Keystart, a fully owned subsidiary is finance by the Housing Authority. The Housing Authority purchases preferential shares from Keystart at rates and conditions that mirror the loans that the Housing Authority obtains from the Western Australian Treasury Corporation.

Significant transactions include:

- Interest revenue (Note 3.4)
- Dividends (Note 3.6)
- Preferential shares (Note 6.1)
- Other current assets (Note 6.3)

Goldmaster, was a fully owned subsidiary entity and was financed by the Housing Authority. The Housing Authority provided three loans to Goldmaster for the development of property in Cockburn. These loans have been fully repaid (in 2015, 2021 and in 2024).

Significant transactions include:

- Loans and receivables (Note 6.1)
- Other financial assets (Note 6.4)

9.6. Administered transactions – Remote Indigenous Housing

Table 85: Administered transactions – Remote Indigenous Housing

Housing Authority	2025 \$'000	2024 \$'000
Balance at start of the period	3,823	1,754
Receipts	—	—
Transfer of internal funds	25,644	24,921
Other receipts	14,534	10,091
Payments	(39,082)	(32,943)
Balance at end of period	4,919	3,823

The Remote Indigenous Housing fund is used to record rental revenue and repairs and maintenance for houses in remote communities managed by the Housing Authority. These transactions are recorded separately as they are not income of the Housing Authority. The use of the rent collected is restricted to repair and maintenance in the Aboriginal Community in which it is collected. Additional funding is provided by the Housing Authority as rental revenue is not sufficient to cover all repairs and maintenance costs.

9.7. Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

Table 86: Remuneration of auditors

Remuneration of auditors	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Auditing the accounts, controls, financial statements and key performance indicators	1,175	1,014	953	793
Total	1,175	1,014	953	793

9.8. Act of Grace payments

During the reporting period there were no Act of Grace payments made under authority of the Minister.

9.9. Equity

Contributed equity

The Western Australian Government holds the equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Table 87: Contributed Equity

Contributed Equity	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Balance at start of period	3,361,645	2,807,825	3,281,375	2,727,555
Contributions by owners	–	–	–	–
Capital contributions	246,487	307,845	246,487	307,845
Other contributions by owner	–	–	–	–
Royalties for Regions Fund – Regional Infrastructure and Headworks Account	3,807	–	3,807	–
Social Housing Investment Fund	413,528	250,355	413,528	250,355
Digital Capability Fund	727	1,780	727	1,780
Remote Communities Fund	7,616	–	7,616	–
Department of Communities	7,741	–	7,741	–

Contributed Equity	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Development WA	–	354	–	354
Total contributions by owners	679,906	560,334	679,906	560,334
Transfer of net assets to other agencies	–	–	–	–
Mental Health Commission	–	(3,159)	–	(3,159)
Department of Communities	(49)	(705)	(49)	(705)
Development WA	(6,966)	(2,650)	(6,966)	(2,650)
Total distributions to owners	(7,015)	(6,514)	(7,015)	(6,514)
Balance at end of period	4,034,536	3,361,645	3,954,266	3,281,375

As part of Machinery of Government changes, Development WA (DevWA) has become the primary agency through which the Western Australian government conducts its commercial land and buildings developments. Over the last couple of years, the Housing Authority has been transferring its ownership interests in its commercial developments to DevWA. In 2024-25 the Housing Authority continued with the Machinery of Government changes by transferring its ownership interests in Stage 1, Tranche 1 and Tranche 2 of the Davis Park portfolio (Davis Park) to DevWA.

The land assets which had a carrying amount of \$33.3 million were transferred to DevWA at an agreed transfer value of \$6.1 million in accordance with the agreement between both parties. This crystallised a loss on transfer of \$27.2 million, refer to note 4.3. The asset movement was effected through a non-reciprocal transfer of equity between the Housing Authority and DevWA for which the Housing Authority secured an exemption to the Treasurer's Instruction 8 (Requirement 8) Contributions by owners made to wholly-owned public sector entities enabling the assets to not be transferred at fair value.

Reserves

Table 88: Reserves

Reserves	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
(i) Asset revaluation reserve	—	—	—	—	—
Balance brought forward from prior period	—	9,667,592	8,523,111	9,667,592	8,523,111
Transferred to retained earnings	—	(54,178)	(28,924)	(54,178)	(28,924)
Revaluations during the period	—	3,069,042	1,173,405	3,069,042	1,173,405
Closing balance	—	12,682,456	9,667,592	12,682,456	9,667,592
(ii) Interest Assistance Lowstart reserve	—	—	—	—	—
Balance brought forward from prior year	—	—	—	—	—
Transfer to retained profits	—	—	—	—	—
Closing balance	—	—	—	—	—
Total reserves	—	12,682,456	9,667,592	12,682,456	9,667,592

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy Note 5.2.

Retained earnings

Table 89: Retained earnings

Retained earnings	Notes	Consolidated 2025 \$'000	Consolidated 2024 \$'000	Housing Authority 2025 \$'000	Housing Authority 2024 \$'000
Balance brought forward from prior period	—	3,586,284	3,698,809	3,387,039	3,498,540
Transfer from asset revaluation reserve upon disposal	—	54,178	28,923	54,178	28,923
Net profit/(loss) for the year	—	(78,920)	(141,448)	(79,983)	(140,424)
Total retained earnings	—	3,561,542	3,586,284	3,361,234	3,387,039

9.10. Supplementary financial information

(a) Write offs

Bad Debts written off by the Accountable Authority in the year ended 30 June 2025 totalled \$6.376 million (2024: \$5.856 million)

(b) Losses to the Housing Authority through thefts, defaults or other causes:

Cashier shortages incurred for the year ended 30 June 2025 was \$nil. (2024: \$nil).

Reportable thefts in the year ended 30 June 2025 was nil (there was no reportable thefts in the year ended June 2024).

Amounts recovered during the year ended 30 June 2025 was \$nil (2024: \$nil).

(c) Gifts of public property

In the year ended 30 June 2025 the Housing Authority made no gifts of public property (2024: \$nil).

10. Explanatory statements

This section explains variations in the financial performance of the Authority.

Notes

Explanatory statements for controlled operations

10.1

This explanatory section explains variations in the financial performance of the Authority undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2025, and between the actual results for 2025 and 2024 are shown below. Narratives are provided for key major variances, which vary more than 10% of the comparative and which are also more than 1% of the following (as appropriate):

1. Estimate and actual results for the current year:

- Total Cost of Services of the annual estimates for the Statement of comprehensive income and Statement of cash flows (1% of \$1,285,846,000) i.e. \$1,285.8 million, and
- Total Assets of the annual estimates for the Statement of financial position (1% of \$18,320,247,000) i.e. \$18,320.2 million.

2. Actual results between the current year and the previous year:

- Total Cost of Services of the previous year for the Statements of comprehensive income and Statement of cash flows (1% of \$1,330,431,000) i.e. \$1,330.4 million, and
- Total Assets of the previous year for the Statement of financial position (1% of \$19,739,591,000) i.e. \$19,739.6 million.

10.1. Explanatory statement for controlled operations

10.1.1. Statement of comprehensive income variances

Table 90: Statement of comprehensive income variances – Housing Authority

Statement of comprehensive income – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Revenue and Income	–	–	–	–	–	–
Sales	–	27,731	32,279	28,534	4,548	3,745
Rental revenue	–	309,395	325,858	321,120	16,463	4,738
Grants, contributions and subsidies	1, a	133,721	165,214	142,668	31,493	22,546
Interest revenue	–	10,238	17,607	11,508	7,369	6,099
Other revenue	–	7,435	7,862	18,379	427	(10,517)
Total income	–	488,520	548,820	522,209	60,300	26,611
Expenses	–	–	–	–	–	–
Cost of sales	–	26,925	22,019	18,263	(4,906)	3,756
Rental expenses	2, b	418,171	469,106	417,896	50,935	51,210
Community support expense	3	154,511	116,063	129,114	(38,448)	(13,051)
Supplies and services	–	288,544	304,327	307,426	15,783	(3,099)
Depreciation and amortisation expense	4, c	132,700	162,952	144,951	30,252	18,001
Finance costs	d	126,733	124,172	156,684	(2,561)	(32,512)

Statement of comprehensive income – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Grants and subsidies	5	71,456	50,574	54,621	(20,882)	(4,047)
Accommodation expenses	–	9,896	9,377	10,828	(519)	(1,451)
Other expenses	6	38,028	57,620	45,656	19,592	11,964
Loss on disposal of non-current assets	7	18,883	33,294	44,992	14,411	(11,698)
Total expenses	–	1,285,846	1,349,504	1,330,431	63,658	19,073
Loss before income from State Government	–	(797,326)	(800,684)	(808,222)	(3,358)	(7,538)
Income from State Government	–	–	–	–	–	–
Service appropriation	e	305,043	313,210	262,743	8,167	50,467
Income from other public sector entities	8	251,231	319,415	315,865	68,184	3,550
Royalties for Regions Fund	–	82,754	87,797	88,924	5,043	(1,127)
Services received	–	–	279	266	279	13
Total income from State Government	–	639,028	720,701	667,798	81,673	52,903
Surplus/(deficit) for the period	–	(158,298)	(79,983)	(140,424)	78,315	60,441
Other comprehensive income	–	–	–	–	–	–
Changes in asset revaluation surplus	–	–	3,069,042	1,173,405	3,069,042	1,895,637
Total other comprehensive income	–	–	3,069,042	1,173,405	3,069,042	1,895,637
(Loss)/profit attributable to:	–	–	–	–	–	–
Consolidated equity	–	–	–	–	–	–

Statement of comprehensive income – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Non-controlling interest	–	–	–	–	–	–
Total	–	–	–	–	–	–
Total comprehensive income attributable to:	–	–	–	–	–	–
Consolidated equity	–	–	–	–	–	–
Non-controlling interest	–	–	–	–	–	–
Total	–	–	–	–	–	–
Total comprehensive income for the period	–	(158,298)	2,989,059	1,032,981	3,147,357	1,956,078

Major Estimate and Actual (2025) variance narratives

Housing Authority

1. Grants, contributions and subsidies are \$31.5 million (23.6%) higher than the estimate primarily due to additional funding received during the year including:
 - \$25 million for increased repairs maintenance and improvements of housing in remote indigenous communities through the Commonwealth-funded Housing Australia Future Fund (HAFF) Acute Housing Measure Implementation Plan.
 - \$4.2 million for the replacement of The National Housing and Homelessness Agreement with a new National Social Housing and Homelessness Agreement (NASHH), which commenced in 2024–25.
2. Rental expenses are \$50.9 million (12.2%) higher than the estimate driven by the priority on social housing and Government Regional Officer Housing (GROH) delivery, including:
 - \$18.9 million leasehold costs higher than the estimate reflecting efforts to expand the portfolio of homes available for social housing.
 - \$17.3 million maintenance expenses higher than the estimate as the Housing Authority prioritised the delivery and quality of social housing in response to strong demand and pressures in the WA housing market. This shift away from Affordable Housing sales toward retaining stock for social housing required additional maintenance to ensure properties are safe and liveable.
 - \$9.4 million rates expense higher than the estimate.
 - \$5.3 million insurance costs higher than the estimate.
3. Community support expense is \$38.5 million (24.9%) lower than the estimate primarily due to delays relating to the Remote Communities Fund, of which \$33.5 million has been reprofiled across future years.
4. Depreciation and amortisation expense is \$30.3 million (22.8%) higher than the estimate primarily due to the addition of new properties and asset revaluations. Assets were revalued in June 2024, with the impact of higher asset values increasing depreciation expense from July 2024 onwards.
5. Grants and subsidies are \$20.9 million (29.2%) lower than the estimate primarily due to delays associated with Social Housing Economic Recovery Package (SHERP) new builds, which has impacted the delivery of the program of works by community housing providers.
6. Other expenses are \$19.6 million (51.5%) higher than the estimate primarily due to \$19 million Native Title land revaluations.
7. Loss on disposal of non-current assets is \$14.4 million (76.3%) higher than \$18.9 million estimate primarily due to:
 - \$27.4 million loss on transfer of land assets to Development WA.
 - \$5.9 million net loss on the disposal of properties.

8. Income from other public sector entities is \$68.2 million (27.1%) higher than the estimate primarily due to higher GROH rental income attributed to an increase in tenanted properties and rent received.

Major Actual (2025) and Comparative (2024) variance narratives

Housing Authority

- a) Grants, contributions and subsidies are \$22.5 million (15.8%) higher than 2023–24 primarily due to the \$25 million Commonwealth-funded HAFF Acute Housing Measure Implementation Plan.
- b) Rental expenses are \$51.2 million (12.2%) higher than 2023–24 primarily due to the addition of new properties, higher refurbishment costs for ageing properties, and escalated costs for materials and labour, including:
 - \$37.8 million higher maintenance expense as the Housing Authority prioritised the delivery and quality of social housing in response to strong demand and pressures in the WA housing market. This shift away from Affordable Housing sales toward retaining stock for social housing required additional maintenance to ensure properties are safe and liveable.
 - \$9.4 million higher rates expense.
 - \$1.3 million higher insurance costs.
- c) Depreciation and amortisation expense is \$18.0 million (12.4%) higher than 2023–24 primarily due to the addition of new properties and asset revaluations. Assets were revalued in June 2024, with the impact of higher asset values increasing depreciation expense from July 2024 onwards.
- d) Finance costs are \$32.5 million (20.8%) lower than 2023–24 due to:
 - \$35.7 million lower interest on WA Treasury Corporation (WATC) loans resulting from paying down capital on borrowings.
 - partially offset by \$3.1 million higher interest cost on leases.
- e) Service appropriation is \$50.5 million (19.2%) higher than 2023–24 primarily due to additional appropriation of \$59.5 million in 2024–25 used to subsidise social housing functions, following the transfer of assets and associated revenue streams to Development WA as part of the 2021–22 State Budget.

10.1.2. Statement of financial position variances

Table 91: Statement of financial position variances – Housing Authority

Statement of financial position – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Asset	–	–	–	–	–	–
Current assets						
Cash and cash equivalents	–	59,320	210,986	270,602	151,666	(59,616)
Restricted cash and cash equivalents	–	31,674	52,311	18,981	20,637	33,330
Inventories	–	137,279	14,586	68,532	(122,693)	(53,946)
Loans and receivables	1	721,415	217,830	209,828	(503,585)	8,002
Other current assets	–	30,554	31,424	30,325	870	1,099
Non-current assets classified as held for sale	–	6,272	5,207	6,242	(1,065)	(1,035)
Total current assets	–	986,514	532,344	604,510	(454,170)	(72,166)
Non-current assets	–	–	–	–	–	–
Restricted cash and cash equivalents	–	–	–	–	–	–
Inventories	–	174,277	59,289	92,579	(114,988)	(33,290)
Loans and receivables	2, a	1,605,979	1,994,272	2,572,693	388,293	(578,421)
Other financial assets	–	2,262	–	2,011	(2,262)	(2,011)
Property, plant and equipment	3, b	13,383,791	17,313,548	14,098,270	3,929,757	3,215,278
Right-of-use assets	–	3,753	5,032	5,098	1,279	(66)
Service concession assets	4, c	2,163,671	2,815,270	2,364,430	651,599	450,840
Total non-current assets	–	17,333,733	22,187,411	19,135,081	4,853,678	3,052,330

Statement of financial position – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Total assets	–	18,320,247	22,719,755	19,739,591	4,399,508	2,980,164
Liabilities	–	–	–	–	–	–
Current liabilities						
Payables	–	67,924	55,052	109,675	(12,872)	(54,623)
Borrowings	5, d	134,861	623,751	48,898	488,890	574,853
Lease liabilities	–	73,049	102,146	88,016	29,097	14,130
Provisions	–	52,158	–	–	(52,158)	–
Other current liabilities	–	20,732	19,354	23,136	(1,378)	(3,782)
Total current liabilities	–	348,724	800,303	269,725	451,579	530,578
Non-current liabilities	–	–	–	–	–	–
Payables	–	244	231	237	(13)	(6)
Borrowings	6, e	2,337,580	1,601,230	2,875,277	(736,350)	(1,274,047)
Provisions	–	44,370	78,330	58,213	33,960	20,117
Lease liabilities	–	40,599	112,306	67,439	71,707	44,867
Other non-current liabilities	–	143,625	129,399	132,694	(14,226)	(3,295)
Total non-current liabilities	–	2,566,418	1,921,496	3,133,860	(644,922)	(1,212,364)
Total liabilities	–	2,915,142	2,721,799	3,403,585	(193,343)	(681,786)
Net assets	–	15,405,105	19,997,956	16,336,006	4,592,851	3,661,950
Equity	–	–	–	–	–	–
Contributed equity	–	3,729,370	3,954,266	3,281,375	224,896	672,891
Reserves	–	8,523,132	12,682,456	9,667,592	4,159,324	3,014,864

Statement of financial position – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Retained earnings	–	3,152,603	3,361,234	3,387,039	208,631	(25,805)
Total equity attributable to the consolidated entity	–	15,405,105	19,997,956	16,336,006	4,592,851	3,661,950
Non-controlling interest	–	–	–	–	–	–
Total equity	–	15,405,105	19,997,956	16,336,006	4,592,851	3,661,950

Major Estimate and Actual (2025) variance narratives

Housing Authority

1. Current Loans and receivables are \$503.6 million (69.8%) lower than the estimate primarily due to:
 - \$519.7 million budgeted in current loans/receivables for the Housing Authority's arrangement with Keystart. In the actuals, the balance has been recognised in non-current loans/receivables, reflecting the longer-term nature of the asset.
 - Partially offset by \$12.2 million higher than budget GST receivable.
2. Non-current Loans and receivables are \$388.3 million (24.2%) higher than the estimate primarily due to:
 - \$321.7 million higher than estimate Keystart preference shares resulting from \$519.7 million classified as current loans and receivables partially offset by \$198 million lower overall Keystart preference shares than estimate.
 - \$66.6 million higher than estimate non-current finance lease receivables.
3. Property, plant and equipment are \$3,929.8 million (29.4%) higher than the estimate primarily due to:
 - \$2,623.9 million of increased asset values in line with revaluations resulting from increased market value.
 - \$743.2 million of asset additions due to the Housing Authority increasing its stock of dwellings available for public and social housing through new purchases.
4. Service concession assets are \$651.6 million (30.1%) higher than the estimate primarily due to:
 - \$447.6 million revaluation of service concession assets.
 - \$183.0 million difference in the opening position compared to estimate.
 - \$29.8 million reclassifications between property, plant and equipment and service concession assets.
5. Current Borrowings are \$488.9 million (362.5%) higher than the estimate primarily due to:
 - \$605.1 million reclassification of WATC Keystart floating principal to current borrowings compared to an estimate of \$116.9 million.
6. Non-current Borrowings are \$736.4 million (31.5%) lower than the estimate primarily due to:
 - \$605.1 million reclassification of WATC Keystart floating principal to current borrowings.
 - \$131.3 million lower borrowings due to \$620 million principal repaid compared to an estimate of \$488.7 million repaid as a result of lower borrowing requirements for Keystart for 2024–25.

Major Actual (2025) and Comparative (2024) variance narratives

Housing Authority

- a) Non-current loans and receivables are \$578.4 million (22.5%) lower than 2023–24 primarily due to:
 - \$910 million Keystart preference shares redeemed in 2024–25.
 - Partially offset by \$290 million Keystart preference shares rolled over.
 - Partially offset by \$41.6 million higher non-current finance leases receivable than estimated.
- b) Non-current property, plant and equipment is \$3,215.3 million (22.8%) higher than 2023–24 primarily due to:
 - \$2,623.9 million higher asset values following asset revaluations reflecting an increased market value.
 - \$743.3 million higher due to an increase in dwellings stock available for public and social housing through the addition of properties.
- c) Service concession assets are \$450.8 million (19.1%) higher than 2023–24 primarily due to:
 - \$447.6 million increase in asset values in line with updated valuations of service concession assets.
 - \$29.8 million reclassification between the categories of 'Property, plant and equipment' and 'Service concession assets'.
 - Partially offset by \$23.9 million depreciation.
- d) Current Borrowings are \$574.9 million (1175.6%) higher than 2023–24 primarily due to \$605.1 million reclassification of WATC Keystart floating principal to current borrowings compared to prior year current borrowings of \$31.0 million.
- e) Non-current borrowings are \$1,274.0 million (44.31%) lower than 2023–24 primarily due to:
 - \$620.0 million net repayment of the WATC Keystart loans facility.
 - \$605.1 million reclassification of non-current borrowing to current borrowings.

10.1.3. Statement of cash flows variances

Table 92: Statement of cash flows variances – Housing Authority

Statement of cash flows variances – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Cash flows from operating activities – Receipts	–	–	–	–	–	–
Rental receipts	–	300,620	302,793	281,219	2,173	21,574
Grants, contributions and subsidies	1, a	133,721	165,214	142,668	31,493	22,546
Interest received	–	10,238	17,026	10,543	6,788	6,483
Inventory receipts on sales	–	27,733	32,279	28,534	4,546	3,745
Other receipts	2	4,753	20,431	25,181	15,678	(4,750)
GST receipts on sales	b	9,720	4,145	20,103	(5,575)	(15,958)
GST receipts from taxation authority	3	14,130	27,325	21,936	13,195	5,389
Cash flows from operating activities – Payments	–	–	–	–	–	–
Rental property payments	4, c	(418,171)	(466,016)	(417,896)	(47,845)	(48,120)
Community support payments	5	(154,511)	(116,063)	(128,675)	38,448	12,612
Employee benefits	–	–	–	–	–	–
Supplies and services	6, d	(341,642)	(387,492)	(291,136)	(45,850)	(96,356)
Finance costs	e	(126,733)	(129,372)	(156,684)	(2,639)	27,312
Accommodation	–	(9,896)	(11,608)	(10,562)	(1,712)	(1,046)
Grants and subsidies	7	(71,456)	(50,574)	(54,621)	20,882	4,047
Purchase and development of inventory	8, f	(79,793)	(38,483)	(12,495)	41,310	(25,988)

Statement of cash flows variances – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
GST payments on purchases	9	(23,850)	(47,213)	(38,472)	(23,363)	(8,741)
GST payments to taxation authority	–	–	–	–	–	–
Other payments	8	–	–	(2,269)	–	(2,269)
Net cash provided by / (used in) operating activities	–	(725,137)	(677,608)	(582,626)	47,529	(94,982)
Cash flows from investing activities – Receipts	–	–	–	–	–	–
Proceeds from the sale of non-current physical assets	10, g	23,249	56,734	7,533	33,485	49,201
Other investing receipts	11	570,000	910,000	880,000	340,000	30,000
Dividends received	12, h	19,362	34,916	81,403	15,554	(46,487)
Cash flows from investing activities – Payments	–	–	–	–	–	–
Purchase of non-current physical assets	13, i	(490,928)	(744,636)	(464,028)	(253,708)	(280,608)
Other investing payments	14, j	(124,427)	(288,184)	(360,000)	(163,757)	71,816
Net cash used in investing activities	–	(2,744)	(31,170)	144,908	(28,426)	(176,078)
Cash flows from financing activities – Receipts	–	–	–	–	–	–
Proceeds from borrowings WA Treasury Corporation	15, k	124,427	290,000	360,057	165,573	(70,057)
Finance lease receipts	16, l	107,906	122,433	103,836	14,527	18,597
Cash flows from financing activities – Payments	–	–	–	–	–	–
Repayment of borrowings from	–	–	–	–	–	–
WA Treasury Corporation	17	(589,000)	(965,102)	(984,892)	(376,102)	19,790

Statement of cash flows variances – Housing Authority	Variance Notes	Estimate 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2025 and 2024 \$'000
Commonwealth Government	–	(17,895)	(17,894)	(17,941)	1	47
Principal elements of lease payments	18, m	(109,351)	(125,256)	(106,727)	(15,905)	(18,529)
Net cash provided by financing activities	–	(483,913)	(695,819)	(645,667)	(211,906)	(50,152)
Cash flows from State Government	–	–	–	–	–	–
Service appropriation	n	303,805	313,210	262,743	9,405	50,467
Capital Appropriation	o	238,009	246,487	307,845	8,478	(61,358)
Royalties for Regions recurrent fund	19	71,317	87,797	88,924	16,480	(1,127)
Royalties for Regions capital fund	–	3,807	3,807	–	–	3,807
Other contributions/distributions of equity	20, p	205,626	414,855	245,975	209,229	168,880
Funds from other public sector entities	21, q	272,720	312,155	283,363	39,435	28,792
Net cash provided by State Government	–	1,095,284	1,378,311	1,188,850	283,027	189,461
Net increase/(decrease) in cash and cash equivalents	–	(116,510)	(26,286)	105,465	90,224	(131,751)
Cash and cash equivalents at the beginning of the period	–	207,504	289,583	184,118	82,079	105,465
Cash and cash equivalents at end of the period	–	90,994	263,297	289,583	172,303	(26,286)

Major Estimate and Actual (2025) variance narratives

Housing Authority

1. Grants, contributions and subsidies are \$31.5 million (23.6%) higher than the estimate primarily due to:
 - \$25 million higher receipt of HAFF funding in 2024–25, which was approved in August 2024 after the establishment of the estimate.
 - \$4.2 million higher contribution from the new five-year NASHH that commenced in 2024–25. This was approved during the 2024–25 Mid-year Review process after establishment of the estimate.
2. Other receipts are \$15.7 million (329.9%) higher than the estimate primarily due to:
 - \$9.0 million improvement in debtor collections between June 2024 and June 2025.
 - \$7.6 million repayment on loan to commercial organisation.
3. GST receipts from taxation authority are \$13.2 million (93.4%) higher than the estimate primarily due to the estimate being understated compared to actual GST receipts.
4. Rental property payments are \$47.8 million (11.4%) higher than the estimate primarily due to:
 - \$18.9 million higher than budget leasehold costs, reflecting efforts to expand the portfolio of homes available for social housing.
 - \$17.3 million higher than budget maintenance expenses as the Housing Authority prioritised the delivery and quality of social housing in response to strong demand and pressures in the WA housing market. This shift away from Affordable Housing sales toward retaining stock for social housing required additional maintenance to ensure properties are safe and liveable.
 - \$9.4 million higher rates expense than estimated.
5. Community support payments are \$38.4 million (24.9%) lower than the estimate primarily due to delays in receipt of funding from the Remote Communities Fund. As a result, \$33.5 million has been re-profiled into future years.
6. Supplies and services are \$45.9 million (13.4%) higher than the estimate primarily due to a \$54.7 million movement in the 2024–25 trade creditors balance resulting from the timing of payments with a large portion of 2023–24 invoices settled in 2024–25.
7. Grants and subsidies are \$20.9 million (29.2%) lower than the estimate primarily due to delays relating to SHERP new builds.
8. Purchase and development of inventory is \$41.3 million (51.8%) lower than the estimate primarily due to the repurposing of affordable housing stock towards social housing, thereby reducing the purchase and development of inventory.

9. GST payments on purchases are \$23.4 million (98.0%) higher than the estimate due in part to the Fraser Suites acquisition, with the balance of the estimate being understated compared to actual GST payments in 2024–25.
10. Proceeds from the sale of non-current physical assets are \$33.5 million (144.0%) higher than the estimate, primarily due to \$48 million actual proceeds from the sale of non-current physical assets because of the disposal of properties no longer considered suitable for the social housing portfolio.
11. Other investing receipts are \$340 million (59.6%) higher than the estimate primarily due to the redemption of \$910 million Keystart Preferential Shares in 2024–25 compared to a budget of \$570 million. The higher redemption of preference shares reflects Keystart's lower borrowing requirements for 2024–25, as the Keystart preference shares mirror movements in the loan facility.
12. Dividends received are \$15.5 million (80.3%) higher than the estimate primarily due to timing differences. The \$34.9 million 2023–24 dividend was received in 2024–25, whereas the estimate assumed receipt of the \$19.4 million 2024–25 dividend.
13. Purchase of non-current physical assets is \$253.7 million (51.7%) higher than the estimate primarily reflecting the acquisition of approximately 800 properties to expand the social housing portfolio.
14. Other investing payments are \$163.8 million (131.6%) higher than the estimate primarily due to the rollover of \$290 million Keystart preference shares in 2024–25 compared to an estimate of \$124.4 million due to changes in the maturity profile of the lending facility.
15. Proceeds from borrowings WA Treasury Corporation are \$165.6 million (133.1%) higher than the estimate due to the \$290 million issuance under the Keystart Current-Term Floating Rate Lending Facility in February 2025 being higher than the \$124.4 million estimated proceeds of borrowings from WA Treasury Corporation due to changes in the maturity profile of the lending facility.
16. Finance lease receipts are \$14.5 million (13.5%) higher than the estimate due to higher GROH rental income, driven by higher rental income under existing and new lease arrangements.
17. Repayment of borrowings from WATC is \$376.1 million (63.9%) higher than the estimate primarily due to \$910 million of principal repaid on the WATC Keystart loan compared to the \$570 million estimate.
18. Principal elements of lease payments are \$15.9 million (14.5%) higher than the estimate reflecting increased payments under lease arrangements for GROH properties. This increase largely corresponds with higher finance lease receipts, as lease payments are on-charged to client agencies, resulting in a largely offsetting impact on cash flows.
19. Royalties for Regions recurrent fund is \$16.5 million (23.1%) higher than the estimate primarily due to a classification difference whereby \$11.9 million of estimated income for the Regional Reform Fund was allocated to 'Funds from other public sector entities'.

20. Other contributions/distributions of equity are \$209.3 million (101.8%) higher than the estimate primarily due to an increase in the Social Housing Investment Fund (SHIF) of \$205 million.
21. Funds from other public sector entities are \$39.4 million (14.5%) higher than the estimate primarily due to growth in GROH rental income. During 2024–25, the GROH rents estimate was increased by \$53.7 million to reflect current forecast rent receipts. This was partially offset by \$13.3 million of Department of Fire and Emergency Services (DFES) Disaster Recovery Funding included in the estimate, that was subsequently reprofiled to 2025–26.

Major Actual (2025) and Comparative (2024) variance narratives

Housing Authority

- a) Grants, contributions and subsidies are \$22.5 million (15.8%) higher than 2023–24 primarily due to \$25 million Commonwealth-funded WA HAFF Acute Housing Measure Implementation Plan.
- b) GST receipts on sales are \$16 million (79.4%) lower than 2023–24 primarily due to a decrease in property sales, as Affordable Housing stock has been repurposed to social housing.
- c) Rental property payments are \$48.1 million (11.5%) higher than 2023–24 primarily due to:
 - \$18.9 million higher than 2023–24 leasehold costs, reflecting efforts to expand the portfolio of homes available for social housing.
 - \$17.3 million higher than 2023–24 maintenance expenses for additional maintenance to ensure homes are safe and liveable under the expanded social housing portfolio.
 - \$9.4 million higher rates expense than 2023–24.
- d) Supplies and services are \$94.7 million (32.4%) higher than 2023–24 primarily due to a net \$89.7 million movement in the trade creditors balance. The variance primarily reflects the timing of payments, with lower outstanding trade creditor balances at year-end and a portion of 2023–24 invoices settled in 2024–25.
- e) Finance costs are \$27.3 million (17.4%) lower than 2023–24 primarily due to \$35.2 million lower interest on WA Treasury Corporation loans due to paying down principal on borrowings.
- f) Purchase and development of inventory are \$26.0 million (208.0%) higher than 2023–24 due to affordable housing stock being repurposed towards social housing.
- g) Proceeds from the sale of non-current physical assets are \$49.2 million (653.1%) higher than 2023–24. While the value of disposals was in line with prior year, the assets sold in 2023–24 had been impaired, notably the \$51.3 million impairment on the Bentley 360 Redevelopment Project to Development WA in 2023–24.
- h) Dividends received is \$46.5 million (57.1%) lower than 2023–24 primarily due to the redemption of Keystart preference shares in 2024–25, which reduced the dividend payable.
- i) Purchase of non-current physical assets are \$280.6 million (60.5%) higher than 2023–24 primarily due to the acquisition of approximately 800 properties to expand the social housing portfolio to increase the supply of safe and affordable homes.

- j) Other investing payments are \$71.8 million (20.0%) lower than 2023–24 primarily due to the rollover of \$290 million Keystart preference shares in 2024–25 compared to \$360 million in 2023–24.
- k) Proceeds from borrowings WA Treasury Corporation are \$70.1 million (19.5%) lower than 2023–24 primarily due to the \$70 million lower redemption of Keystart preference shares in 2024–25 (\$290 million) compared to 2023–24 (\$360 million). These shares were originally funded through WATC borrowings, and the redemption proceeds were used to repay borrowings, reducing both new drawdowns and subsequent debt service.
- l) Finance lease receipts are \$18.6 million (17.9%) higher than 2023–24 primarily reflecting increased GROH rental income. The uplift is driven by higher rental revenues under existing and new lease arrangements. This increase largely corresponds with higher finance lease payments, as lease payments are on-charged to client agencies, resulting in a largely offsetting impact on cash flows in line with market conditions.
- m) Principal elements of lease payments are \$18.5 million (17.4%) higher than 2023–24 primarily due to increased payments under lease arrangements for GROH properties reflective of market conditions.
- n) Service appropriations are \$50.5 million (19.2%) higher than 2023–24 primarily due to receiving an additional \$59.5 million during 2024–25 to offset revenues transferred with assets to Development WA as part of the 2021–22 State Budget. This revenue source was used to subsidise social housing functions.
- o) Capital appropriation are \$61.4 million (19.9%) lower than 2023–24 primarily due to equity funding of \$76.3 million received in 2023–24 to address the Keystart Dividend and Loan Guarantee Fee shortfall, which was not provided in 2024–25.
- p) Other contributions/distributions of equity are \$168.9 million (68.7%) higher than 2023–24 primarily due to an increase to the Social Housing Investment Fund (SHIF) of \$163.2 million.
- q) Funds from other public sector entities are \$28.8 million (10.2%) higher than 2023–24 primarily due to:
 - \$67.5 million higher GROH rental receipts, attributed to an increase in tenanted properties and rent received.
 - Partially offset by \$34.8 million lower Keystart interest revenue.

Key performance indicators



Key performance indicators

Certification of key performance indicators

For the reporting period ended 30 June 2025

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Housing Authority's performance, and fairly represent the performance of the Housing Authority and its subsidiary for the financial year ended 30 June 2025.



Leon McIvor
Chief Executive Officer
Accountable Authority
08 October 2025

Reporting exemption

The following key performance indicators have been exempted from being reported in 2024–25:

- Average operating cost per lot developed
- Average operating cost per property sold

Average operating cost per lot developed

In November 2019, the Premier announced Machinery of Government reforms that related to the Housing Authority. The primary reform announced was the splitting of the Housing Authority, with the commercial land development projects, assets, and associated positions to be transferred to DevelopmentWA in two tranches:

- Tranche 1 (16 February 2021) involved the transfer of the Housing Authority's undeveloped land bank assets and a handful of in-house land developments.
- Tranche 2 (1 July 2021) involved the transfer of joint ventures and development management agreements, remaining in-house land developments and commercially focused built-form projects.

Consequently, since the completion of these transfers, the Housing Authority sought and received a reporting exemption from the Under Treasurer from the 2022–23 reporting period onwards.

Average operating cost per property sold

Due to the current Ministerial priority of properties being built for rental housing (social housing), in May 2025 the Acting Under Treasurer approved an exemption from reporting of the key performance indicator 'Average operating cost per property sold' in both 2024–25 and 2025–26.

Outcome based management reporting framework

State Government Goal

The Housing Authority, as part of the Department of Communities, contributes to the State Government Goal of “Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive”.

Outcome: Affordable housing options are available to eligible Western Australians

The Housing Authority seeks to enhance the quality of life and wellbeing of all people throughout Western Australia by satisfying the basic need for shelter. In the wider context, affordable, available and appropriate housing assists in contributing to positive social outcomes in health, education and employment.

The Housing Authority contributes to this Government goal by providing housing through its rental housing, home finance, and home ownership activities for eligible Western Australians who may not otherwise be able to obtain housing. Through the provision of Government Regional Officers' Housing, the Housing Authority also provides government employees with suitable and appropriate housing in regional and remote areas to support the delivery of public services such as education and policing.

Eligibility for public rental housing and for home loans is determined by assessable income limits and other eligibility criteria. In addition, the Housing Authority makes available loans to cover the cost of security bonds so that income-eligible applicants can access housing in the private rental market.

It is a key strategy of the Housing Authority to ease the pressure on the waiting list for public housing by expanding the range and diversity of housing products and services for people on low to moderate incomes. Varying alternatives provide new entry points for clients, as well as new and evolving options that support their transition along the housing continuum as their circumstances improve.

Key effectiveness indicators

Total housing assistances provided relative to public rental waiting list

This indicator measures the Department's capacity to respond to expressed unmet housing demand. It is calculated as the ratio of the total number of units of housing assistance provided each year, to the number on the waiting list at 30 June of the previous year. The higher the ratio, the greater the assistances provided in relation to expressed unmet demand.

Housing assistances comprise: applications housed from the public housing waiting list into public housing or community housing options; bond assistance loans; and new home loans. The Housing Authority's public rental housing waiting list is used to represent total expressed unmet housing demand, as the other forms of housing assistance do not have a waiting list.

Table 93: Total housing assistances provided relative to public rental waiting list

Reporting year	Target total housing assistances	Actual total housing assistances	Target total rental waiting list as at 30 June (prior financial year)	Actual total rental waiting list as at 30 June (prior financial year)	Target ratio	Actual ratio
2024–25	5,419	6,177	20,819	20,264	0.26	0.30
2023–24	7,128	5,724	19,114	19,062	0.37	0.30
2022–23	8,820	6,384	19,500	19,070	0.45	0.33
2021–22	9,901	8,518	17,880	17,194	0.55	0.50
2020–21	14,799	11,039	14,409	14,409	1.03	0.77

Notes:

- 1 For 2024–25 the total units of housing assistance comprises (2023–24 result indicated within brackets): number of people (applications) allocated from the waiting list into community housing options: 351 (292); number of new home loans approved: 723 (421); number of public rental occupations: 2,354 (2,475); number of bond assistance loans approved: 2,749 (2,518).
- 2 The total number of applications recorded on the public rental waiting list varies over time as applicants' eligibility changes. Applications may be withdrawn from the waiting list if applicants fail to meet ongoing eligibility requirements or re-instated if they are later considered eligible. The number of applications to calculate this indicator is based on the waiting list as at 30 June 2024 i.e. at the end of the previous financial year.

Comment on performance

The 2024–25 Actual exceeded the 2024–25 Target, primarily due to a substantial increase in bond assistance loans and a higher than anticipated uptake in new home loans following Keystart product adjustments in December 2024. The result also reflects ongoing efforts to reduce pressure on the public housing waiting list through increased supply of new social homes.

Waiting times for accommodation – applicants housed

This indicator measures the Department's capacity to provide public rental housing to eligible applicants who are on the waiting list. Waiting times for accommodation measures the time between an applicant being listed on the waiting list and when they are housed. The greater the capacity to meet demand, the shorter the waiting time.

Table 94: Waiting times for accommodation in weeks – applicants housed

Reporting year	Target average	Target median	Actual average	Actual median
2024–25	163	144	156	123
2023–24	130	103	149	122
2022–23	115	75	133	105
2021–22	103	62	116	81
2020–21	95	49	102	58

Table 95: Waiting times for accommodation – proportion of applicants by waiting period

Reporting year	< 1 month (%)	1–12 months (%)	1–3 years (%)	3–5 years (%)	5+ years (%)
2024–25	3.4	15.6	41.0	24.4	15.5
2023–24	2.7	19.7	40.3	22.5	14.8
2022–23	3.9	19.8	47.1	18.2	11.1
2021–22	4.5	27.7	44.6	13.6	9.6
2020–21	7.3	40.2	31.6	10.1	10.8

Comment on performance

For the median wait time, the 2024–25 Actual is lower than the 2024–25 Target and consistent with the 2023–24 Actual. Additional Public Housing stock, minimising stock disposals and a sustained refurbishment program to extend the life of homes has increased the total stock and may have resulted in the difference in Actual median wait time compared to the Target median wait time.

Key efficiency indicators

Service 7: Rental housing

This service contributes to the Housing Authority's outcome by providing eligible Western Australians with:

- public rental housing
- community housing managed properties: rental properties managed by not-for-profit housing companies, community organisations, housing associations, and local governments through the Housing Authority's joint venture and community housing and crisis accommodation programs
- rental housing for key workers in regional Western Australia
- properties for remote Aboriginal communities.

Average operating cost per public rental property

The average operating cost per rental property measures the cost efficiency of rental housing and is calculated by dividing the total cost of the service (total expenses) by the total number of rental properties.

The total operating cost of the Rental Housing Service comprises:

- administration costs (employee benefits, supplies and services, and accommodation)
- rental expenses (maintenance, improvements, rates, strata fees)
- finance costs
- depreciation and amortisation
- other expenses
- community support (includes the repair and maintenance of infrastructure, as well as power, water and wastewater in Aboriginal communities and town reserves, which cannot be directly attributed to a property).

Expenses relating to community housing managed properties are borne by both the Housing Authority and the community housing organisations.

Table 96: Average operating cost per public rental property

Reporting year	Target cost	Actual cost
2024–25	\$20,001	\$21,801
2023–24	\$18,789	\$20,593
2022–23	\$19,015	\$19,088
2021–22	\$18,109	\$15,947
2020–21	\$17,070	\$17,207

Comment on performance

The 2024–25 Actual is broadly consistent with both the 2024–25 Target and the 2023–24 Actual.

Average operating cost per Government Regional Officers' Housing (GROH) rental property

This indicator measures the cost efficiency of providing Government Regional Officers' Housing. It is calculated by dividing the total cost of the service (total expenses) by the total number of properties at the end of the year.

The total operating costs of the Government Regional Officers' Housing service comprise:

- administration costs (employee benefits, supplies and services, and accommodation)
- depreciation and amortisation
- finance costs
- rental expenses (maintenance, improvements, rates, strata fees)
- other expenses.

Table 97: Average operating cost per Government Regional Officers' Housing (GROH) rental property

Reporting year	Target cost	Actual cost
2024–25	\$16,849	\$22,455
2023–24	\$14,555	\$20,917
2022–23	\$13,621	\$16,455
2021–22	\$12,844	\$13,583
2020–21	\$15,227	\$12,167

Comment on performance

The variance between the 2024–25 Actual and 2024–25 Target is mainly due to higher than expected rental costs incurred, including for GROH properties leased from the private rental market, and maintenance costs. These increases were driven by limited housing supply and challenges in sourcing labour for property maintenance, particularly in remote regional areas.

Service 8: Home loans

This service contributes to the Housing Authority's outcome by providing home ownership schemes for eligible applicants.

Average operating cost per current loan account

The average operating cost per current loan account measures the cost efficiency in home ownership products and services. It is calculated by dividing the total cost of the service (total expenses) by the total number of loans (Keystart and other loan products).

The total operating cost of the Home Loans service comprises:

- administration costs (employee benefits, supplies and services, and accommodation)
- depreciation and amortisation
- rental expenses
- other expenses.

Keystart finance costs for loan advances to clients are excluded as borrowing costs are incurred and borne by clients and do not relate to the resources required to approve and process loan applications and manage loan accounts.

Table 98: Average operating cost per current loan account

Reporting year	Target cost	Actual cost
2024–25	\$8,224	\$4,702
2023–24	\$4,679	\$3,727
2022–23	\$3,390	\$2,740
2021–22	\$2,986	\$802
2020–21	\$2,888	\$1,145

Comment on performance

The 2024–25 Actual is lower than the 2024–25 Target, mainly due to lower than expected Keystart expenses, loss on disposal of non-current assets, depreciation, and supplies and services expenses. Many of these factors moved strongly in a direction opposite to what was anticipated at the time the 2024-25 Target was set, resulting in a high 2024-25 Target and a substantial variance from the 2024-25 Actual. The 2024–25 Actual is higher than the 2023–24 Actual, primarily due to continuing high levels of loan discharges through 2024–25, which could be attributed to current market conditions, resulting in a net decline in the loan book portfolio even as loan approvals increased.

Service 9: Land and housing supply

This service contributes to the Housing Authority's outcome by providing housing for sale to the market.

Note that both of the following key performance indicators under Service 9 have been exempted from being reported in 2024–25 (see “Reporting Exemption” above):

- Average operating cost per lot developed
- Average operating cost per property sold

Other requirements



Other Requirements

Subsidiaries

The Authority is the instigator of the Keystart Housing Scheme.

- The Board of Directors of the Keystart group of companies comprises six Directors. The Authority holds 100 per cent of the total shareholding in:
 - Keystart Loans Ltd
 - Keystart Loans Ltd owns 100 per cent of Keystart Scheme Management Pty Ltd

The Authority is the sole beneficiary of the following Trust and owns all shareholdings of the Trustee companies for each of the trusts:

- Keystart Housing Scheme Trust

The Authority also holds interests in the following incorporated entities/ joint ventures:

- Dalyellup Beach Pty Ltd: 50 per cent
- Ocean Springs Pty Ltd: 46.78 per cent

Compliance with public sector standards and ethical codes

The Chief Executive Officer uses the resources of the Department of Communities to perform the functions of the Authority.

Communities complies with the Public Sector Standards, the Western Australian Public Sector Code of Ethics and the Commissioner's Instruction 40, Ethical Foundations. The Department's Code of Conduct (the Code) is an official record of the minimum standards of conduct and integrity required for its public officers. The Code is supported by a mandatory, online Accountable and Ethical Decision-Making course, Communities Integrity Strategy 2025–2028 and Communities Integrity Framework.

As an Agency subject to section 31(2) of the *Public Sector Management Act 1994*, The Department's compliance reporting obligations are met by completing the relevant periodic returns requested by the Public Sector Commission (PSC) including the Integrity Framework Maturity Self-Assessment Tool. This is in accordance with the PSC's 'Annual Reporting Information 2024–25 published 16 July 2025.

Ministerial directions

No ministerial directions were received during 2024–25.

Act of Grace payments

As at 30 June 2025, there were no Act of Grace payments recorded.

Unauthorised use of credit cards

In accordance with Treasurer's Instruction 5, officers are prohibited from using government-issued credit cards for personal purposes. Treasurer's Instruction 8 requires the Authority to disclose information relating to personal use. The table below details the personal expenditure using government-issued credit cards in 2024–25.

Table 99: Personal expenditure using government-issued credit cards in 2024–25

Personal expenditure	2024–25
Number of instances the Western Australian Government purchasing card has been used for a personal purpose	38
Aggregate amount of personal use expenditure for the reporting period	\$942.77
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	\$762.52
Aggregate amount of personal use expenditure settled after the period required by the due date (after 5 working days)	\$180.25
Aggregate amount of personal use expenditure remaining unpaid at the end of the reporting period	\$0.00
Number of referrals for disciplinary action instigated by the notifiable authority during the reporting period	0

Disability Access and Inclusion Plan

The Authority is committed to ensuring its services, facilities and information are accessible and inclusive for people with disability, their families and carers.

This commitment is demonstrated in its disability access and inclusion plan, which is reported in the Department of Communities' Annual Report for 2024–25.

Recordkeeping plan

The Authority's recordkeeping plan is reported in the Department of Communities' Annual Report for 2024–25.

Advertising, market research, polling and direct mail

In accordance with section 175ZE of the *Electoral Act 1907*, the Authority incurred expenditure in advertising and media advertising. Total expenditure for 2024–25 was \$50,253.

Table 100: Advertising expenditure for 2024–25

Expenditure	Organisation	Amount	Total
Advertising – Promotions	AASW	\$598	\$598
	Campaign Monitor	\$109	\$109
	CareerHUB Pty Ltd	\$455	\$455
	Initiative Media Australia Pty Ltd	\$19,975	\$19,975
	Linkedin	\$269	\$269
	Meta Inc	\$4,041	\$4,041
Land – Advertising & Promotions	Box + Dice Operation Pty Ltd	\$22,006	\$22,006
Properties – Advertising Costs	Harcourts Kalgoorlie	\$2,800	\$2,800
Market research	–	–	–
Polling	–	–	–
Direct mail	–	–	–
Total	–	–	\$50,253

Board and committee remuneration

Nil.

Occupational safety, health and injury management

The Authority is committed to providing, maintaining and promoting safe and healthy work practices in all aspects of its business.

The Department of Communities' Annual Report for 2024–25 provides information on the workers' compensation and injury management performance.

Agency Capability Review

Progress against commitments and actions in the Department of Communities' Agency Capability Review are reported in the Department of Communities' annual report for 2024–25.

Workforce inclusiveness

A workforce inclusiveness statement on activities undertaken to improve diversity and inclusion in the workplace is included in the Department of Communities' annual report for 2024–25.

WA Multicultural Policy Framework

A summary of the achievement of outcomes and key performance indicators against the three priority areas in the Authority's Multicultural Policy Framework are reported in the Department of Communities' annual report for 2024–25.

Appendix



Appendix

Housing head maintenance contracts

In accordance with the recommendations of the Public Accounts Committee (report numbers 8 and 13), each year the Authority publishes information in relation to the head maintenance contract model, providing an overview of the head contractors' performance to demonstrate how the Authority is realising better maintenance outcomes in the areas of timeliness, reduced costs, and quality of workmanship. Relevant information for 2024–25 can be found below.

Maintaining properties

Maintenance services are performed on over 53,000 (1) residential properties across the State, including GROH dwellings and 111 remote and town-based Aboriginal communities.

In 2024–25, the Department of Communities (Communities) issued an average of approximately 21,000 job orders per month and spent \$350.9 million (2) on day-to-day maintenance, vacated maintenance, refurbishments and improvements, planned and cyclical maintenance, estate maintenance and insurance work.

(1) Property housing types comprise public housing, community housing, Government Regional Officers Housing (GROH), Aboriginal Housing and non-government organisation housing.

(2) This figure includes Public Housing, GROH, and Aboriginal Housing only, and does not include any expenditure related to the Social Housing Economic Recovery Package, Social Housing Investment Fund, or Social Housing Accelerator Fund.

Asbestos management

The Authority is committed to protecting the health and safety of tenants, staff, maintenance contractors and visitors from the risks associated with asbestos-containing materials within its assets. All known and assumed asbestos in public housing and in properties owned and controlled by the Authority are documented in asbestos registers, which are updated annually, and if the condition or presence of the asbestos changes. The Assets Compliance Advisory Group (ACAG) was established in 2022 and continues its key functions of governance and oversight for Departmental and Authority asset safety compliance. In September 2023, the new Asbestos Management Plan and Asbestos Management Policy (AMP&P) were published. These documents are fully compliant with the most recent legislation and improve clarity around responsibilities and actions required to be undertaken by all stakeholders.

In March 2025, the ACAG approved the review and updating of the current Asbestos Management Plan to reflect new reporting arrangements.

Communities/Housing was an included member of the Across Agency Asbestos Group (AAAG) 2024–25, chaired by WorkSafe and comprised from various WA State Government departments involved with the management and/or removal of asbestos, as regulators, asset owners or as part of their operations. The purpose of the AAAG is to facilitate across-government consultation and collaboration to implement the Asbestos National Strategy ANSP 2024–2030. Membership will continue through 2025–26, with the Authority now represented by the Department of Housing and Works.

Head maintenance contracts

Maintenance services are delivered via the Authority's four head maintenance contractors:

- Lake Maintenance (Western Australia) Pty Ltd – East and West Kimberley, Goldfields and Wheatbelt regions
- Programmed Facility Management Pty Ltd – South Metropolitan, South West, Great Southern, Midwest, Gascoyne and Pilbara regions
- Spotless Facility Services Pty Ltd – North Metropolitan and East Metropolitan regions
- Ngaanyatjarra Services (Aboriginal Corporation) – Goldfields (Ngaanyatjarra Lands)

Head contractors are managed under a performance management framework that operates on an incentive and abatement process, including following up non-compliance issues. Key performance indicators are used to assist in identifying performance issues and informing business improvement opportunities.

Maintenance audit methodology and statistics

The Authority publishes information in relation to the head maintenance contract model, which includes:

- a description of its audit methodology
- the number of works orders valued under \$500 that are audited each year
- confirmation of the total number (and percentage) of non-compliant work orders
- a breakdown of this number (and percentage) for each area of non-compliance
- a summary of the strategies it is undertaking to address non-compliance issues
- a clear explanation of each of the key performance indicators, including confirmation as to which of the five overarching performance categories (safety, timeliness, tenant satisfaction, quality and participation) each key performance indicator applies
- publication of the target (benchmark) figure for each key performance indicator along with the actual level of performance achieved
- a table for each of the four current head contractors indicating the level of performance against all key performance indicators.

Head maintenance contract audit methodology

The head maintenance contract audit methodology consists of:

- inspections and work order audits by the head contractor (head contractor quality assurance system)
- inspections by the Authority prior to payment (Authority payment authorisations)
- physical review and desktop audits on paid works to the head contractor (Authority quality assurance audits).

The methodology is outlined below:

Preventative controls

Works orders completed:

- confirm works order have been satisfactorily completed for billing
- provide compliance and assurance results to the Authority as supporting information for works orders billed.

Head Maintenance Contractors (HMC) quality system:

Compliance and assurance activities 1809001:2008 standards:

- onsite inspections
- desktop analysis
- tenant satisfaction surveys
- All (100 per cent of) vacant properties inspected.

Invoice verification:

- check accuracy of works orders billed
- check physical completion of works orders billed.

Housing Authority (Client Services):

Payment authorisation checks of invoices for consistency against:

- schedule of rates
- budget codes
- documentation.

Physical inspections of maintenance works are required where the associated Works Order meets any of the following criteria:

- the property is void (vacant)
- charges relate to tenant liability
- linked to insurance, planned, or cyclical maintenance
- an appliance schedule of rates (SOR) item (to replace or supply and install)
- involves asbestos removal or remediation
- the total cost exceeds \$500 for metropolitan regions or \$1,000 for country regions (excluding travel) (1).

Note:

(1) Inspection thresholds were updated on 9 September 2024. These changes reflect a review of operational cost increases since the original thresholds were set and will be reflected in the next annual report.

Detective controls

Post-payment quality assurance:

- check works orders delivered to technical specifications and quality
- provide remediation actions and feedback business improvement activities to HMCs
- recoup incorrectly billed works order amounts.

Housing Authority, Head Maintenance Contractor Performance (HMCP):

Five per cent of paid works orders

Sample selection criteria

Testing regime including:

- onsite inspections
- desktop audits (process)
- work orders reviews (technical).

Testing checklist, results and actions from sample selection criteria:

- rectify
- recoup
- business improvement activities
- contract management.

Audited works orders statistics 2024–25

Table 101: Paid works orders audited 1 July 2024 – 30 June 2025

Measure	Works orders	Percentage
Number of paid works orders	262,892	–
Number of audited works orders over \$500	12,387	4.7%
Number of audited works orders under \$500	4,077	1.6%
Number of non-compliant audited works orders over \$500	4,585	37.0% (1)
Number of non-compliant audited works orders under \$500	863	21.2% (2)

Note:

(1) The calculation of this percentage is the number of non-compliant audited works orders over \$500, divided by the number of audited works orders over \$500 to gain the percentage.

(2) The calculation of this percentage is the number of non-compliant audited works orders under \$500, divided by the number of audited works orders under \$500 to gain the percentage.

Addressing head contractor non-compliance

Non-compliance issues identified are followed up by the Authority. Actions undertaken include:

- pursued recoups and refunds in relation to incorrect measurements claimed
- directed head contractors to supply missing items when details were not provided as required
- where work was not to technical specifications, directions were given to re-perform or correct non-compliant works
- the Authority identified recoups to the value of \$1,332,867.65 during 2024–25.

The Authority has also undertaken several approaches to validate the self-reported performance results of the head contractors, which provide opportunities for continuous improvement. This includes but is not limited to:

- engaging qualified tradesmen, compliance and business improvement officers to undertake on-site quality audit inspections and desktop audits
- operational and quality assurance meetings with the head contractors to address any issues relating to non-compliance matters
- supporting tools and materials, such as the development of business rules, which are circulated as and when required
- toolbox workshop collaborative sessions between the Authority and head contractors
- embedding the Authority's Quality Assurance Framework
- monthly audit reports capturing monthly trends and issues.

The table below references the actual total combined number of non-compliances by Category and Definition for each area of non-compliance reason (work orders may have multiple non-compliance issues identified).

Table 102: Non-compliant audited works orders by issue 1 July 2024–30 June 2025 number (and percentage) for each area of non-compliance (1)

Non-compliance reason	Works order issues	Percentage	Category
Head contractor claimed schedule of rates above self-variation threshold – correctly claimed	14	0.19%	1
Head contractor claimed schedule of rates above self-variation threshold – incorrectly claimed	9	0.12%	1
Schedule of rates added by the head contractor is not task related	26	0.36%	1
Schedule of rates added by the head contractor without details provided	140	1.93%	2
Documentation not provided or incorrectly completed as required by schedule of rates	840	11.58%	2
Schedule of rates incorrectly claimed	4,682	64.55%	3
Warranty Issue	18	0.25%	3
Incorrect measurement or quantity claimed	1,238	17.06%	3
Task on work order not done and not required	27	0.37%	3
Work non-compliant	222	3.06%	4
Task on works order not done or incomplete	37	0.51%	4

(1) The table below provides descriptions of non-compliance items as listed in this table.

Table 103: Non-compliant items definitions and category

Issue Type	Category	Definition
Head contractor claimed schedule of rates above self-variation threshold – correctly claimed	1	Head contractor has added a schedule of rates to a works order without authorisation from the Authority. However, the schedule of rates was <u>correctly</u> claimed.
Head contractor claimed schedule of rate above self-variation threshold – incorrectly claimed	1	Head contractor has added a schedule of rates to a works order without authorisation from the Authority and the schedule of rates was <u>incorrectly</u> claimed.
Schedule of rates added by the head contractor is not task related	1	Head contractor has added an additional schedule of rates task to the works order, which does not relate to the original task requested by the Authority.
Schedule of rates added by the head contractor without details provided	2	The head contractor has added an additional schedule of rates to the works order without sufficient detail for justification.
Documentation not provided or incorrectly completed as required by schedule of rates	2	The Authority's specifications require certain documents to be returned by the head contractor upon completion of works. Documents may include receipts, inspection reports and compliance certificates.
Schedule of rates incorrectly claimed	3	Schedule of rates item has been incorrectly claimed by the head contractor or is a duplication of another schedule of rates already claimed on the works order.
Warranty Issue	3	Head contractor has incorrectly claimed a schedule of rates which is still under warranty.
Incorrect measurement or quantity claimed	3	Head contractor has claimed measurements or quantities which are incorrect, within the self-variation threshold.
Task on works order not done and not required	3	The head contractor has not completed the task on the works order however, the task was not required. The schedule of rates was claimed in error and requires recoup.
Work non-compliant	4	Works are non-compliant with requirements of the technical specifications, are of poor quality and/or not in line with Australian standards and regulatory/safety requirements.

Issue Type	Category	Definition
Task on works order not done or incomplete	4	The head contractor has omitted to do the task on the works order or has partially completed task requirements.

Head maintenance contract key performance indicators

Key performance indicator definitions

The Authority measures the performance of the head contractors against 15 key performance indicators as explained in the table below.

Table 104: Explanation of the head maintenance contract key performance indicators assessed throughout 2024–25 including overarching performance categories and target

Key Performance Indicators (KPI)	Category	Name	Explanation	Performance benchmark score
KPI 1	Safety	Health, Safety and Environmental Management Plan	Plan complied with including: <ul style="list-style-type: none"> • safety inspections carried out for each Category of Work accord with safety inspections • contractor has an internal corporate occupational safety and health representative with relevant training and qualifications • Safety Work Method Statement completed for all high-risk construction work • Take five safety check (or equivalent) completed for all schedule of rates work. 	100% of Health, Safety and Environmental Management Plan provided.

Key Performance Indicators (KPI)	Category	Name	Explanation	Performance benchmark score
KPI 2	Safety	Statutory Notices	Provision of statutory notices to the Principal.	100% of statutory notices provided to the Principal immediately (and no later than five hours from receipt of the notice from a regulator).
KPI 3	Timeliness	Emergency	Attend and restore or repair life threatening safety issue within 8 hours of issue of the works order to the contractor.	100% of paid emergency works orders completed within eight hours of issue of the works orders to the contractor.
KPI 4	Timeliness	Urgent	Attend and restore or repair essential service(s) within 24 hours of issue of the works order to the contractor.	95% of paid urgent works orders completed within 24 hours of issue of the works orders to the contractor.
KPI 5	Timeliness	Priority	Attend and repair within 48 hours of issue of the works order to the contractor.	95% of paid priority works orders completed within 48 hours of issue of the works orders to the contractor.
KPI 6	Timeliness	Void	Attend and complete void maintenance activity within 14 days of issue of the works order to the contractor.	Average of 14 days for the completion of paid void maintenance works orders for the relevant performance review quarter.

Key Performance Indicators (KPI)	Category	Name	Explanation	Performance benchmark score
KPI 7	Timeliness	Routine	Attend and repair within 28 days of issue of the works order to the contractor.	95% of paid routine works orders completed within 28 days of issue of the works orders to the contractor.
KPI 8	Timeliness	Timeliness of invoices (Payment claims)	Submission of compliant payment claims (compliant with all requirements of the contract) within 14 days following completion of all maintenance works and services the subject of a works order.	90% of payment claims submitted within 14 days of completion of all maintenance works and services the subject of a works order.
KPI 8a	Timeliness	Quoted (Instruction)	Provide required number of Tender Evaluation Plans within timeframe as per General Specification.	95%
KPI 8b	Timeliness	Quoted (Works)	Attend and complete quoted work activity within agreed timeframe.	95%
KPI 9 (1)	—	—	—	—
KPI 10	Quality	Non-defective works	Non-defective works orders as a percentage of total maintenance works and services works orders completed in the relevant performance review quarter.	90%

Key Performance Indicators (KPI)	Category	Name	Explanation	Performance benchmark score
KPI 11	Quality	Improvement Notices	Number of Improvement Notices achieving the outcome sought to the satisfaction of the Principal in the agreed time for completion against the number issued for the relevant performance review quarter.	95%
KPI 12	Quality	Compliance Notices	Number of Compliance Notices achieving the outcome sought to the satisfaction of the Principal in the agreed time for completion against the number issued for the relevant performance review quarter.	100%
KPI 12a	Quality	Maintenance Works and Services Target Inspections	Number of inspections completed as a percentage of the number of inspections undertaken to be completed in the contractor's Operational Plan.	100%
KPI 13	Participation	Industry Participation Plan	Plan complied with.	100% compliance.
KPI 14	Participation	Indigenous Employment and Enterprise Plan	Plan complied with.	100% compliance.

Key Performance Indicators (KPI)	Category	Name	Explanation	Performance benchmark score
KPI 14a	Participation	Indigenous Employment	Number of indigenous personnel engaged in performing work in connection with the contract during the relevant performance review quarter as a percentage of all personnel engaged in performing work in connection with the contract during the relevant performance review quarter.	The benchmark is dependent on the region, ranging from 5% to 20%.
KPI 14b	Participation	Indigenous Enterprise	Number of indigenous businesses engaged as subcontractors in performing work in connection with the contract during the relevant performance review quarter as a percentage of all businesses engaged in performing work in connection with the contract during the relevant performance review quarter.	The benchmark is dependent on the region, ranging from 5% to 20%.
KPI 15	Participation	Apprenticeship Plan	Plan complied with.	100% compliance.

Key Performance Indicators (KPI)	Category	Name	Explanation	Performance benchmark score
KPI 15a	Participation	Apprenticeships	Number of apprentices engaged by the contractor or its subcontractors who are performing work in connection with the contract during the relevant performance review quarter achieves the ratio of at least 1 apprentice for each \$1m in payments made by the Principal to the contractor under the contract in the relevant performance review quarter (rounded up to nearest \$1 million).	100% Compliance.

(1) KPI 9 removed as a standalone KPI in contract year 4 and incorporated into new key performance indicator 12a.

Head contractor performance 2024–25

The Authority measures, monitors and reports head contractor performance under the head maintenance contract against individual contract areas on a quarterly basis. This reporting process provides the most accurate measurement of performance because it is measuring fixed quarterly performance against each contract area in line with the contract's performance management framework. This reporting is outlined by quarter in the tables below.

**Table 105: Head maintenance contract key performance indicator performance: Part 1, year 11 quarter 1
(1 July 2024–30 September 2024)**

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 1 Health, safety and environmental management plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	92.3%	96.1%	92.0%	93.7%	95.3%	97.5%
KPI 4 Urgent (24 hours)	95%	59.7%	89.6%	52.8%	66.9%	82.3%	80.8%
KPI 5 Priority (48 hours)	95%	49.0%	80.4%	63.7%	73.5%	83.6%	80.1%
KPI 6 Void (average days)	14	28.6	6.1	11.2	9.5	10.4	21.2
KPI 7 Routine (28 days)	95%	70.1%	84.4%	78.1%	82.1%	77.2%	62.0%
KPI 8 Timeliness of invoices	90%	92.5%	97.1%	97.0%	90.9%	86.1%	92.2%
KPI 8a Quoted (instruction)	95%	100.0%	100.0%	100.0%	100.0%	100.0%	96.2%
KPI 8b Quoted (works)	95%	96.7%	91.3%	91.7%	100.0%	85.0%	61.3%
KPI 10 Non-defective works	90%	96.8%	98.5%	97.7%	98.6%	99.5%	98.2%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14a† Indigenous employment	5–20%	11.3%	8.9%	15.4%	6.4%	3.3%	6.2%
KPI 14b† Indigenous enterprise	5–20%	14.7%	8.0%	15.4%	8.6%	14.7%	15.4%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

**Table 106: Head maintenance contract key performance indicator performance: Part 2, year 11 quarter 1
(1 July 2024–30 September 2024)**

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 1 Health, safety and environmental management plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	97.2%	95.7%	94.9%	98.0%	98.2%
KPI 4 Urgent (24 hours)	95%	75.8%	64.1%	61.0%	90.4%	86.8%
KPI 5 Priority (48 hours)	95%	73.6%	75.7%	66.0%	81.6%	81.0%
KPI 6 Void (average days)	14	10.3	17.6	32.1	14.4	11.1
KPI 7 Routine (28 days)	95%	70.4%	69.1%	66.5%	71.6%	68.8%
KPI 8 Timeliness of invoices	90%	89.2%	82.4%	88.0%	92.8%	90.8%
KPI 8a Quoted (instruction)	95%	94.7%	96.3%	82.2%	100.0%	100.0%
KPI 8b Quoted (works)	95%	77.8%	68.8%	43.6%	100.0%	100.0%
KPI 10 Non-defective works	90%	96.9%	96.2%	98.0%	98.7%	97.7%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 14a† Indigenous employment	5–20%	4.4%	6.0%	11.6%	5.0%	5.0%
KPI 14b† Indigenous enterprise	5–20%	12.0%	15.7%	24.1%	15.4%	15.4%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

**Table 107: Head maintenance contract key performance indicator performance: Part 1, year 11 quarter 2
(1 October 2024–31 December 2024)**

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 1 Health, safety and environmental management plan	100%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	95.5%	92.9%	94.0%	89.9%	97.8%	97.1%
KPI 4 Urgent (24 hours)	95%	58.1%	90.1%	48.2%	63.9%	84.9%	88.8%
KPI 5 Priority (48 hours)	95%	56.6%	78.2%	58.2%	70.3%	87.2%	86.5%
KPI 6 Void (average days)	14	22.9	7.3	11.6	11.8	11.1	26.3
KPI 7 Routine (28 days)	95%	73.9%	86.7%	66.6%	80.4%	79.0%	65.1%
KPI 8 Timeliness of invoices	90%	92.7%	96.9%	97.9%	93.2%	78.8%	85.5%
KPI 8a Quoted (instruction)	95%	100.0%	100.0%	100.0%	100.0%	100.0%	93.9%
KPI 8b Quoted (works)	95%	82.6%	97.6%	100.0%	82.4%	64.0%	79.4%
KPI 10 Non-defective works	90%	96.9%	98.6%	98.2%	98.6%	99.3%	97.2%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 14a† Indigenous employment	5–20%	10.6%	8.9%	14.7%	6.8%	5.0%	7.7%
KPI 14b† Indigenous enterprise	5–20%	13.8%	7.7%	14.5%	8.2%	12.8%	11.3%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

**Table 108: Head maintenance contract key performance indicator performance: Part 2, year 11 quarter 2
(1 October 2024–31 December 2024)**

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 1 Health, safety and environmental management plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	96.7%	89.8%	95.7%	98.6%	98.9%
KPI 4 Urgent (24 hours)	95%	84.8%	74.4%	62.0%	89.8%	91.2%
KPI 5 Priority (48 hours)	95%	83.0%	82.9%	61.4%	86.7%	86.3%
KPI 6 Void (average days)	14	13.7	23.3	23.6	13.6	11.7
KPI 7 Routine (28 days)	95%	74.1%	64.8%	57.7%	71.6%	73.2%
KPI 8 Timeliness of invoices	90%	83.1%	76.1%	77.8%	93.5%	94.0%
KPI 8a Quoted (instruction)	95%	95.2%	71.4%	100.0%	100.0%	100.0%
KPI 8b Quoted (works)	95%	70.3%	83.3%	56.1%	97.6%	100.0%
KPI 10 Non-defective works	90%	98.5%	97.1%	98.4%	98.8%	98.3%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14a† Indigenous employment	5–20%	5.3%	10.1%	9.8%	5.1%	5.1%
KPI 14b† Indigenous enterprise	5–20%	13.7%	13.0%	23.0%	14.8%	14.8%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

**Table 109: Head maintenance contract key performance indicator performance: Part 1, year 11 quarter 3
(1 January 2025–31 March 2025)**

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 1 Health, safety and environmental management plan	100%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	91.1%	89.7%	89.6%	87.4%	94.7%	99.3%
KPI 4 Urgent (24 hours)	95%	43.4%	86.5%	43.5%	65.0%	80.2%	88.7%
KPI 5 Priority (48 hours)	95%	56.8%	79.8%	51.5%	67.4%	81.7%	88.2%
KPI 6 Void (average days)	14	24.8	8.7	15.6	14.2	9.8	27.1
KPI 7 Routine (28 days)	95%	81.2%	87.2%	69.8%	81.4%	70.1%	63.3%
KPI 8 Timeliness of invoices	90%	92.8%	96.8%	96.5%	90.2%	70.0%	76.2%
KPI 8a Quoted (instruction)	95%	100.0%	100.0%	100.0%	100.0%	91.7%	94.9%
KPI 8b Quoted (works)	95%	100.0%	97.5%	89.5%	70.6%	69.2%	85.3%
KPI 10 Non-defective works	90%	96.5%	98.5%	96.8%	98.7%	99.4%	98.4%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14a† Indigenous employment	5–20%	10.7%	9.3%	14.8%	6.9%	6.0%	7.5%
KPI 14b† Indigenous enterprise	5–20%	13.3%	7.4%	14.1%	8.1%	13.9%	9.5%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

**Table 110: Head maintenance contract key performance indicator performance: Part 2, year 11 quarter 3
(1 January 2025–31 March 2025)**

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 1 Health, safety and environmental management plan	100%	100.0%	0.0%	100.0%	100.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	96.7%	90.9%	92.8%	98.5%	99.0%
KPI 4 Urgent (24 hours)	95%	83.0%	72.6%	61.5%	91.0%	87.3%
KPI 5 Priority (48 hours)	95%	82.9%	79.1%	67.4%	87.7%	87.4%
KPI 6 Void (average days)	14	13	25.2	27.1	14.8	11.8
KPI 7 Routine (28 days)	95%	74.4%	67.6%	44.5%	68.6%	73.8%
KPI 8 Timeliness of invoices	90%	72.2%	51.6%	53.7%	92.6%	93.1%
KPI 8a Quoted (instruction)	95%	96.2%	84.6%	93.8%	98.8%	98.1%
KPI 8b Quoted (works)	95%	75.0%	85.0%	71.4%	100.0%	100.0%
KPI 10 Non-defective works	90%	98.3%	98.3%	98.7%	98.3%	97.7%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14a† Indigenous employment	5–20%	6.1%	11.3%	9.7%	5.1%	5.1%
KPI 14b† Indigenous enterprise	5–20%	11.5%	13.6%	21.5%	14.6%	14.6%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

**Table 111: Head maintenance contract key performance indicator performance: Part 1, year 11 quarter 4
(1 April 2025–30 June 2025)**

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 1 Health, safety and environmental management plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	97.3%	95.1%	89.3%	87.1%	96.1%	98.6%
KPI 4 Urgent (24 hours)	95%	47.6%	76.6%	45.9%	58.3%	78.4%	91.3%
KPI 5 Priority (48 hours)	95%	55.2%	69.6%	55.0%	65.6%	74.9%	87.6%
KPI 6 Void (average days)	14	22.6	8.3	14.9	10.9	14.5	45
KPI 7 Routine (28 days)	95%	79.6%	82.4%	62.4%	76.0%	67.3%	66.3%
KPI 8 Timeliness of invoices	90%	94.1%	96.5%	96.7%	88.2%	77.9%	88.8%
KPI 8a Quoted (instruction)	95%	100.0%	100.0%	100.0%	100.0%	95.7%	100.0%
KPI 8b Quoted (works)	95%	96.6%	99.2%	92.1%	75.0%	82.4%	71.9%
KPI 10 Non-defective works	90%	97.1%	98.6%	97.4%	98.2%	99.6%	98.2%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	East Kimberley contract area	Goldfields contract area	West Kimberley contract area	Wheatbelt contract area	Great Southern contract area	South Metro contract area
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14a† Indigenous employment	5–20%	10.5%	8.8%	13.8%	6.8%	6.1%	7.4%
KPI 14b† Indigenous enterprise	5–20%	13.2%	11.6%	16.5%	9.9%	8.6%	10.2%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

**Table 112: Head maintenance contract key performance indicator performance: Part 2, Year 11 quarter 4
(1 April 2025–30 June 2025)**

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 1 Health, safety and environmental management plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 2 Statutory notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 3 Emergency (8 hours)	100%	96.9%	93.5%	93.5%	98.9%	98.5%
KPI 4 Urgent (24 hours)	95%	80.9%	66.0%	62.2%	90.2%	88.6%
KPI 5 Priority (48 hours)	95%	77.0%	76.3%	60.6%	87.5%	83.6%
KPI 6 Void (average days)	14	16.2	53.9	35.7	14.3	14.1
KPI 7 Routine (28 days)	95%	64.6%	56.6%	41.6%	72.1%	71.9%
KPI 8 Timeliness of invoices	90%	85.2%	72.4%	60.7%	93.5%	92.2%
KPI 8a Quoted (instruction)	95%	93.8%	73.7%	100.0%	98.8%	100.0%
KPI 8b Quoted (works)	95%	55.8%	50.0%	39.2%	92.4%	100.0%
KPI 10 Non-defective works	90%	97.2%	97.3%	98.5%	98.4%	97.9%
KPI 11 Improvement notices	95%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12 Compliance notices	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 12a Maintenance works and services target inspections	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 13 Industry participation plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 14 Indigenous employment and enterprise plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Head maintenance contract KPI results	Benchmark	South West contract area	Midwest Gascoyne contract area	Pilbara contract area	North Metro contract area	South East Metro contract area
KPI 14a† Indigenous employment	5–20%	7.4%	10.6%	11.6%	5.2%	5.2%
KPI 14b† Indigenous enterprise	5–20%	10.0%	13.2%	24.1%	14.6%	14.6%
KPI 15 Apprenticeship plan	100%	100.0%	100.0%	100.0%	100.0%	100.0%
KPI 15a Apprenticeships	100%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

† For KPI 14a and KPI 14b East Kimberley, West Kimberley and Pilbara have a benchmark of 20 per cent, Goldfields has a benchmark of 10 per cent and all other contract areas have a benchmark of 5 per cent.

Head contractor quality assurance system

Under the maintenance contracts, the head contractors must have a quality system that includes a minimum number of inspections on all completed works comprising on-site inspections, desktop analysis and tenant satisfaction surveys. In addition to this, 100 per cent of vacant properties (voids) are physically inspected.

Compliance and assurance activities to ISO 9001:2008 standards are a key component of the head maintenance contract. ISO 9001:2008 is focused on meeting customer expectations and delivering customer satisfaction.

Quality assurance audits

The Authority's agreed audit methodology for sampling and selecting physical and desktop compliance inspections on paid works orders per head contractor includes:

- identification of high risk/high volume works orders, for example electrical safety devices, emergency premium claims and travel claims
- trend analysis (month to month) across all licensed and general trades based on previous audit findings
- seasonal issues, for example room heaters, flues, gutters and roof leaks.

The Authority's maintenance technical advisors (which includes licensed electricians, plumbers/gas fitters and experienced general tradespeople) conduct physical inspections on works orders to identify compliance, check measurements, quantity and review of workmanship and quality. Qualified advisors conduct reviews to identify works order claims that do not comply with contractual business rules, general and technical specifications. Desktop audits are conducted to identify issues relating to the accuracy and appropriateness of quantity or measurements and document compliance. Any issues identified are raised directly with the head contractor to rectify or can result in a physical inspection to verify.

Each of these audit methods may result in the Authority issuing a direction to the head contractor to re-perform or correct any matters identified.

Payment authorisations

The Authority reviews work orders prior to payment for the following:

- correct schedule of rates applied for location, quantities and measurements are claimed (including travel)
- correct budget codes have been applied
- required documentation is supplied in line with schedule of rates requirements.

In addition, a physical inspection of the works must be completed where the works order contains any of the following criteria:

- void (vacant properties)
- tenant liability charges (where tenants have been charged for repairs)
- any budget code for insurance, refurbishment, improvement, planned or cyclical (quoted works)
- any safety device or appliance installed
- asbestos removal and remediation
- works orders over \$500 for a metropolitan region or over \$1,000 for a country region (excluding travel).

Works found to be non-compliant are referred to the head contractor for rectification prior to payment being made.

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Department of Housing and Works

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If you are deaf, or have a hearing or speech impairment, contact us through the National Relay Service. For more information visit: www.accesshub.gov.au/about-the-nrs

The Department of Communities was responsible for the Housing portfolio during the 2024–25 reporting period. The Department of Housing and Works was established as a separate entity on 1 July 2025 and assumed responsibility for the Housing portfolio at this time. For all future correspondence, please direct enquiries to the Department of Housing and Works.