

The Housing Trust



Annual Report ⁰⁸₀₉

Our Mission

Housing: Local solutions for local problems.

Our Vision

To listen and learn from our local community and tenants and to use this information in order to provide the best possible housing outcomes from available resources.

Contents

Management Report4

Acknowledgements6

About The Housing Trust.....7

Board of Directors8

Our Consultants10

Our Staff12

Strategic Directions14

Our Tenants18

Properties & Programs20

Financial Audit.....23

Management Report

Our 27th year of operation has been a year of change and challenge for The Housing Trust. We have reaffirmed that our focus on local housing solutions for local people is still as relevant today as it was at our inception in 1983.

As the political and funding climate has changed to incorporate an increased emphasis on developing new housing supply, The Housing Trust has reassessed its image as 'a quiet achiever'. We have had to market ourselves as an organisation that can do (and has always done) all the things that larger organisations and consortiums do...and more!

Despite being just 'pipped at the post' in terms of being classified as a 'growth provider' by Community Housing Division of Housing NSW we have continued to look at avenues to increase local housing supply. On June 30th we became the proud owners of a large parcel of land at Dapto (old primary school site) located in the centre of Dapto, a stone's throw from shops, services and major rail links. The site was acquired as it meets the Trust's major objectives to increase the density of housing supply in areas that are well located in terms of transport, services and employment opportunities.

We have reaffirmed that our focus on local housing solutions for local people is as relevant today as it was over 25 years ago. It is what sets community housing apart and adds value in terms of local linkages and enhanced tenant outcomes. We are proud of our track record in housing delivery and social justice, evidenced by our voluntary targeting of programs to some of the most marginalised sections of our community such as homeless people, young people and people with a mental illness. This work was recognised during the year by receipt of The Australasian Housing Institute's Award for Excellence in Support Provision.

Our commitment to best practice is evidenced by our continuing participation in Accreditation processes. The Trust also participated in the Pilot Registration process, resulting in The Housing Trust being one of the first providers to be registered as a Class 1 provider under the new legislation.

Our work with tenants and staff around environmental issues is both exciting and innovative in the sector, resulting in the development of the Trusts Environmental Sustainability Policy and action plan.

Throughout the year we have undertaken a management and staffing review. As a result, we now not only have a stable and skilled workforce but have increased our capacity to manage change and expansion. As a team, the staff and board, together with our consultants and contractors, operate from a skill base that is unsurpassed anywhere in the sector.

We would like to thank board members, staff and our partners for making our achievements possible and we look forward to an exciting period of growth and service provision in the coming year.

LEFT TO RIGHT

- Vicky King
– Chairperson
- Jennifer Stewart
– Executive Officer



Acknowledgements

The Housing Trust appreciates the financial and program support that has been provided throughout the year by a range of Government and Non-Government agencies including:

- Community Housing Division of Housing NSW
- Housing Services, Southern and Western Division
- NSW Environmental Trust
- Housing NSW Assets Division, Asset Policy and Framework, Environmental Sustainability
- Business Treading Lightly
- The Councils of Wollongong, Shellharbour and Kiama
- Tenant Support Network (TSN)
- South East Sydney Illawarra Area Health Service
- Department of Ageing Disability & Home Care
- Illawarra Aboriginal Housing and Infrastructure Cluster Group
- New South Wales Federation of Housing Associations

Our Non Government Organisation Support Providers including:

- Southern Youth and Family Services
- Aboriginal Medical Service
- Wollongong Women's Housing
- Emergency Family Housing
- Warilla Women's Refuge
- Women's Housing
- Neami Illawarra

These organisations have contributed through the provision of grant funding, substantial contributions to policy development, through staff training, sector information, cultural awareness and provision of support services through formal partnerships. Many other NGO's have enhanced the success of tenancies through support services to individual clients.

About The Housing Trust

The Housing Trust

Established 1983 in response to homelessness in the Illawarra

- Registered in 1984 as The Illawarra Community Housing Trust Ltd—trading name The Housing Trust.
- Managed by skilled locally based board.
- Registered as a Public Benevolent Institution and gifts and donations to The Housing Trust are tax deductible.

Main Aims

- To address homelessness through provision of housing
- To promote consideration and understanding of issues affecting housing and the implementation of housing and related programs appropriate to local needs
- To contribute to the process of policy development and change amongst relevant Government agencies and other authorities in relation to housing.

Services at a Glance

- Long term Community Housing
- Temporary Accommodation (Paddy's Place) in Partnership with Housing NSW
- Tenancy Guarantee
- Boarding House Accommodation—Ellen Street Guesthouse
- Housing for People with a Mental Illness
- Youth Housing
- Aboriginal Housing
- Refugee Housing
- Other special purpose partnership projects



Quality Assurance

The Housing Trust is registered as a Class 1 Community Housing Provider and is accredited through globalmark.

Board of Directors

Vicky King *Chairperson*

Vicky King holds a Bach. of Commerce, (accounting major) and a Diploma of Financial Planning and Cert. IV in Financial Services (Finance/Mortgage brokering). She is a registered tax agent, a Fellow of the National Institute of Accountants and a Fellow of the National Taxation Institute. She has seventeen years experience in Local Government and is currently on the board of Illawarra Sports Stadium Ltd.



Sandra Depers *Deputy Chairperson*

Sandy holds a University Diploma in Public Housing Management and has thirty years experience working in social housing operations and policy. Currently Snr. Regional Strategies Officer, Child & Family, Communities and Early Years Division, Southern, Community Services, Sandy has a keen interest in preventing homelessness



Kathy Colyer *Treasurer*

Kathy is the Coordinator of Wollongong Women's Refuge. With community sector experience spanning two decades, her areas of particular interest are client advocacy and support linkages. She strongly advocates for flexible and innovative support systems to meet the often complex needs of clients, particularly those experiencing crisis and homelessness.



Christopher Anstiss

Chris is a Social Worker in a local Acute Psychiatric Inpatient Unit. Holding a Bach. of Social Work, he is an accredited member of the Aust. Assoc. of Social Workers and an Accredited Mental Health Worker. He also has extensive experience working with young people and with substance misuse issues. Chris is a strong supporter of local strategies to address homelessness for those with a mental illness.



Christine Kulyk

Christine is a Social Worker in Community Mental Health. She holds a Bach. of Social Work and a Graduate Diploma in Systemic Therapy (family and couple) from the Aust. Institute of Relationship Studies. With twenty years experience working with clients with a mental illness, Christine's experience in working with clients with complex needs is extensive. She also has experience in complaint resolution.



Kristen Day

Kristen is currently a Program Manager for Southern Youth and Family Services. She holds a Bach. of Teaching, Diploma in Community Services Management & Cert. IV Training and Assessment and is in the process of completing a Masters of Management



(Community Services). Her extensive experience in youth services, provides special insight into issues around youth homelessness.

Neville Fredericks

Neville is the Chairman and Founder of the Miltonbrook Group of Companies and has extensive experience across all segments of the property market. He is a Fellow of the Australian Property Institute and a Member of the Shellharbour Economic Advisory Committee, the Metropolitan Strategy Committee (Illawarra), The Salvation Army Advisory Board, The Urban Development Institute Illawarra Chapter and the Central Wollongong Planning Committee. Neville has extensive experience in local government, including seven years as Mayor of Kiama Municipal Council.



Rosita O'Keefe

Rosita has twenty years experience working in marketing and public relations. She holds a Bachelor of Business (Marketing) from the University of Technology (Sydney) and has expanded on this work through Oregon State University in the United States. She has a good knowledge of the Real Estate Industry and holds a Real Estate Institute Certificate of Registration. A powerhouse of ideas, she is applying her talents to updating the image of The Housing Trust.



Jenny Thompson

Jenny Thompson is currently the Manager of Community Cultural and Library Services for Wollongong City Council & Chairperson of Southern Youth and Family Services. . She holds a Bach. of Social Work, a Graduate Diploma in Education and a Masters in Public Administration. With a background in education, previous positions at TAFE include Faculty Director of Human Services Tourism and Hospitality, Equal Employment Opportunity and Women's Strategy Officer and Teacher of Welfare.



Peter O'Rourke

Peter is currently the Director Community Planning and Strategies Shellharbour City Council. He has a Masters in Business Administration (Public Sector Management), a Diploma in Local Government Management, a Diploma in Theology and a Bachelor of Arts. He has years of experience in local government but is particularly interested in sustainable city development—developing a balanced score card between social outcomes, economic outcomes and environmental outcomes.



Neil Reilly

Neil is a councillor for the Kiama Municipality. He has spent his working life in the marketing/advertising industry in such areas as television production, client service, creative development and media planning. He has Certificate IV in workplace training and assessment and has just completed a Post Graduate Degree in International Relations.



Our Consultants

The work of The Housing Trust was greatly enhanced through the expertise of our major consultants. Our ability to 'buy in' first class, professional advice and services allows us to provide cutting edge services in areas that have historically not been our core business.

Property development Project Management

First Focus Management

First Focus Management was formed to encapsulate the capabilities and experience of Michael Richardson and his associates. These individuals have over 60 years of experience in the Australian property industry and have helped conceive and deliver some of Australia's largest projects.



The operating philosophy and culture of FFM is quite distinct and is based upon a philosophy of professionalism, team work and open communication with clients. Encompassing a wide range of capabilities in the field of feasibility evaluation, structured finance facilitation, strategic planning, cost planning value management, construction management, superintendence, leasing and sales, FFM have the expertise to handle the whole property management process in house.



Michael's qualifications include a Bachelor of Science, Building (Nottingham) and he is the Holder of a Gold Contractor Licence. He has extensive experience in Project Management including Liberty Grove (\$230m), City Beach Stages 1 & 2 –Wollongong (\$40m) and Eclipse Serviced Apartments (Medina) (\$30m).

Industrial Relations & Human Resource Management

ER Matters

Rebekah Donaldson, the principal of ER Matters has practised as an employment lawyer and has twenty years experience in all facets of Employee Relations. Services include review of staffing structure, development and implementation of performance management, feedback and appraisal systems and processes and review of policies, procedures and position descriptions. Rebekah undertook the staffing and management review.



Judith Stubbs & Associates

Judith Stubb's, principal, has over 25 years research and practice experience in diverse areas including social, economic and strategic planning, social and economic impact assessment and community consultation and participation. She is a Senior Visiting Research Fellow with City Futures/AHURI at the University of NSW and an Adjunct Senior Research Fellow with the Social Justice and Social Change Research Centre at University of Western Sydney. She has a PhD from RMIT University for an interdisciplinary thesis in planning law, housing policy and land economics related to local government's constraints and opportunities in affordable housing. Judith Stubbs & Associates has worked with The Housing Trust to provide reports on social and economic demographics and housing need, focusing on the localities that The Housing Trust has been operating in and has been looking to expand into. JSA also provide facilitation and consultation, working with boards and staff of NGO's to provide strategic planning and conflict resolution. While we are pleased that The Housing Trust have not yet had to draw on the latter, JSA facilitated our 08/09 strategic planning meetings with key staff and board members.



Solsust

Solsust philosophy is that the most effective tool to achieve ecological and social sustainability is to educate the community to live sustainably. Previous winners of the Australian Association Environmental Education Award for Outstanding contribution to Environmental Education in NSW, their recent achievements include the ***Saving Water in Asian Restaurants Project***, Coordinating the ***Ethnic Communities Sustainable Living Project*** and managing the Dept. Of Environment and Conservation (DEC) ***Aboriginal Environmental Education Initiatives***, ***Our Environment – Our Cultural Heritage***. They were well placed to support the Trust to develop a Sustainability Policy, Sustainability Action Plan and Tenant education project.



Our Staff

Organisational Review

As a result of our Strategic Planning process and with a view to positioning ourselves for future growth, The Board of Directors initiated a comprehensive review of the organisation's staffing responsibilities and resources. A consultant was engaged who conducted an intensive review of the existing staffing structure and overall organisational needs. All staff, including senior management, were interviewed and position descriptions revised with a view to identifying current gaps and future requirements. The consultant then made a series of recommendations to the Board of Directors regarding adoption of a staffing restructure designed to support the organisation's strategic directions and enhance staff development and support. The report was adopted and will be implemented in the new financial year.

Community Housing

The Team of Housing Workers was expanded during the period with a new full time Housing Worker position. The team now includes both senior, highly experienced housing workers, a maintenance targeted position and newer staff who bring a diverse range of skills and experience. The work of the organisation is supported by the Administrative Team including a Records Management Officer, Receptionist, Accountant and Administration Officer and part-time Administrative Assistant.



BACK ROW LEFT TO RIGHT

- Peta Phillips - Housing Worker
- Gabrielle Matos - Housing Worker
- Kylie Elliott - Housing Worker
- Mary Peard - Housing Specialist & Debt Recovery Worker
- Rebecca Flinn - Business Support Officer
- Jane Scruby - Administration & Tenancy Guarantee Officer
- Chollada Kilkeary - Casual Administration
- Kathy McCarthy - Filing Clerk
- Tanya Rutty - Receptionist
- Gail Vervoort - Asset Maintenance Officer

FRONT ROW LEFT TO RIGHT

- Lalaine Agtarap - Finance Officer
- Jennifer Stewart - Executive Officer
- Sandra Cook - Senior Housing Worker

Temporary Accommodation (Paddy's Place)

Four part time staff provided eleven hours of staff support per day to clients accommodated under this program, (slightly less on weekends). In addition a sleep-over shift provides an over-night staff presence. The Management Review recommended changes to improve client service delivery and staff support for this project and the proposed recommendations will also be addressed in the forthcoming year.

PADDYS STAFF LEFT TO RIGHT

- **Andreas Breitbarth**
– Accommodation Support Worker
- **Grant Greentreen**
– Accommodation Support Worker
- **Joshua Wall**
– Accommodation Support Worker



Strategic Directions

New Homelessness Initiative - Paddy's Place

This year saw the first birthday of the Paddy's Place partnership with Housing NSW. This partnership is specifically designed to provide additional support, information and referral to homeless clients who are eligible for temporary accommodation through Housing NSW. The service provides nine bedsit style units and a two bedroom flat. Utilising money that would otherwise go to the private sector (private motels etc), the facility has onsite staff to assist clients with referrals to more permanent housing and to appropriate support services, where necessary. 149 homeless people were provided with safe & secure housing at Paddys during the year.

David Campbell, Member for the Illawarra, helped the Trust celebrate the official opening of this service on 28th January, 2009.



Environmental Sustainability

With growing awareness of the need for ongoing Environmental Sustainability, it was resolved at the Trust's Planning Meeting in August 2008, to incorporate this area as a strategic direction. A successful application for funding was made to The Environmental Trust's Education Program for a project titled ***Community Learning for Sustainability***. Aims of this project are to promote the principles and actions for sustainable living by:

- Developing environmentally sustainable practices for social housing offices and dwellings.
- Engaging social housing tenants and staff in sustainable living practices.
- Providing resource material to enable other social housing providers to share the information captured in the project.

The original impetus for the project came from tenants who were keen to have input into making their own houses more sustainable, particularly through reducing water usage. Trust staff, most of whom were taking steps to reduce their environmental footprint at home, were also keen to introduce sustainable practices at work. The Trust contracted two environmental consultants to assist us to realise the objectives of making our operations more environmentally sustainable, through changing policies and procedures, as well as influencing design of new dwellings and building the capacity of tenants to address environmental concerns.

Working with tenants has been a key focus of the program. The consultants provided a formal presentation at one of the regular tenant meetings. This was followed by a workshop in which tenants worked in small groups to discuss and suggest ways to save water and energy and reduce waste. Tenants also visited a thriving community garden and Tom Thumb lagoon, a major environmental regeneration project on council land. The field trip enabled tenants to learn more about local environmental activities and ways they could get involved. Tenant feedback was very positive eliciting comments such as ***'Tom Thumb showed me it is a lot of hard work to regenerate but you can get good rewards'***.

While the project still has nine months to run, substantial work has been undertaken in the development of the Trust's Sustainability Policy and Action Plan, which will be further developed in 09-10. This has resulted in practical changes across all areas of the Trust's business operations.



Environmental Field trip

Aboriginal Housing

The Housing Trust provides a small targeted program for Aboriginal Housing (ten properties) but increasing housing provision for Aboriginal people is a priority area of work identified in our strategic plan. Utilising a small Community Development Grant from the then Office of Community Housing, a draft Aboriginal Access Strategy has been developed and will be put out for consultation to stakeholders, before being finalised and implemented in 09-10. All staff undertook training provided by Housing NSW in 'Aboriginal Cultural Respect' with staff rating the efficacy and usefulness of the training very highly. The Trust continued to work closely with Aboriginal organisations and participated on the Illawarra Aboriginal Housing and Infrastructure Cluster Group.

A tender for funding was lodged under the Social Housing Growth Fund for 27 properties, nominating Aboriginal people as a priority target group across a range of property types, including housing for large families. Unfortunately, this application was not successful.

Anecdotal evidence from Aboriginal organisations was supported by Social Housing Waiting List and demographic data. This information indicated that indigenous families were often larger and younger than other Australian families. The need to provide large housing for Aboriginal families was addressed through the provision of two properties, funded under the Community Housing Acquisition Program (CHAP). Construction of the second property commenced in the period; however, due to financial difficulties experienced by the builder, completion of the property will not be achieved until 09-10.



Affordable Housing

Purchase of Dapto Land

On the 30th June 2009, the Housing Trust settled on land purchase at 91A Byamee Street, Dapto. The site was acquired from the Department of Education utilising private finance through the National Australia Bank. Formerly a primary school owned by the Department of Education, the site is currently vacant land. The land comprises 1.914 hectares, subdivided into thirteen lots. The Housing Trust feel that the purchase represented value for money as we were able to buy when the market was low and prior to gazettal of a rezoning for the West Dapto Local Environment Plan, which is imminent. That gazettal will authorise a higher density use of the site and consequentially deliver a significantly higher value.



NRAS Application

The Housing Trust has long maintained that the issue of housing supply was pivotal when designing strategies to address homelessness. We were pleased therefore to see that the National Rental Affordability Scheme (NRAS) was one of a range of mechanisms implemented to address housing supply and we have a current application under NRAS Round 2, to develop 106 units of accommodation on a section of the site. This allows for future sale of some sections of the site which will retire a substantial portion of The Housing Trust's debt.

Movement into affordable housing represents a shift in direction for The Housing Trust from provision of housing specifically targeted to low income earners. This is however, consistent with the Trust's strategic directions which incorporate strategies to address the crucial issue of undersupply of stock, particularly evident in the Illawarra where extensive new development is limited by geography and where growth is largely reliant on in-fill development.

Our Tenants

Youth Scholarships & Achievement Awards

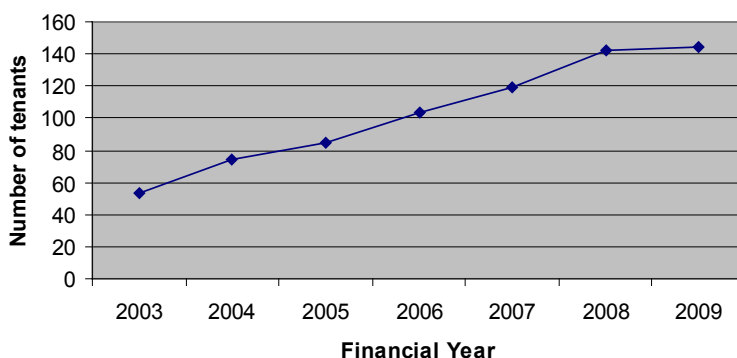
The Housing Trust were extremely proud of the tenants who achieved recognition through these awards. Twelve percent of the nominated finalists across all social housing were from The Housing Trust and 57% of community housing tenant finalists were from amongst our tenants. Four Housing Trust tenants received awards under this program.



Supported Tenancies

The Housing Trust continued the trend of assisting clients with support needs. During the year, Jennifer Stewart, the Trust's Executive Officer, was recognised for her dedication in achieving housing outcomes for client's with a mental illness, by receiving the Australasian Housing Institute Award for Excellence in Support Delivery.

Tenants with Support Agreements



Tenant Input to Service Development

Regular tenant newsletters are produced with tenants being encouraged to contribute. An annual tenant survey is undertaken and the results collated to inform changes to service delivery. Quarterly tenant meetings are also held to allow staff to update tenants on recent developments and to allow tenants to have input to policy development.



Social Activities

Social activities are a fun way to meet tenants and their families, to informally introduce staff and touch base with tenants regarding service issues. With over one hundred families attending, the Tenant Christmas Party was a huge success. The Giant Slide, a new feature for 2008, was a hit with old and young alike. Other activities included a visit from the fire brigade, sausage sizzle, face painting, craft and games.

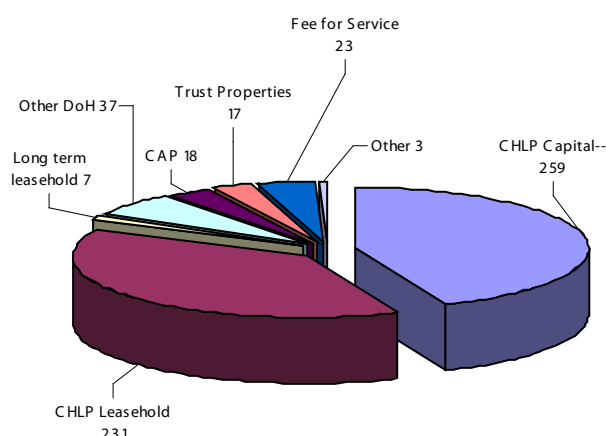
Other activities included a bus trip with a focus on environmental issues (See report in Strategic Directions) and other meetings and get-togethers for specific services.



Properties & Programs

Projects by Funding Type

The Housing Trust had 595 properties in management as of 30th June 2009.



Number of properties by funding program.

Key:

Cap—Crisis Accommodation Program
Trust Properties—Partnerships with Local Govt and Ellen St Guest House
Capital Properties—owned by NSW Land & Housing Corp. & Managed by the Housing Trust
Fee for service—Wollongong Women's Refuge, HPA, St Vincent De Paul
Other DoH, LGCHP & SHIP
Leasehold—privately rented properties
Long term leasehold—10 year privately rented

Ellen Street Guesthouse

Targeting single men, particularly those that are homeless, The Ellen Street Guest House is a thirteen room facility located in Central Wollongong. It is close to transport, shops and services and is a stones throw from the Central Business District. Residents often stay long term and the service aims to be flexible and incorporate resident feedback. For example, throughout the year a specific area was fenced to allow a person with two dogs to be accommodated.



Youth Housing

Crisis Accommodation Innovative Initiative (CAPII) is a program operated in partnership with Southern Youth and Family. Six young people (mostly singles, but some young families) are accommodated under this program each year. Drop-in support assists residents to meet the requirements to sustain ongoing tenancies.



In addition to the CAPII program The Housing Trust also targets eight units of accommodation in Central Wollongong to young people. In the Shoalhaven, The Housing Trust operates in partnership with Shoalhaven Youth Accommodation to provide medium term housing to young people.

Aboriginal Housing

Eleven properties are specifically targeted by the Housing Trust for Aboriginal Housing. Two properties are part of a partnership with the Aboriginal Medical Centre and target Aboriginal people with mental health, or substance misuse issues. Construction of an additional property funded under the Community Housing Acquisition Program, commenced in the period. Due to difficulties experienced by the builder, the five bedroom property in Lake Heights, purpose built to suit a large family, will be completed in the next financial year.

Housing for People with a Mental Illness

The Trust has continued the targeting of properties for people with a mental illness. Allocation of these properties is undertaken through consultation with relevant agencies and as part of the JGOS (Joint Guarantee of Service for People with a Mental Illness) process. The Trust continued to participate on both state and local JGOS committees.

Tenancy Guarantee

Tenancy Guarantee is one of a suite of services designed to remove barriers experienced by people trying to access the private rental market. The Trust is funded to provide up to 100 Tenancy Guarantees in a twelve month period. Under the program, landlords are given a further surety of up to \$1000, in addition to the bond, against lease defaults either in the first year of the tenancy, or for the duration of the lease (if under one year). During the period the Trust received 287 applications for Tenancy Guarantees, with 69 guarantees activated and 38 declined. Due to thorough assessment procedures claims against the guarantees in the period were minimal.

Financial Audit

**ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
(LIMITED BY GUARANTEE)
A.C.N. 002 662 464**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

CONTENTS

Page No.	
24-25	Directors Report
26	Auditor's Independence Declaration
27	Income Statement
28	Balance Sheet
29	Directors Declaration
30-31	Independent Auditor's Report to the Members

**ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
(LIMITED BY GUARANTEE)
A.C.N. 002 662 464**

**DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

Your Directors present their report on the Trust for the financial year ended 30 June 2009.

Directors

The names of Directors during the period of this report are:

Victoria King	Chairperson	Tax Agent
Sandra Depers	Deputy Chairperson	Welfare Worker
Kathy Colyer	Treasurer	Welfare Worker
Neville Fredericks	Director	Developer
Kristine Day	Director	Welfare Worker
Christine Kulyk	Director	Social Worker
Christopher Anstiss	Director	Social Worker
Jennifer Thompson	Director	Manager Community Cultural & Library Services, WCC
Peter O'Rourke	Director	Director , Community Planning,SCC
Neil Reilly	Director	Kiama Councillor
Rosita O'Keefe	Director	Marketing Consultant

The principal activities of the Trust during the financial year were that of:

To provide housing services to people in the Illawarra.

The net result of the Trust for the year was an income of \$706,802.

No significant change in the state of affairs of the Trust occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in financial years subsequent to the financial period ended 30 June, 2009.

Directors and Auditors Indemnification

The Trust has not, during or since the financial year, in respect of any person who is or has been an officer of the Trust:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending against legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

**ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
(LIMITED BY GUARANTEE)
A.C.N. 002 662 464**

**DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)**

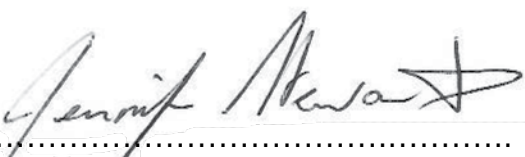
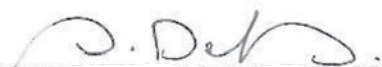
Directors Benefits

Neither during nor since the year ended 30 June 2009 has a director received or become entitled to receive a benefit (other than a salary of a part-time employee of the Trust or a related corporation or a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts) because of a contract that the director, or a firm of which the director is a member, or an entity in which the director has a substantial financial interest, has made during the financial year, or any other year, with the Trust or any entity that the Trust controlled, or a body corporate that was related to the Trust, when the contract was made or when the director received or became entitled to receive the benefit.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:

	
.....
Secretary	Director

Dated this 2 day of November 2009

**ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
(LIMITED BY GUARANTEE)
ACN 002 662 464**


**AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS
ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009, there have been:

- i. no contraventions of the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

AKELE KINNAS & CO

SIGNED


Registered Auditor
Chartered Accountant
Suite 6/104 Railway Street
CORRIMAL NSW 2518

Dated this 2 day of November 2009

ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
GENERAL TRUST HOUSING PROJECTS
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
Revenue – Rental Income	4,224,996	3,343,964
Government Grant Income	1,722,930	1,900,541
Other Income	412,294	357,159
Tenancy and Property Management Expenses	(4,694,106)	(4,507,248)
Administration Expenses	(959,312)	(736,124)
Profit/(Loss) attributable to members	\$ <u>706,802</u>	\$ <u>358,292</u>

**ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
GENERAL TRUST HOUSING PROJECTS**

BALANCE SHEET AS AT 30 JUNE 2009

	2009	2008
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,612,620	2,774,488
Receivables	104,213	11,307
Other current assets	<u>805,226</u>	<u>680,500</u>
TOTAL CURRENT ASSETS	<u>2,522,059</u>	<u>3,466,295</u>
NON-CURRENT ASSETS		
Property, Plant and Equipment	<u>5,049,957</u>	<u>1,325,473</u>
TOTAL NON-CURRENT ASSETS	<u>5,049,957</u>	<u>1,325,473</u>
TOTAL ASSETS	<u>7,572,016</u>	<u>4,791,768</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	131,237	77,694
Short-term provisions	74,503	76,650
Other current liabilities	<u>263,025</u>	<u>196,091</u>
TOTAL CURRENT LIABILITIES	<u>468,765</u>	<u>350,435</u>
NON- CURRENT LIABILITIES		
Long-term provisions	2,121,263	1,612,095
Other non-current liabilities	43,095	70,577
Long-term borrowings	<u>2,594,012</u>	<u>612,648</u>
TOTAL NON-CURRENT LIABILITIES	<u>4,758,370</u>	<u>2,295,320</u>
TOTAL LIABILITIES	<u>5,227,135</u>	<u>2,645,755</u>
NET ASSETS	<u>\$2,344,881</u>	<u>\$2,146,013</u>
EQUITY		
Reserves	-	-
Retained earnings	<u>2,344,881</u>	<u>2,146,013</u>
	<u>\$2,344,881</u>	<u>\$2,146,013</u>

ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
(LIMITED BY GUARANTEE)
A.C.N. 002662464
DIRECTORS' DECLARATION

In the opinion of the Directors of the Company

1. (a) The accompanying Profit and Loss Account is drawn up as to give a true and fair view of the results of the Company the financial year ended 30 June 2009.
(b) The accompanying Balance Sheet is drawn up as to give a true and fair view of the state of affairs of the Company as at the end of that financial year.
(c) At the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due and meet any obligations or liabilities under guarantees and undertakings given to its subordinates.
2. All funds have been invested in accordance with the terms and conditions of the relevant funding bodies funding agreements.
3. All funds have been expended in accordance with the relevant funding bodies funding guidelines.
4. The accompanying Accounts have been made out in accordance with Australian Accounting Standards and applicable Approved Accounting Standards, except as otherwise stated.
5. The financial accounts have been properly prepared by a competent person.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Name of Director / Secretary

Signature

Date

1. Jennifer Stewart

Jennifer Stewart 02/11/09

2. Sandra Depens

S. Depens 02/11/09

Dated this 2nd day of November 2009.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ILLAWARRA COMMUNITY HOUSING TRUST LIMITED
ACN: 002662464**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Illawarra Community Housing Trust Limited, which comprises the balance sheet as at 30 June 2009, the income statement and statement of recognised income and expenditure for the year then ended and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies used are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001 provided to the directors of Illawarra Community Housing Trust Limited would be in the same terms if provided to the directors as at the date of this auditor's report.

Qualification

The Community Housing Leasing Program is required by the funding body, the NSW Department of Housing, to expense the purchase of items of a capital nature, and therefore capital purchases by this Service are not included in the Balance Sheet of Illawarra Community Housing Trust Limited. Asset Registers record all such purchases. Depreciation is not charged in the Illawarra Community Housing Trust Limited Accounts for Community Housing Leasing Program.

To this extent there is an inconsistency in accounting policies for Non Current Assets between Community Housing Leasing Program and the other services operated by the Illawarra Community Housing Trust Limited, which account for Non Current Assets, according to accepted Accounting Standards and Principles.

The Directors consider this inconsistency to be immaterial, and to prepare individual accounts would place an unreasonable burden for a comparatively minor benefit.

Qualified Audit Opinion

In our opinion, except for the effects on the financial report of the matter referred to in the qualification paragraph, the financial report of the Illawarra Community Housing Trust Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date, and
- (b) complying with Australian Accounting Standards and complying with the Corporations Regulations 2001.

AKELE KINNAS & CO

Chartered Accountants

Partner ELIAS KINNAS
CORRIMAL — November 2009

