

# ANNUAL REPORT

2010 - 2011



Opening doors for our community

## Contents

|                   |                       |
|-------------------|-----------------------|
| Page 1.....       | Contents              |
| Page 2.....       | Chairperson's Report  |
| Page 3.....       | CEO's Report          |
| Page 4 / 5.....   | Board of Directors    |
| Page 6 / 7.....   | Staffing              |
| Page 8.....       | Seniors Housing       |
| Page 9.....       | Aboriginal Housing    |
| Page 10.....      | Growth                |
| Page 11.....      | Properties & Programs |
| Page 12.....      | Addressing Homeless   |
| Page 13.....      | Sustainability        |
| Page 14 / 15..... | Tenant Involvement    |
| Page 16 / 17..... | Financial Highlights  |
| Page 18 / 25..... | Financial Report      |



## Chairpersons Report

This year has been a year of many changes. We are all very proud of The Housing Trust's development as a significant player in Community Housing.

I have had the honour for over 20 years to be the chairperson. I have been pleased to work with our talented Board of Directors and wish to thank them for what they all personally have contributed to The Housing Trust.

The Board has showed leadership, vision and risk appetite for major project development. The changes we have made together in the past year include Development Approval for 108 apartments in Byamee Street Dapto, whole of area Property Transfer of 56 dwellings in the Kiama region and acquisition of 270 dwellings under the Nation Building Economic Stimulus Plan, Social Housing Initiative.

Finally I would, for one last time, wish to acknowledge the Board and the staff for all the time and quality contributions made to the Trust. As I am not standing again as Chair I want to wish the Trust all the best in its future and I am confident that the organisation is in good hands with Jenny Stewart as CEO and the Board.

*Vicky King.*  
Chairperson





## CEO's Report

Every year staff work with dedication to deliver quality housing services in our local community; however, the growth that we have experienced this year has been unprecedented in the history of The Housing Trust. During the 2010/2011 financial year, our housing stock increased by 328 properties representing a 51% increase in housing stock managed or owned by The Housing Trust. This unique opportunity has enabled us to target supply to areas identified through our strategic planning processes, such as homeless people, seniors and Aboriginal people.

Not only did our stock increase but on 30th June, 2011 title on 196 properties acquired under the Nation Building Economic Stimulus Program, transferred to The Housing Trust. This has enhanced our net asset position by 35 million dollars. This in turn will enable us to leverage finance to acquire additional housing supply.

Increasing stock has meant re-examination of workplace requirements in terms of staffing and office location and changes on both fronts are anticipated in the coming year.

I would like to take the opportunity to thank our staff and directors and especially our retiring chairperson, Vicky King, for over 20 years of support to the organisation.

*Jennifer Stewart.*  
CEO





## Board of Directors



### **VICKY KING - CHAIRPERSON**

Vicky King holds a B Com, majoring in accounting, a Dip Financial Planning, Cert I Financial Services and is a Public Practicing Accountant and Registered Tax Agent with 30 years experience. She is a Fellow of the NIA and the NTI, has 17 years experience in Local Government and is on the board of Illawarra Sports Stadium Ltd. With a keen interest in social justice she is a member and board member of many community organisations and was a finalist in the Telstra Women's Business awards.



### **SANDRA DEPERS - DEPUTY CHAIRPERSON**

Sandy holds a University Dip Public Housing Management and has 30 years experience working in social housing operations and policy. Currently Snr. Regional Strategies Officer, Child & Family, Communities and Early Years Division, Southern, Family & Community Services, Sandy has a keen interest in preventing homelessness.



### **KATHY COLYER - TREASURER**

Kathy is the Manager of Wollongong Women's Refuge. Kathy has Cert 1V Youth Work a Diploma of Management. With community sector experience spanning two decades, her areas of particular interest are client advocacy and support linkages. She advocates for flexible and innovative support systems to meet the often complex needs of clients, particularly those experiencing crisis and homelessness.



### **ROSITA O'KEEFE**

(Brand, Corporate Communications and Sponsorship Manager, ahm Health Insurance). Rosita has a wealth of experience gained from 25 years working in marketing communications and public relations for a range of financial, legal, banking, and tourism companies. A pro-active and forward thinker, Rosita has a unique blend of communication skills and business acumen. Her ability to identify business opportunities and develop corresponding strategies has been a major contributing factor in many of the highly successful marketing communication and media campaigns she has undertaken for both major brands and SMEs. Rosita is also a Board Member of the Wollongong NRE Hawks, a community owned club in Australia's National Basketball League and is a member of both the NBCF Illawarra and International Women's Day Illawarra fundraising committees.



## Board of Directors



### NEVILLE FREDERICKS

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



### KRISTEN DAY

Kristen is currently a Program Manager for Southern Youth and Family Services. She holds a Bach of Teaching, Dip Com Services Management, Cert IV Training Assessment and a Masters Management (Com Services). Her extensive experience in youth services provides insight into issues around youth Homelessness.



### NEIL REILLY

Neil is a councillor for 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 Cert IV in Training and Assessment and has just completed a Post Graduate Degree in International Relations.



### JENNY THOMPSON

Jenny is currently Manager Community Cultural and Library Services, Wollongong City Council. She has previously worked as a Faculty Director with TAFE NSW, as well as having worked within the community sector. She is a graduate of the Australian Institute of Company Directors board education program. Jenny holds a B Social Work, a Graduate Dip Adult Education and a Masters Public Admin.



### PETER O'ROURKE

Peter was Director Community Planning and Strategies at Shellharbour City Council until his resignation in September 2011. He has an MBA (Public Sector Management), a Dip. Local Government Management and a Dip Theology. Peter is also a board member of RDA Illawarra, IRIS and Illawarra ITeC.



## Staffing

Staff numbers nearly doubled in the year, commensurate with growth in property numbers. There has also been an emphasis on continuous improvement, quality assurance and compliance. To meet these targets greater resources have been attributed to training and human resource management.

Housing Trust Staff outside Office at 12 George Street, Wollongong



*From left to right - Gail Vervoort, Catherine Sanjurjo, Anne-Marie Appleby, Ashley Lester, Jenny O'Leary, Jodie Berry, Jennifer Stewart, Tanya Ruty, Alicia Luccitti, James Wilson, Amanda Jock, Peta Phillips, Kylie Elliot, Karina Duckel, Mary Peard, Lauren Martins, Lalaine Agtarap, Vicki Curran, Rebecca Flinn, Gabrielle Matos, Robyn Michelson  
(Absent - Andreas Breitbarth, Josh Wall, Nisita Arankorn, Sandra Cook, Jenny Dixon, Angie Millthorpe.)*

## Staffing



*Marshmallow Challenge  
—Staff Retreat— Kangaroo Valley.*

Staff commitment is integral to the vitality and strength of The Housing Trust.

This year saw a number of initiatives to support staff and their participation in the strategic directions of the organisation.

We started the year with a two day staff retreat at Kangaroo Valley, to look at developing communication and team work.

Building on this externally facilitated training was undertaken in 'Fearless Feedback' and 'Ethical Decision Making'.

As a growing organisation committed to staff support, an Employer of Choice policy was commenced.

This included an Employment Assistance Program, access to counselling, flexible working arrangements, and study support for professional development, salary sacrifice and family friendly working conditions.

An Employee Relations and Training Officer was also employed to facilitate training and professional development of staff.



*Staff-Board Breakfast Overlooking  
Wollongong's North Beach*



## Seniors Housing

An ageing population puts seniors housing squarely at the forefront of our housing policy. With dwellings acquired under the Nation Building Economic Stimulus Plan, our housing provision for seniors increased by 164 dwellings in the period. Our allocation philosophy has been to enhance community connection. This can mean providing opportunities for older residents to 'age in place' so that they still access their local shops, churches, social activities and most importantly, friends. If moving, it can mean that they move to be near family and friends. Developments in Gerringong (12 apartments) and Central Wollongong (56 apartments) illustrate this approach.



Seniors move into Market street, Wollongong



Many of the apartments were particularly designed with seniors living in mind. Features such as wider doorways, enhanced circulation space in kitchens and bathrooms and hobless showers were built into most developments. The Housing Trust also provided specific modifications to meet the needs of seniors and younger disabled people.

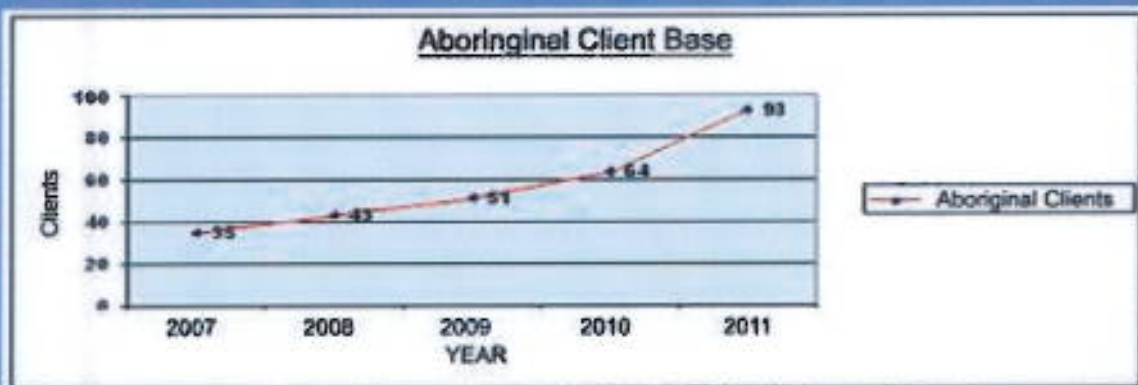
Streetscape of Belinda Street, Gerringong.



Verandas enhance tenant amenity and enhance environmental sustainability by providing eco friendly drying areas.

## Aboriginal Housing

The Housing Trust continued to work with the Illawarra Aboriginal Community Based Working Group (Housing Cluster Group) to develop additional housing programs for Aboriginal People. Under the Nation Building Economic Stimulus Plan, 48 Aboriginal People were housed in newly constructed apartments. One of these developments was designated specifically for Aboriginal people, while others contained a mix of Aboriginal and other cultural identities. This fostered choice in housing location for Aboriginal people. A partnership with the Illawarra Aboriginal Corporation, saw the opening of seven new apartments for the Aboriginal Elders Accommodation Project. The Trust continued their Aboriginal Housing Program which includes two five bedroom cottages for larger families.



ABOVE - Graph showing the increase in the number of Aboriginal tenants housed by The Housing Trust since 2007



Local Elders from the Primbee development with Noreen Hay, Member for Wollongong



## Growth

### NATION BUILDING ECONOMIC STIMULUS PROGRAM ROUND 2

Securing additional housing to meet the needs of local people in Wollongong, Shellharbour and Kiama is one of the Trust's major strategic directions. We were therefore very pleased to win the Nation Building Economic Stimulus Program tender which will deliver an additional 312 properties to the regions homeless and vulnerable. 270 of these properties were acquired this financial year. Forty percent of dwellings under this program were allocated to homeless people, while a 15% target for Aboriginal people boosted our supply in this area.



Johanna and Lynne, Market Street tenants  
create planting for common area.



Market Street, Wollongong  
Apartments

### KIAMA PROPERTY TRANSFER PROGRAM

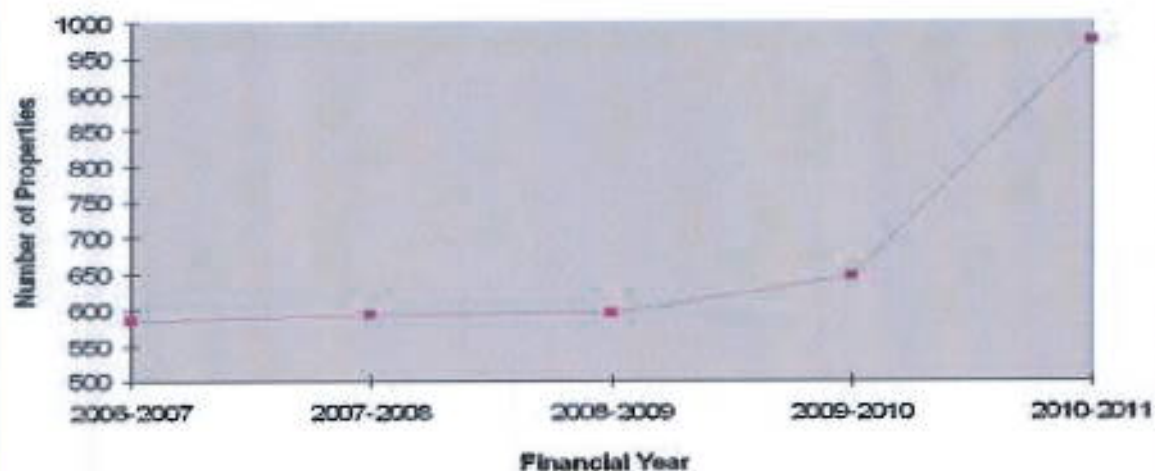
We were approached by Housing NSW to manage a whole of location property transfer in Kiama Local Government Area. 56 of a total of 64 properties transferred in the year. The transfer process was very successful and we are now looking forward to working with tenants to jointly identify repair and upgrading work to be completed in 2011/12 year.



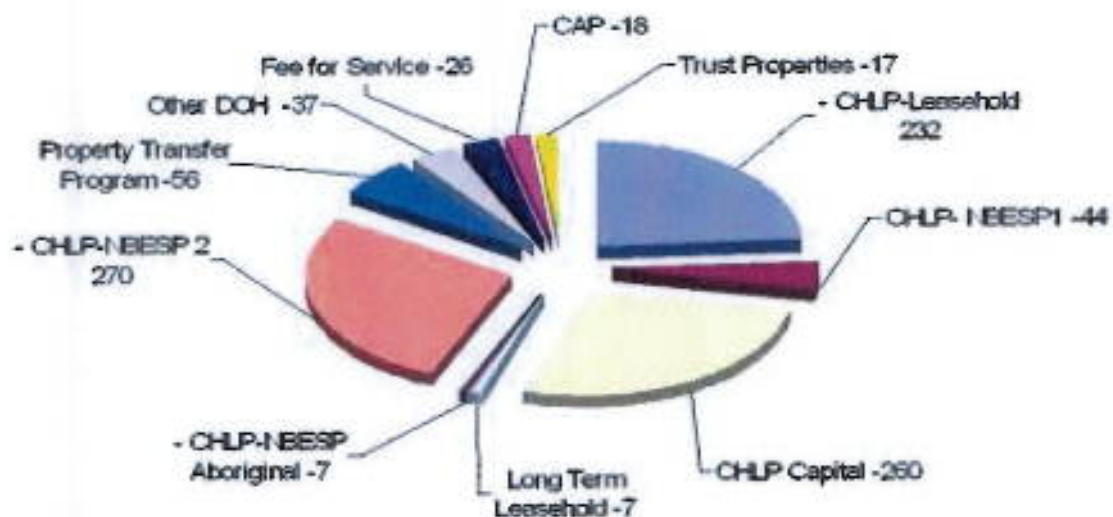
New Kitchen Manning St, Kiama

## Properties and Programs

**Number of Properties Managed**



**Properties Managed as of 30 June 2011**



**Key**

CHLP-Community Housing Leasing Program, Other DOH—Sundry Housing NSW Programs  
 NBESP-Nation Building Economic Stimulus Program, CAP-Crisis Accommodation Program



## Addressing Homelessness

### Homelessness—Linking People To Supports.

Paddy's Place is a partnership with Housing NSW. It is a flexible model that provides temporary accommodation to people who are homeless. Housing at Paddy's also provides opportunities for tenants to be linked with appropriate support services and to be assisted to source long term housing. Comprising 8 bedsitter units and a two bedroom apartment with private yard, it provides flexibility to meet the needs of a range of households, often including the family pet.



Tenants at Paddy's with family pet.

During the year 113 homeless households were accommodated. Over 20% of this group were Aboriginal and 6% from a non-English speaking background. 40% of residents were under 24 years. 42% of clients housed had a mental illness.



Each unit is furnished and has separate kitchenette and bathroom.



"Very relaxing, the veranda is fantastic. Great staff, very friendly and helpful. Good value!" says resident Jamie Singleton.



## Sustainability

The funded project, 'Community Housing Learning for Sustainability Project' wound to a close, with the challenge being to translate the sustainability lessons learnt, to all areas of our business. During the period we publicised this project with presentations at the Australasian Housing Institute Forum on Sustainability, the NSW Federation of Housing Associations Conference and at the State Housing Association's Meeting (HAM).

Monitoring our sustainability in the workplace action plan (SWAP) highlighted the need for ongoing vigilance to ensure that changes became part of work place culture. While ensuring that environmental sustainability is embedded in our policies, systems and practices, remains a work in progress.

Highlights in the period include production of fridge magnets for tenants, The Community Housing Learning for Sustainability Manual and the Sustain-Ability booklet outlining what you can do at home to help the environment and save money.

Our work around tenant education and sustainability was recognised by receipt of a 2010 NSW Award for Excellence in Community Housing in the category of 'Contribution to Building Communities'.



Tenants from New Dapto Road, planting their vegetable garden.



An image from the Sustain-Ability booklet provided to tenants of The Housing Trust to aid in their environmental education



## Tenant Involvement

### Tenant Christmas Party

Tenants reported the 2010 Christmas celebration to be the best ever. "It's fabulous that we can get the Santa Photo today because we can't afford to pay for the ones in the shop and they look just as good!" reported one happy family. The celebration was shared with residents and staff from Wollongong Women's Refuge and Wollongong Women's Housing. Christmas Karaoke was a favourite with teenagers, led by Community Housing Worker Vicki Curran on the mike.

Butterflies, spidermen, lion kings and fairies abounded - with face painters and tattoo artists kept busy for the entire afternoon. The piglets, lambs and goat kids from Matilda's Farmyard Nursery were a hit with the younger kids and the giant slide and a jumping castle appealed to all - it was difficult keeping many of the staff and adults off them. The tug-o-war was a hotly contested event.

Santa abandoned his reindeer, preferring the bright red truck of the Wollongong Fire Brigade. Sample bags, prizes, lollies, ice blocks and water melon all added to the festive atmosphere enjoyed by all. Many tenants assisted staff throughout the day and in preparation for the event.



### Tenant Welcome Events

Morning teas were held to welcome new tenants to their community at a number of Nation Building Economic Stimulus Plan sites in Wollongong and Shellharbour. Some tenants proudly opened up their new homes to visiting dignitaries and community members. Many tenants commented on the peace of mind and security that comes with having permanent, affordable accommodation.



## Tenant Involvement (Continued)

### Meet and Greet Barbeques

To foster community spirit and property pride, The Housing Trust organised a number of tenant events including a 'Meet Your Neighbours Welcome Barbeque' at New Dapto Road Wollongong. On the day, residents shared their personal stories and expressed how their new homes and surroundings were the start of a new and brighter future.

One very happy resident says that *"it has been a real positive experience, a fresh new start in my life"* and she feels *"very secure now"*.

In addition to the barbeque, residents also created a community vegetable and herb garden. They planted cos lettuce, spinach, basil, parsley and chives.

*Elva proudly showed off her new home in Fairy Meadow to Sharon Bird (Federal Member for Cunningham). Elva has a talent for baking and cake decorating, a hobby which she enjoys in her new place. "I love everything about the place. I have never been happier in my whole life. I am just so grateful to finally have a proper home," Elva said.*



Teanna Moylan, Elwyn Roberts and Mark James (BELOW) were all tenants of The Housing Trust to receive Social Housing Youth Scholarships. The ceremony, at Illawarra Senior College recognised their achievements and awarded them the \$2000 scholarship to support them to complete their HSC



Mark said, *"It is wonderful to receive the scholarship and it enabled me to purchase a laptop, printer and digital camera to help me with my HSC studies.*

*My favorite subjects are Design and Technology and Visual Arts. I dream of a career in Film and Television Production".*



## Financial Highlights

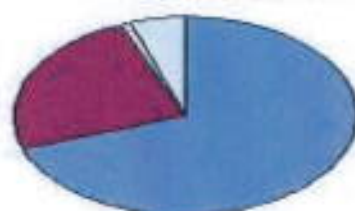
The Housing Trust returned an operating surplus of \$442,339 for the year ended 30 June 2011. This strong result was backed by the receipt of 314 new properties under the Federal Government's Nation Building Economic Stimulus Plan Round 1 & 2 allocations and 56 new properties from the NSW Department of Housing Property Transfer Program. With an increased property base the Trust's total income increased by 14% from the prior year.

The major items of income received were rental income totaling \$5,960,577 or 70% of total income received and government subsidies which totaled \$2,056,716 or 24% of total income received.

Head-lease rent represented the largest cost incurred by the Trust totaling \$3,624,191 or 45% of total expenditure. Wages and on costs were the second largest representing 25% of total expenditure.

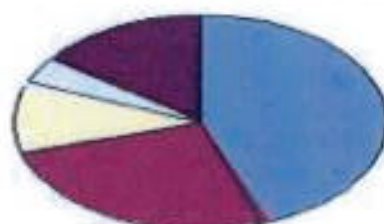
The net assets of the company were valued at \$44,257,099 as at 30 June 2011 representing an increase of \$35,348,535 or 396%. This large increase in net assets is primarily due to the Trust receiving title to 196 of the 314 properties transferred under the NBESP 1 & 2 allocations on the 30th June 2011. The subsequent value of the 196 properties has been accounted for in the audited financials. It is expected that the net asset position of the Trust will increase further upon receiving the remaining title to the 160 NBESP properties in the 2012 financial year.

Income Breakdown  
Year Ended 30 June 2011



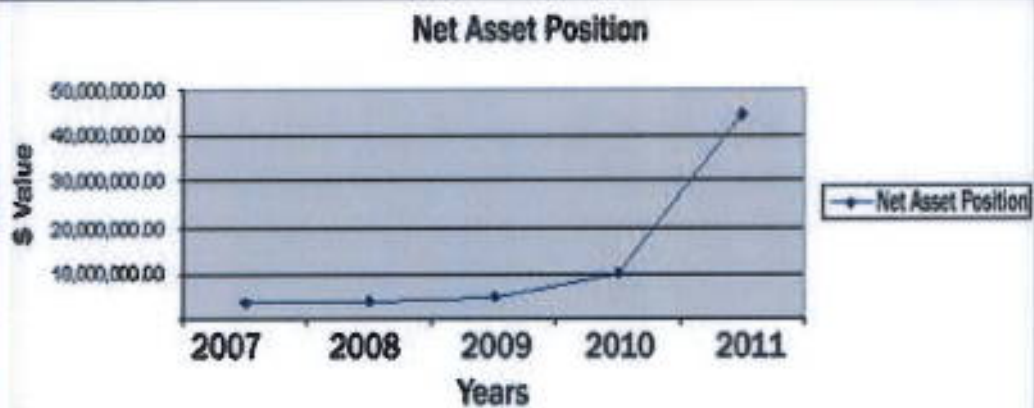
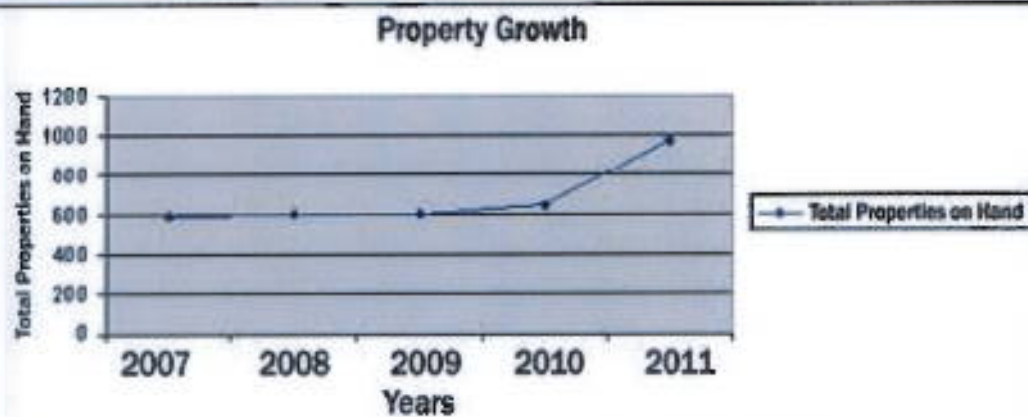
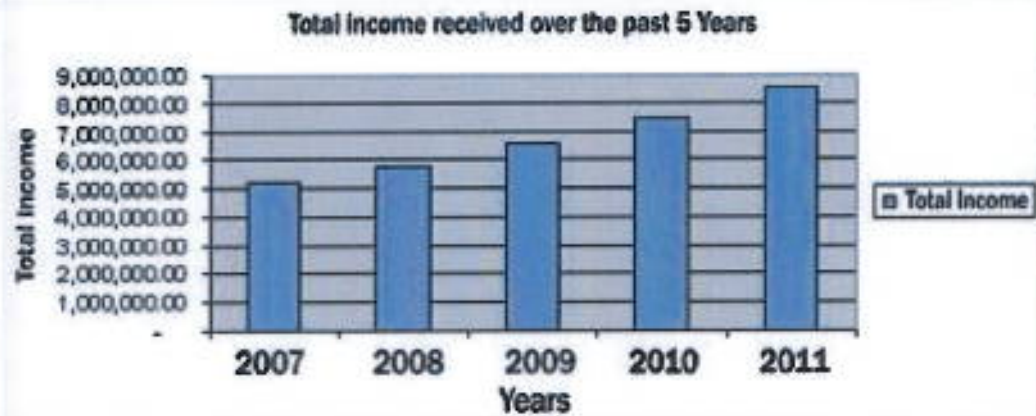
- Rents Received 70%
- Government Grants 24%
- Interest Received 1%
- Other Income 5%

Expenditure Breakdown  
Year Ended 30 June 2011



- Head Lease Rent 45%
- Wages & On Costs 25%
- Maintenance Costs 11%
- Administration 5%
- Other 14%

## Financial Highlights





## Directors Report For The Year Ended 30 June 2011

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

The directors present their report, together with the financial statements of The Illawarra Community Housing Trust Limited for the year ended 30 June 2011.

#### DIRECTORS

The directors of the entity at any time during or since the financial year are:

| Name                | Position                  | Occupation  | Appointed  | Resigned   |
|---------------------|---------------------------|---|------------|------------|
| Victoria King       | Chairperson               | Accountant and Tax Agent  | 17.05.1990 |            |
| Sandra Depers       | Deputy Senior Chairperson | Deputy Senior Regional Strategies Manager Child and Family                    | 16.11.2005 |            |
| Kathy Colyer        | Treasurer                 | Manager Wollongong Womens Refuge  | 22.11.2006 |            |
| Christopher Anstiss | Director                  | Social Worker   |            | 04.07.2011 |
| Kristen Day         | Director                  | Program Manager Southern Youth and Family Services                            | 22.11.2006 |            |
| Neville Fredericks  | Director                  | Chairman and Founder of Miltonbrook Group of Companies                        | 22.11.2006 |            |
| Christine Kulyk     | Director                  | Social Worker in Community Mental Health                                      |            | 04.07.2011 |
| Rosita O'Keefe      | Director                  | Brand, Corporate Communications and Sponsorship Manager, AHM Health Insurance | 30.06.2010 |            |
| Peter O'Rourke      | Director                  | Director Community Planning and Strategies Shellharbour City Council          | 30.06.2010 |            |
| Neil Reilly         | Director                  | Councillor for Kiama Municipality   | 30.06.2010 |            |
| Jenny Thompson      | Director                  | Manager Community, Cultural and Library Services Wollongong City Council      | 12.08.2008 |            |
| Joyce Wheatley      | Director                  | Community Representative  |            | 04.07.2011 |

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

#### Company Secretary

The following person held the position of company secretary at the end of the financial year: Jennifer Stewart. Ms Stewart was appointed company secretary on 29 June 1984.

#### Principal Activities

The principal activity of the entity during the course of the financial year was the provision of housing services to the people in the Illawarra. No significant change in the nature of these activities occurred during the year.

#### Operating Results

The profit of the entity for the financial year was \$442,337 (2010: \$34,461). No Income Tax expense was provided for as the entity is endorsed as a tax exempt charitable entity.

#### Dividends Paid or Recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

#### Review of Operations

A review of the operations of the entity indicated an increase of 25.2% in rental income and an increase of 16.5% in government grants. On 30 June 2011 the title to 196 properties was transferred to the entity under the Nation Building Economic Stimulus Plan. The market value of these properties was \$35,001,818.

## Directors Report For The Year Ended 30 June 2011 (Continued)

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

#### Significant Changes in State of Affairs

No significant changes in the state of affairs of the entity occurred during the financial year.

#### After Balance Date Events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the entity, to affect significantly the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

#### Future Developments

The entity expects to maintain the present status and level of operations.

#### Environmental Issues

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

#### Meetings of Directors

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director). During the year, 10 board meetings were held.

| Directors           | Meetings Attended | Meetings Held |
|---------------------|-------------------|---------------|
| Victoria King       | 9                 | 10            |
| Sandra Depers       | 9                 | 10            |
| Kathy Colyer        | 7                 | 10            |
| Christopher Anstiss | 0                 | 5             |
| Kristen Day         | 7                 | 10            |
| Neville Fredericks  | 6                 | 10            |
| Christine Kulyk     | 2                 | 5             |
| Rosita O'Keefe      | 6                 | 10            |
| Peter O'Rourke      | 5                 | 10            |
| Nell Reilly         | 0                 | 10            |
| Jenny Thompson      | 8                 | 10            |
| Joyce Wheatley      | 0                 | 5             |

#### Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or who has been an officer or auditor of the entity.

#### Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

#### Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2011 has been received and can be found on page 3 of the directors' report.

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

.....  
Secretary  
Dated this 14 day of October 2011

.....  
Director



## Financial Report

THE ILLAWARRA COMMUNITY HOUSING TRUST LIMITED  
(LIMITED BY GUARANTEE)  
A.C.N. 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 2011,

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 14 day of October 2011

## Financial Report

### THE ILLAWARRA COMMUNITY HOUSING TRUST LIMITED

#### GENERAL TRUST HOUSING PROJECTS INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

|  | 2011              | 2010             |
|--|-------------------|------------------|
| Revenue – Rental Income                      | \$ 6,128,029      | \$ 4,894,750     |
| Government Grant Income                      | \$ 2,056,716      | \$ 1,767,227     |
| Other Income                                 | \$ 347,960        | \$ 393,039       |
| Tenancy and Property Management Expenses     | (\$ 6,524,748)    | (\$ 5,838,458)   |
| Administration Expenses                      | (\$ 1,565,620)    | (\$ 1,182,097)   |
| Profit before income tax                     | \$ 442,337        | \$ 34,461        |
| Income tax expense                           | —                 | —                |
| Profit for the year                          | <u>\$ 442,337</u> | <u>\$ 34,461</u> |
| Profit attributable to members of the entity | <u>\$ 442,337</u> | <u>\$ 34,461</u> |

### THE ILLAWARRA COMMUNITY HOUSING TRUST LIMITED GENERAL TRUST HOUSING PROJECTS

#### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011

|   | 2011                 | 2010                |
|---|----------------------|---------------------|
| Balance at 1 July 2010                  | \$ 3,380,020         | \$ 2,344,881        |
| Profit attributable to the entity       | \$ 442,337           | \$ 34,461           |
| Add: Transfer of NBESP Properties       | \$ 35,001,818        |                     |
| Add: Transfer from Other Service        | —                    | (\$ 500)            |
| Add: Transfer from Long Term Provisions | (\$ 288,443)         | \$ 1,193,400        |
| Less: Transfer to Capital Provisions    | <u>—</u>             | <u>\$ 192,222</u>   |
| Balance at 30 June 2011                 | <u>\$ 38,535,732</u> | <u>\$ 3,380,020</u> |



## Financial Report

### THE ILLAWARRA COMMUNITY HOUSING TRUST LIMITED

#### GENERAL TRUST HOUSING PROJECTS STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

|                                      | 2011                 | 2010                 |
|--------------------------------------|----------------------|----------------------|
| <b>ASSETS</b>                        |                      |                      |
| <b>CURRENT ASSETS</b>                |                      |                      |
| Cash and cash equivalents            | \$ 3,283,556         | \$ 1,201,655         |
| Trade and other receivables          | \$ 46,342            | \$ 31,207            |
| Other assets                         | <u>\$ 743,618</u>    | <u>\$ 542,333</u>    |
| <b>TOTAL CURRENT ASSETS</b>          | <u>\$ 4,073,516</u>  | <u>\$ 1,775,195</u>  |
| <b>NON-CURRENT ASSETS</b>            |                      |                      |
| Property, Plant and Equipment        | <u>\$ 45,574,489</u> | <u>\$ 10,566,109</u> |
| <b>TOTAL NON-CURRENT ASSETS</b>      | <u>\$ 45,574,489</u> | <u>\$ 10,566,109</u> |
| <b>TOTAL ASSETS</b>                  | <u>\$ 49,828,005</u> | <u>\$ 12,341,304</u> |
| <b>LIABILITIES</b>                   |                      |                      |
| <b>CURRENT LIABILITIES</b>           |                      |                      |
| Trade and other payables             | \$ 308,046           | \$ 136,583           |
| Short-term provisions                | \$ 81,614            | \$ 74,900            |
| Other liabilities                    | <u>\$ 1,717,847</u>  | <u>\$ 296,803</u>    |
| <b>TOTAL CURRENT LIABILITIES</b>     | <u>\$ 2,107,507</u>  | <u>\$ 508,286</u>    |
| <b>NON- CURRENT LIABILITIES</b>      |                      |                      |
| Long-term provisions                 | \$ 1,675,457         | \$ 1,081,235         |
| Other liabilities                    | \$ 21,568            | \$ 44,020            |
| Long-term borrowings                 | <u>\$ 1,766,377</u>  | <u>\$ 1,799,199</u>  |
| <b>TOTAL NON-CURRENT LIABILITIES</b> | <u>\$ 3,463,402</u>  | <u>\$ 2,924,454</u>  |
| <b>TOTAL LIABILITIES</b>             | <u>\$ 5,570,909</u>  | <u>\$ 3,432,740</u>  |
| <b>NET ASSETS</b>                    | <u>\$ 44,257,096</u> | <u>\$ 8,908,564</u>  |
| <b>EQUITY</b>                        |                      |                      |
| Reserves                             | \$ 5,721,364         | \$ 5,528,544         |
| Retained earnings                    | <u>\$ 38,535,732</u> | <u>\$ 3,380,020</u>  |
|                                      | <u>\$ 44,257,096</u> | <u>\$ 8,908,564</u>  |

## Financial Report - Directors' Declaration

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

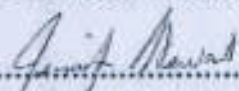
In the opinion of the Directors of the Entity

- 1.(a) The accompanying Income Statement is drawn up as to give a true and fair view of the results of the entity for the financial year ended 30 June 2011.
- (b) The accompanying Statement of Financial Position is drawn up as to give a true and fair view of the state of affairs of the entity as at the end of that financial year.
- (c) At the date of this statement, there are reasonable grounds to believe that the entity 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.  .....

31st October 2011

2.  .....

31st October 2011

Dated this ..... 31st ..... day of October 2011.



## Financial Report

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE 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 The Illawarra Community Housing Trust Limited, which comprises the statement of financial position as at 30 June 2011, the income statement, the statement of changes in equity for the year then ended and the directors' declaration.

#### Directors' responsibility for the financial report

The directors of the entity are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies 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.



## Independent Auditor's Report (Continued)

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 The 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 statement of financial position of The 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 entity's financial position as at 30 June 2011 and of its performance for the year ended on that date in accordance with accounting policies, and
- (b) complying with Australian Accounting Standards and with the Corporations Regulations 2001.

**AKELE KINNAS & CO**  
Chartered Accountants

Partner - ELIAS KINNAS  
CORRIMAL — October 2011



