

ANNUAL REPORT 2011-2012





Acknowledgements

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Front Cover: The Sea of Hands, planted by participants in The Housing Trust’s Reconciliation Day Celebrations.

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Chairpersons report



2012 has been my first year as Chair Person of the Housing Trust, a year that I have found to be personally challenging whilst hugely rewarding. I recall that at the time of the 2011 Annual General Meeting, we had only that week moved into our new premises and it is great to see how everyone has settled in over the year.

I am delighted to report, that in many aspects this has been a very successful year for the organisation. 2012 has been a year of significant growth and significant achievements. In line with our restructure, the Trust welcomed a number of new staff members during the year, successfully establishing a very skilled and strong middle management team. The Board sees this team as providing the essential attributes the organisation needs to capitalise on opportunities and address any challenges we may encounter over the coming years.

During the year, under the leadership of the CEO Jennifer Stewart and the new management team, we have seen the implementation of improved compliance and operational processes and a significant amount of staff training including Positive Workplace Behaviours.

After a comprehensive external Board review by The Walton Group, the constitution was reviewed and a smaller skill based board was implemented. I have seen the new board be very focussed and committed to building and growing the organisation to become a market leader. The Directors have

been working very cohesively and taken on additional commitments associated with various subcommittees including Human Resources, Audit and Risk and Property & Development. All committees received greater focus during the year and are operating strongly, giving a level of depth and attention, unable to be achieved at Board meetings alone. It is certainly a Board that I am proud to be a member of and I would like to thank all the Directors for their contributions and leadership throughout the year.

As in 2011 a significant amount of effort, by both Board and staff has been invested into National Rental Affordability Scheme (NRAS) developments at Dapto and Shellharbour. Early in 2012 the Trust engaged Affordable Housing Solutions to progress these initiatives. At the time of writing this report, we are still awaiting a final decision on finance for the Dapto development. Should they both go ahead we will see a significant increase in the Trust's portfolio number and portfolio type.

As I have said this has been a very busy and successful year with too many highlights to cover in this report. I would like to thank all involved and look forward to an even more successful 2013.

A handwritten signature in black ink.

Sandra Depers
Chairperson

CEO's report



'It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness ...' We started the period in three ramshackle cottages and by the end had moved to **new open plan office** space—one day before the AGM. Foolishness perhaps, but we worked tirelessly to move with only one day of closure and were able to showcase our new premises to the community at our AGM one day after the move.

It was a year of change on the staff front with five contracted staff members engage to manage the previous year's exponential growth, while two positions were disestablished under the restructure. Six new positions were filled under the **staffing restructure**, giving the organisation effective senior management and robust front line supervision functions. Enhanced management capacity enabled us to focus on accountability and compliance, essential for improved outcomes for our tenants.

We started on the journey to **improve Aboriginal access** to our services and to enhance staff cultural awareness. One of the milestones in this process was the adoption of a Statement of Reconciliation and a reconciliation walk culminating in the raising of the Aboriginal and Torres Strait Islander flags. It was one of the proudest moments of my thirty year career with THT.

While growth in property numbers slowed from the preceding year's unprecedented growth, we still received an additional twenty four properties into management. Fourteen of

these were under Nation Building Economic Stimulus program. Receipt of a further thirty properties due under this program was delayed after two builders went into administration. In September we shared the limelight with our oldest resident, Pansy Hill, with a joint celebration of her 102nd birthday and The Housing Trust's official opening of their largest development, a seven story, fifty six apartment complex for seniors in central Wollongong –the block where Pansy was a resident.

We continued our work to ensure **compliance with registration and accreditation** requirements for community housing providers. Implementation of the Complispace Platform was an integral component of our compliance and risk assessment process. This platform provided the organisational structure, systems and policies essential as a basis for good governance. *'It was the season of Light, it was the season of Darkness, it was the spring of hope.'* (Charles Dickens A Tale of Two Cities). It was a year of change and challenge and we are moving forward with hope and confidence.

A handwritten signature in black ink.

Jennifer Stewart
Chief Executive Officer

Board of Directors June 2012



Sandra Depers 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.



Peter O'Rourke Deputy Chairperson
Peter is the former 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.



Neville Fredericks
Neville is Chairman and Founder of the Miltonbrook Group of Companies. He has extensive experience in the property market having spent 40 years in the property business and leading the completion of 90 successful developments. Neville had 14 years 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.



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.



Bill Feld
With a background in state education and five years as a senior executive in the NSW Government, Bill is currently CEO and Director at Big Fat Smile. Bill holds a masters degree in business administration and formal qualifications in people management, quality assessment and corporate governance. He is a Graduate of the Australian Institute of Company Directors. Bill's interests include corporate governance, leadership, educational quality and social justice.



June Williams B Soc Sci; JP.
June is currently the CEO of Family Services Illawarra. With a background that encompasses local government, state government and the not for profit sectors June has more than 25 years' experience in the management, planning, provision, funding and evaluation of community services. Throughout her career June has worked in a range of community settings and appreciates the challenges confronting those who choose to work with the most marginalized in our society.

Back row:
Peta Phillips, Lauren Martins, Robyn Mickelson, Kylie Elliot, Catherine Sanjurjo, Katie Fox, Mary Peard, Andrew Bronneberg, Jodie Berry, Nisita Arankorn, Gabrielle Fisher, Maggie Bridgement, Jenny Dixon, Gail Jugow

Front row:
Lalaine Agtarap, Peter Andrews, Jennifer Stewart, Jo Mitchell, Chris Lacey, Peter Mitchell, Tanya Rutty, Matthew Wall



Senior Management Team
Peter Andrews, Peter Mitchell, Jennifer Stewart, Chris Lacey
(note) Peter Mitchell appointed outside financial year

Staffing, Learning and Development

Staff numbers rose slightly by year end from 22.2 full time equivalents as at June 2011 and 26.2 full time equivalents as at June 2012; however this belied the flurry of activity throughout the year. Contract positions for five workers engaged to manage the previous year's exponential growth came to an end, while two positions were disestablished to enable an appropriate skill base moving forward. Eight new positions were created and advertised ,

with only two of these remaining vacant at 30th June. We were also able to employ a staff member under the **Disability Employment Services Wage Subsidy Scheme**, funded by DEEWR. Changes to staffing have necessitated improved induction processes, coaching and mentoring and external and internal learning and development. **Training for systems and process improvement** has been a priority area of work.

Paddy's Place
left to right
James Wilson, Ashley Lester, Andreas Breitbarth, Josh Wall

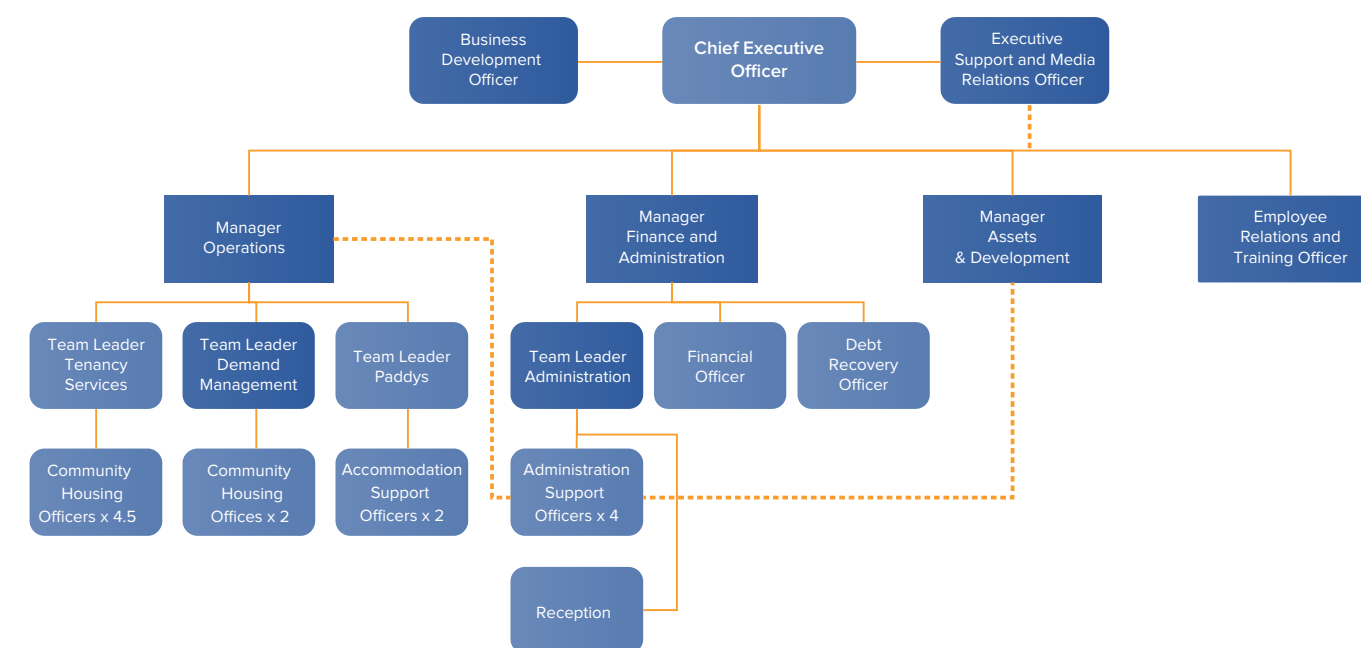


Staffing Restructure

A new level of senior management was one of the defining features of the staffing restructure that was implemented in early December 2011. The restructure involved the creation of three senior management positions (Finance & Administration, Operations and Assets and Development) and three middle manager Team Leader positions (Administration and Compliance, Demand Management and

Tenancy Services). In view of our strategic directions, positions of Business Development, Employee Relations and Aboriginal Community Project officer were also created. Support to the senior management team was enhanced through creation of the position of Executive Assistant and Media Relations Officer.

The Housing Trust Restructure 2011



Barnardos' Cooinda Aboriginal Supported Playgroup leading the Reconciliation Day Walk from Wollongong Public School.



left to right
DKYC Cultural Dance Group at The Housing Trust's Reconciliation Day celebrations.
Chairperson Sandy Depers and Wollongong Public School's Principal raising the Aboriginal and Torres Strait Islander flags.

Statement of Reconciliation

Building Relationships for change for Aboriginal and Torres Strait Islander people and other Australians.

Building Relationships for change for Aboriginal and Torres Strait Islander people and other Australians.

In its broadest sense, 'reconciliation' means coming together. In Australia it is the term used to refer to the bringing together of Aboriginal and non-Aboriginal people. Supporting reconciliation means working together to overcome the reasons there is division and inequality between Aboriginal and Torres Strait people and non-Aboriginal people.

Some of the major factors which cause division and inequality are the difference in health, income and living standards of Aboriginal and non-Aboriginal Australians. For example, Aboriginal people have a life expectancy some 17 years shorter than the national average, the rate of unemployment for Aboriginal people is four times higher than for other Australians, and Aboriginal people are 11 times more likely to be imprisoned than non-Aboriginal people. Another important cause of division is misunderstanding, prejudice and racism, as many non-Aboriginal people still know very little about Aboriginal people and history.

The Housing Trust recognises that the original occupants and inhabitants of this land lived in the area for more than 40,000 years, there were a number of clans and tribes speaking several languages and they exercised traditional rights

over the area including the ownership of significant and sacred sites.

The Traditional Owners, Custodians and occupants of the land relied upon the land, the sea, the lake and the escarpment to provide much of their food and sustenance for life. Numerous middens are still found in the area giving recognition to the gathering of the traditional owners, custodians and inhabitants in this area. The establishment of European settlement proved disastrous for Aboriginal people who suffered attacks from settlers, exposure to new diseases, the loss of their land and disruption to their traditional way of life.

The Housing Trust acknowledges and gives recognition to the fact that this land and its waters were settled as colonies without any treaty or consent, that the Aboriginal people of the area are the first peoples here; and they have, as a result of the invasion, suffered deep loss and grief caused by dispossession from traditional lands, the loss of lives and freedom and the forced removal of children.

The Housing Trust also acknowledges the rights of Aboriginal and Torres Strait Islander people to live according to their own beliefs and customs and gives due respect and recognition to the continuing customary laws, beliefs and traditions of the Aboriginal people of the Illawarra.

Aboriginal Access Strategy

part of listening, involving and responding to all communities.

We recognised that to be successful we would need to listen to the community before embarking on any particular scheme. To kick start this process we engaged an experienced **Aboriginal Community Project Officer** to design, develop and oversee our **Aboriginal Access Strategy for 2012-17**. This over-arching strategy guides how we will improve access to culturally appropriate services delivery for Aboriginal people. It looks at current practice, barriers to Aboriginal people using services and as part of the development we have consulted widely about what to do to overcome problems. Key activities in the period included adoption of a Statement of Reconciliation, a reconciliation walk, establishment of an Aboriginal Tenant Group and holding an Aboriginal Art Competition, included entries from tenants.

During Reconciliation week in partnership with Wollongong Primary School, our reconciliation statement was launched. Joined by Barnardos' Cooinda Aboriginal Supported Playgroups and Careways a **reconciliation walk** from the Primary School to the housing office was made. This culminated in reading the Statement and raising both the Aboriginal Torres Strait Islander Flags by the provider's Chair and an Aboriginal Tenant. The flag remained flying through Naidoc week. Dancing exhibitions were given by the Dapto/Koonawarra Youth

Connect Project, primary school children had prepared culturally inclusive songs and the Aboriginal Men's Group provided a BBQ lunch. Networking through the **Aboriginal Housing Cluster Group** has provided invaluable feedback, including information around gaps in service provision. One such gap is for medium term housing for young mums. We are now in a partnership with Care South – Better Futures, to provide medium term accommodation for Aboriginal Teen Mums. This project links housing and support and will include home visiting, parenting programs and access to quality childcare and is due to open in January 2013.

left to right

Tenant Emerald Giarldini-Wilson with Operations Manager, Chris Lacey celebrating her receipt of the Housing NSW Youth Scholarship award.

Lynda and Ron proudly showing off their well composted garden



left clockwise

Lynda and Ron's flourishing garden

Operations Manager Chris Lacey with some of our lovely tenants at our Senior's Day Celebrations

Seated exercise being taught to our tenants at our Senior's Day Celebrations



Tenant Initiatives

At THT, we highly value the participation, input and involvement of tenants. We aim to provide a proactive and helpful service that meets the needs of our tenants and we believe one of the best ways of doing that is involving people in all aspects of our work. During the first half of 2012, THT has reviewed our range of tenant participation initiatives and developed a new program going forward. Implementation is now well underway, and includes:

- A new Tenant Advisory Forum which meets quarterly
- Interesting and informative General Tenant meetings twice a year
- Site meetings with residents at some of our larger properties
- Our fantastic family Christmas party
- Partnering with other organisations such as the Tenant Participation Resource Service
- Hosting events during community celebrations such as seniors week and NAIDOC month

We also regularly survey tenants on the implementation of our services as a way of receiving feedback and to help us improve what we do. In March tenant survey results led to an overhaul of our tenant feedback mechanisms and implementation of procedures to improve timeliness on responsive repairs.

Scholarships

Emerald Giarldini - Wilson was a proud recipient of a Housing NSW Youth Scholarship award.

Seniors Activities

To celebrate Seniors Week we invited all of our senior tenants (around 600) to join us in a range of activities at our office. We had sixty participants who enjoyed basket making with an Aboriginal elder, learning about both indoor and outdoor composting and were even able to try Thai Chi. As part of the day, tenants were also able to get information from a range of attending agencies including Office of Fair Trading, NSW Public Trustee and Guardian, and hearing tests from Hearing Australia. There were lucky door prizes and a BBQ lunch which was kindly cooked by the Koori Men's Group.

Lynda and Ron Ratcliff attribute their garden's soil health and abundance of earthworms to the Bokashi composting techniques learnt at Seniors Week. They turn the compost into soil and grow fabulous vegetables and also use the liquid from the compost as plant food for their flowers and ferns.

Aboriginal Tenant Meetings

The inaugural Aboriginal Tenant Forum was held on 14th March with the second on 19th July at the Aunty Mary Davis Outreach Centre, Warilla. The aim of the forum is to provide Koori Tenants, Applicants and the wider Aboriginal community with an update on the newly developing Aboriginal Access Strategy and future directions of the organisation. The benefit of the forum will improve customer relationships and provide Aboriginal tenants with the opportunity to meet, raise and discuss any issues of concern that they may have with staff of The Housing Trust. They also get the opportunity to meet with guest speakers from various services in regards to other related housing services and programs. It is also an opportunity for tenants to have input into the way the agency services Aboriginal & Torres Strait Islander people.

Tenant Christmas Party

Teacup Merry Go Round and the Giant Slide were favourite rides at this year's Christmas celebration. Tactile exhibits from the reptile man were fascinating but a little scarier for some. As always queues arose for the face painting and airbrush tattoos which are always popular. The day was made even more festive with carols from the Wollongong Conservatorium Children's Choir.



Children of The Housing Trust celebrating Christmas at our annual Tenant Christmas Party



left to right
Children from the
Wollongong Public School
Choir performing at the
opening of our Market St
Development.

Sharon Bird MP with
Pansy Hill and her
daughter Audrey.

Properties and Programs

Growth

Twenty four properties were received into management, including 12 general housing NBESP one and two bedroom apartments in Chapman Ave Mt Warrigal. Five leasehold subsidies to assist homeless, two properties under Kiama Property Transfer Program and four fee for service were received during the financial year.

Market Street Official Opening

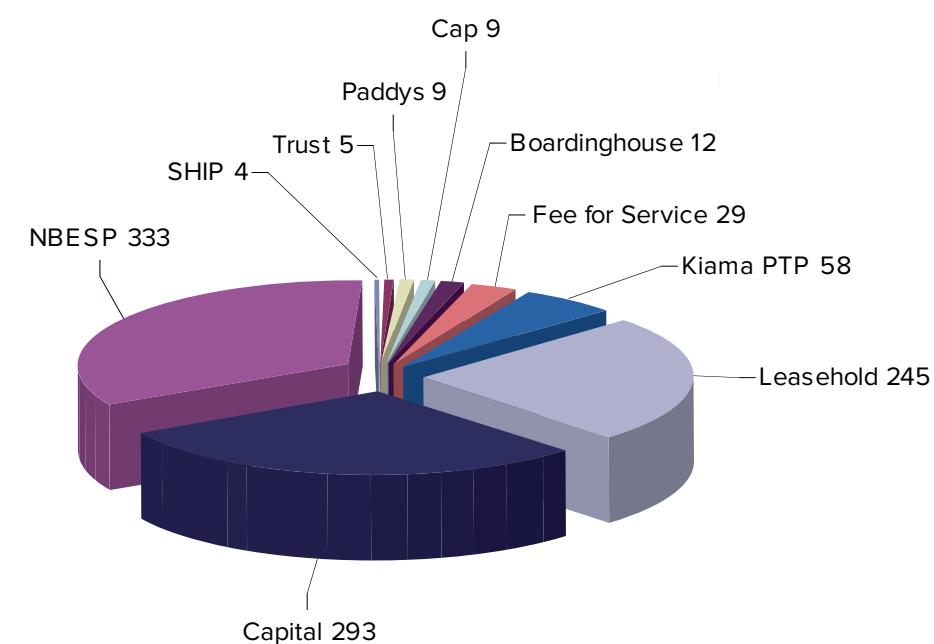
Market Street was our biggest Nation Building Economic Stimulus Program with 56 one and two bedroom apartments. The official opening on 27th September, 2011 was an opportunity to focus attention on the best aspects of community housing and to share the limelight with Pansy, one of the residents who was celebrating her 102nd birthday. Community singing led by children from Wollongong Primary School and accompanied on guitar by Graham Wilson (ex 4 Kinsmen and member of Local Resident Action Committee) with Sharon Bird, Federal Member for Cunningham, officially opened the project. Certificates of appreciation were given to the children for their help with serving morning tea.

Shellharbour & Dapto NRAS Developments

Housing for seniors at **Wattle Road Shellharbour** has been a priority throughout the year. This development of 15 villas and 56 apartments was progressed with approval of seventy one incentives under the National Rental Affordability Scheme and a grant of approximately \$13.5 million dollars through Housing NSW's, Centre for Affordable Housing. It is anticipated construction will commence in February 2013.

Affordable Housing Solutions were contracted to advance both the Shellharbour and Byamee Street Dapto developments. The proposed Dapto development of 108 apartments was reconfigured to provide a more bankable proposition. Finance on both projects is being negotiated.

Properties Managed as of 30 June 2012



Concept drawing from our
Wattle Road Shellharbour
Development



Paddy's Place

Paddy's Place is a partnership with Housing NSW providing crisis accommodation and linking people to supports.

One carer expressed their appreciation of services provided at Paddys:

"My younger sister and I are primary carers for our dad who has multiple disabilities, it is not easy but we try our hardest to maintain dad's independence, particularly for him to have a place of his own. When we were notified of the termination of our dad's private rental lease and had to face an expensive rental market that dad could not afford on top of finding appropriate housing to meet dad's needs, the Housing Trust really helped us! It was a really stressful time

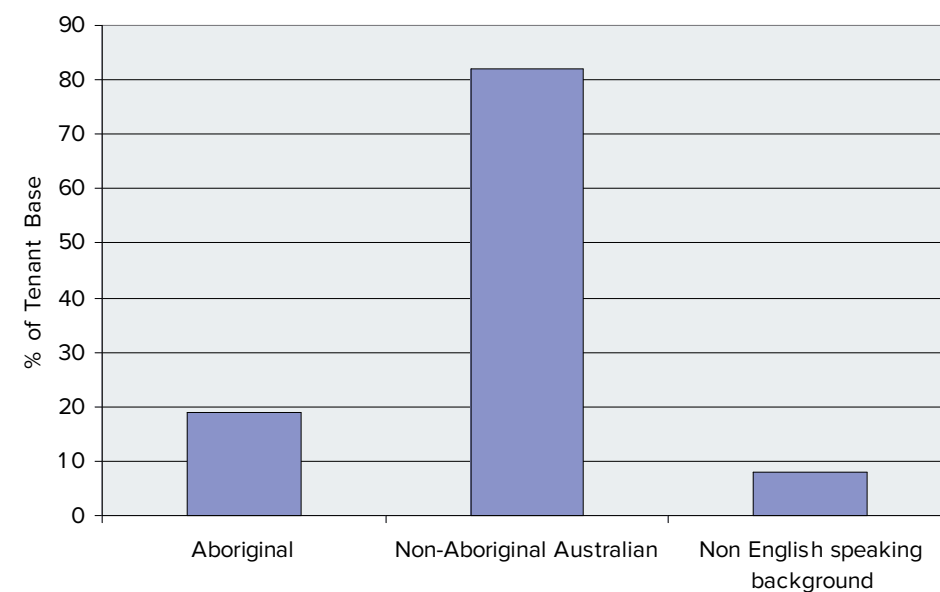
and the Housing Trust staff made all efforts to support us with the processes.

Dad is now in a comfortable place of his own that meets all of his needs, is close to us and where he is able to maintain living independently. We are so grateful and thank the Housing Trust and Housing NSW for working together to help us when we needed it most."

Kristie, Illawarra NSW

During the financial year 109 homeless households were assisted at Paddy's. Forty five percent of these households had a mental, intellectual or physical disability. At 18% Aboriginal Households were far in excess of the number in the general population.

Tenant Background Breakdown at 30 June 2012



Financial Highlights

Summary of Financial Performance

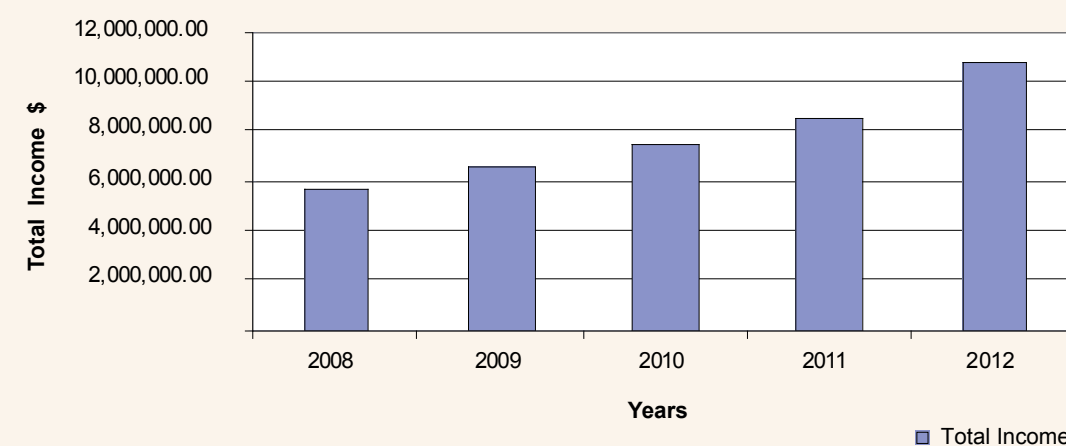
The Housing Trust returned an operating surplus of \$926,984 for the year ended 30 June 2012. The Housing Trust received an additional 12 properties during the year further increasing The Trust property base to 997. At 30 June 2012 The Housing Trust has received 326 of 356 properties allotted under the NBESP program.

The major items of income received were rental income totaling \$8,401,925 or 77% of total income received and government subsidies which totaled \$2,313,845 or 21% of total income received.

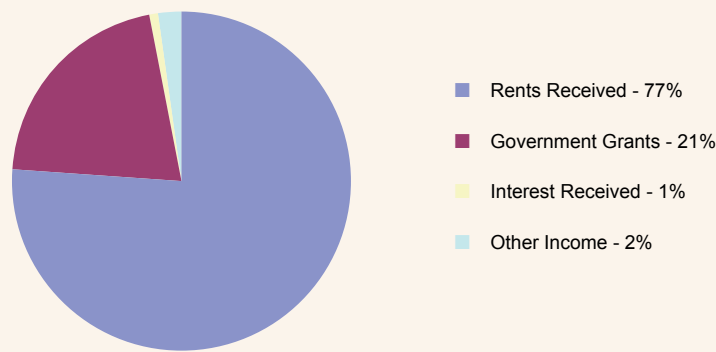
Head-lease rent represented the largest cost incurred by the Trust totaling \$4,050,153 or 41% of total expenditure. Wages and on costs were the second largest representing 17% of total expenditure.

The net assets of The Trust were valued at \$48,684,262 as at 30 June 2012 representing an increase of \$4,427,166 or 10% from the prior financial year. It is expected that The Trust will receive title to the remaining 160 NBESP properties during the 2013 financial year. The receipt of this title will improve The Trust's net asset position by approximately \$30,130,634.

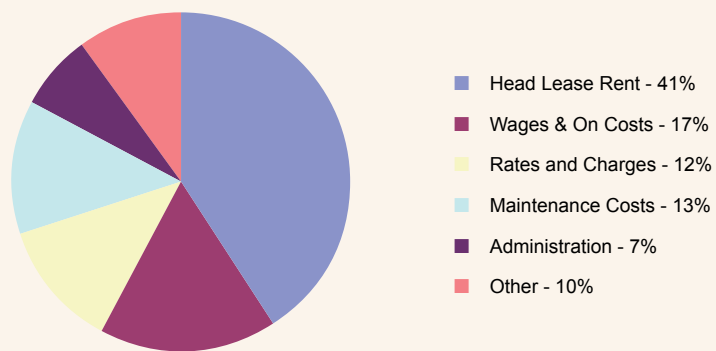
Total Income received over the past 5 Years



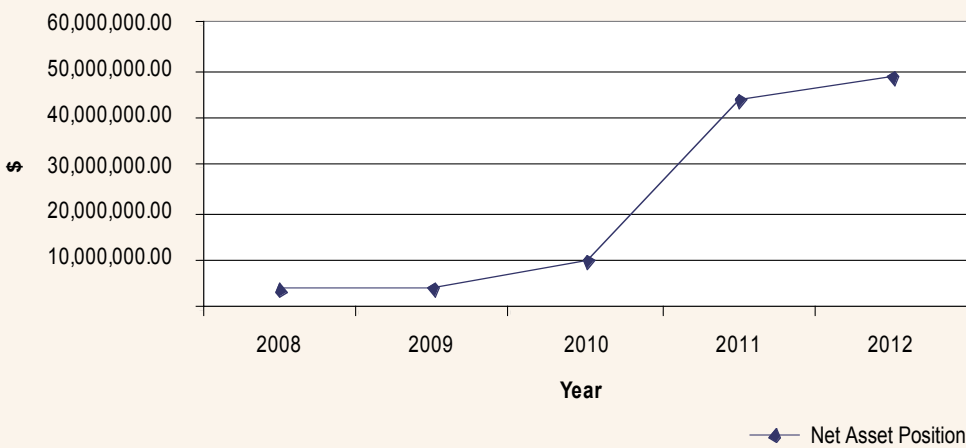
Income Breakdown
Year Ended 30 June 2012



Expenditure Breakdown
Year Ended 30 June 2012



Net Asset Position



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

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2012

The directors present their report, together with the financial statements of The Illawarra Community Housing Trust Limited for the year ended 30 June 2012.

Directors

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

	Date Appointed	Date Resigned
Sandra Depers	16.11.2005	
Peter O'Rourke	20.10.2008	
Neville Fredericks	22.11.2006	
Kristen Day	22.11.2006	
Rosita O'Keefe	30.06.2011	
Bill Feld	29.11.2011	
June Williams	29.11.2011	
Victoria King	17.05.1990	29.11.2011
Jennifer Thompson	12.08.2008	29.11.2011
Neil Reilly	30.06.2011	26.10.2011
Kathy Colyer	22.11.2006	29.11.2011

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 \$926,984 (2011: \$442,337). 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 37.11% in rental income and an increase of 12.5% in government grants. Tenancy and property management expenses increased by 18.75% and administration expenses increased by 42.6%.

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2012 (Continued)

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.

Information on Directors

Name	Position	Occupation
Sandra Depers	Chairperson	Senior Regional Strategies Manager Child and Family
Peter O’Rourke	Treasurer	Former Director Shellharbour City Council
Neville Fredericks	Director	Chairman and Founder of Miltonbrook Group of Companies
Kristen Day	Director	Program Manager Southern Youth and Family Services
Rosita O’Keefe	Director	Brand, Corporate Communications and Sponsorship Manager, AHM Health Insurance
Bill Feld	Director	CEO Big Fat Smile
June Williams	Director	CEO Family Services Illawarra
Victoria King	Former Chairperson	Public Practicing Accountant and Registered Tax Agent
Jenny Thompson	Former Director	Manager Community, Cultural and Library Services Wollongong City Council
Neil Reilly	Former Director	Councillor for Kiama Municipality
Kathy Colyer	Former Treasurer	Manager Wollongong Womens Refuge

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2012 (Continued)

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, 13 board meetings were held.

Directors	Meetings Attended	Meetings Held
Sandra Depers	13	13
Peter O’Rourke	12	13
Neville Fredericks	11	13
Kristen Day	12	13
Rosita O’Keefe	6	13
Bill Feld	6	7
June Williams	7	7
Victoria King	5	6
Jennifer Thompson	5	6
Neil Reilly	4	6
Kathy Colyer	3	6

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 2012 has been received and can be found on page 4 of the directors’ report.

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

Secretary



Director



Dated this 12 day of September 2012

**THE 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 2012, 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 12 day of September 2012

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012**

		2012	2011
	Note	\$	\$
Profit for the year		926,984	442,337
Other Comprehensive Income:			
Transfer of NBESP Properties	8	3,500,182	35,001,818
Other Comprehensive Income for the year		\$4,427,166	\$35,444,155
Total Comprehensive Income attributable to members		\$4,427,166	\$35,444,155
Total Comprehensive Income attributable to members		\$4,427,166	\$35,444,155

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012**

		2012	2011
	Note	\$	\$
Balance at 1 July 2011		38,535,732	3,380,020
Profit attributable to the entity		926,984	442,337
Add: Transfer of NBESP Properties	8	3,500,182	35,001,818
Add: Transfer from Long Term Provisions		-	(288,443)
Balance at 30 June 2012		\$42,962,898	\$38,535,732

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012**

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	3,432,057	3,463,556
Trade and other receivables	5	137,596	46,342
Other assets	6	929,147	743,618
TOTAL CURRENT ASSETS		4,498,800	4,253,516
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	49,226,343	45,574,489
TOTAL NON-CURRENT ASSETS		49,226,343	45,574,489
TOTAL ASSETS		53,725,143	49,828,005
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	189,426	308,046
Short-term provisions	10	89,003	81,614
Other liabilities	11	1,029,069	1,717,847
TOTAL CURRENT LIABILITIES		1,307,498	2,107,507
NON - CURRENT LIABILITIES			
Long-term provisions	10	1,983,599	1,675,457
Other liabilities	11	20,937	21,568
Long-term borrowings	12	1,728,847	1,766,377
TOTAL NON-CURRENT LIABILITIES		3,733,383	3,463,402
TOTAL LIABILITIES		5,040,881	5,570,909
NET ASSETS		\$48,684,262	\$44,257,096
EQUITY			
Reserves	13	5,721,364	5,721,364
Retained earnings		42,962,898	38,535,732
		\$48,684,262	\$44,257,096



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

In the opinion of the Directors of the Entity

- (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 2012.
(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.

- All funds have been invested in accordance with the terms and conditions of the relevant funding bodies funding agreements.
- All funds have been expended in accordance with the relevant funding bodies funding guidelines.
- The accompanying Accounts have been made out in accordance with Australian Accounting Standards and applicable Approved Accounting Standards, except as otherwise stated.
- 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		22 October 2012
2. Sandra Depers		22 October 2012

Dated this 22nd day of September 2012.

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 2012, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes 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 described in Note 1 to the financial statements, which form part of the financial report, 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, as described in Note 1, 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 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.

Audit Opinion

In our opinion, 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 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1, and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations 2001.

AKELE KINNAS & CO
Chartered Accountants

Partner ELIAS KINNAS
CORRIMAL — September 2012



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