



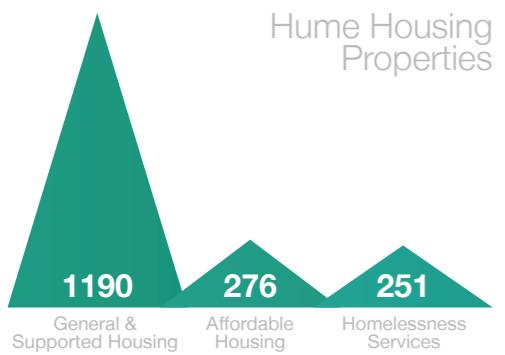
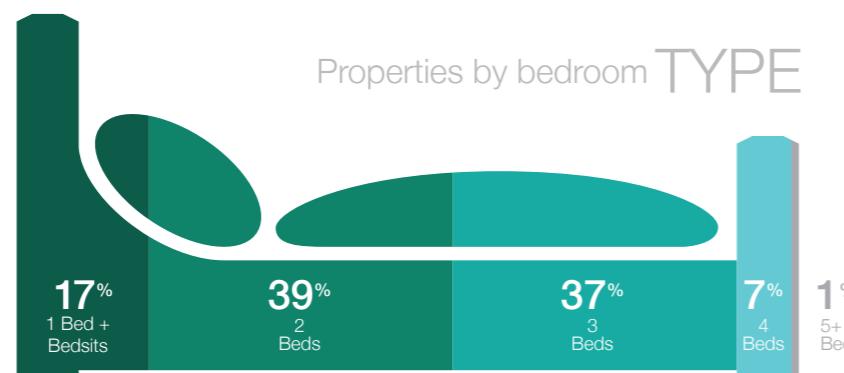
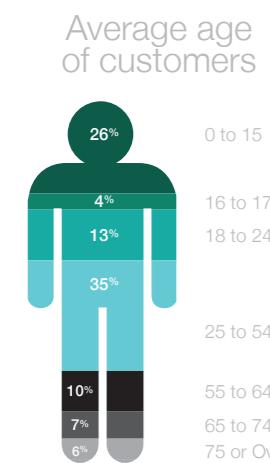
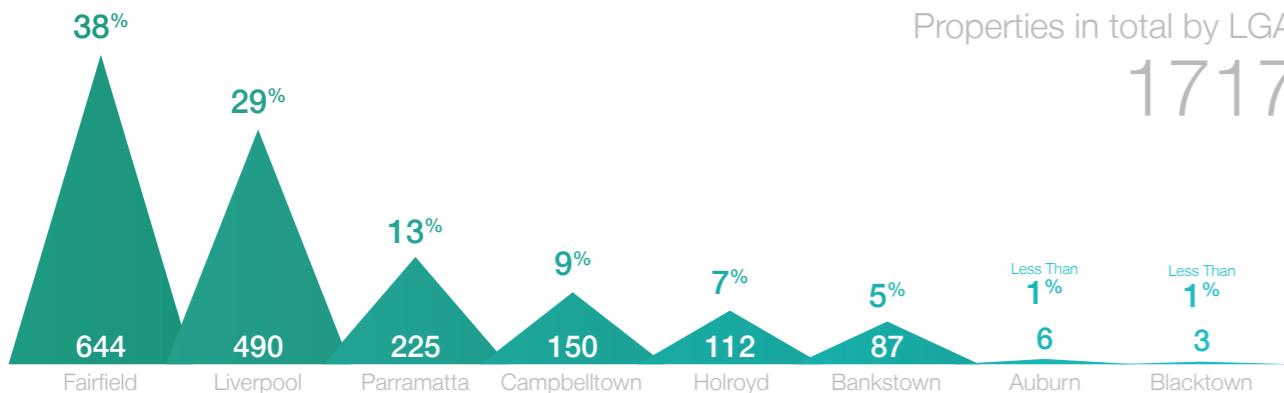
Hume Community Housing
Annual Report 2014



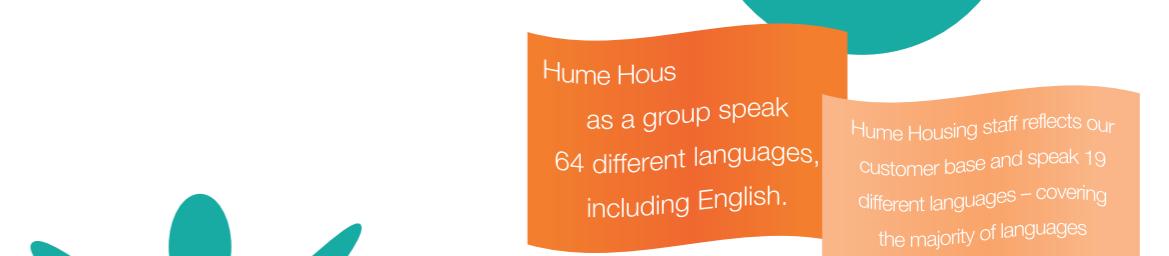
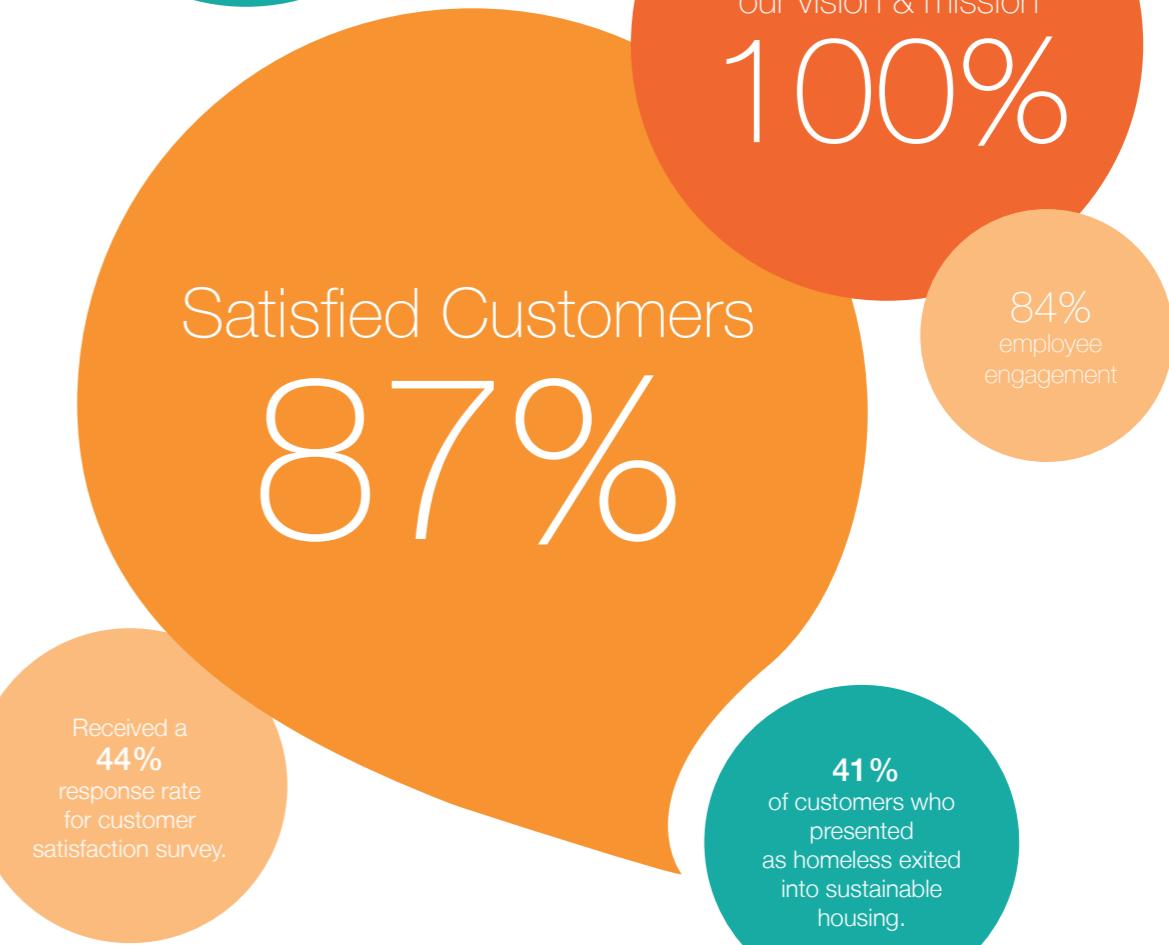
We create vibrant, sustainable and cohesive communities through the delivery of outstanding homes and equitable services.

Contents

Highlights	4 - 5
Chair & CEO Report	6 - 9
Vision, Values & Principles	10 - 11
Our Housing Environment	12 - 13
Housing Continuum	14 - 17
Housing Plus	18 - 21
Valued Customers	22 - 23
Community Anchor	24 - 25
Value for Money	26 - 27
People & Culture	28 - 31
Board Director Profile	32 - 40
FY2013-14 Audited Financials	41 - 57
Our Partners	55



DA approval for our
flagship development at
Hamilton road, Fairfield, which
will make a significant impact on
the relief of affordable housing
stress through the delivery of
60 new dwellings.



Hume Housing
Received Tier 1 Status under the National Regulatory Scheme for community housing providers.



Chair and CEO Report

2013 marks Hume Housing's 20th year of operation. For that 20 years Hume has provided a continuum of housing products for people in different life circumstances, from those with complex needs facing homelessness, to low income working families, looking for affordable housing. We have always believed that having access to a stable home within a safe and supportive community is the foundation for a healthy, happy and productive life.

Today Hume has embraced contemporary policy directions to become a strong, sustainable and well managed not-for profit company that deploys a modern, well qualified and professional Executive, Board and a select team to achieve social and supply outcomes in an efficient and effective manner.

July 2013 was the beginning of Hume's new strategic planning period. The new strategy was drafted by the Board and CEO, following consultation with partners, customers and the Hume Team. In addition to our targeted seven key objectives, it was agreed that clear articulation within the plan, of a set of guiding principles and a value



**Tony
Conides**

Chairperson

framework, would ensure consistency in decision making. These guiding principles and values also communicate to external stakeholders Hume's 'way of doing things'. This annual report details those values and guiding principles along with providing examples of how we have lived up to the standards we set ourselves and how our decision making has been consistent with those principles.

Meeting our objectives

Focused execution of our strategy, has led to significant success against our objectives this year.

With recognition that an extended skill set at director level was required to soundly execute the new goals we had set ourselves Hume advertised for new directors with specific skills identified and the response was outstanding. As detailed in our directors profile section, this year Hume welcomes the reliable and continuous contribution by the existing members of our Board and the already valuable contribution of new directors Sue Holliday, True Swain and Vivek Prabu.



**Nicola
Lemon**

Chief Executive Officer

A very significant achievement for Hume in 2013 was the forming of our new partnership with Community Sector Bank (CSB Bendigo and Adelaide Bank). Hume's objective to make full but responsible use of the organisations financial capacity so as to further our charitable objectives to the optimum extent was met when Hume undertook a robust procurement process to obtain a Corporate Debt Facility. Confidence in Hume's financial planning capabilities and Hume's overall operations being highly efficient and effective, was demonstrated by the offer of lending from 3 separate banks.

CSB offered preferable terms and were the right fit for our organisation. As a result, in December 2013 Hume signed up to its first lending facility for \$30m. The procurement process undertaken ensured that Hume secured lending at highly competitive rates and met our guiding principle in ensuring we achieve value for money. The facility will allow Hume to maximise our resources in order to increase the supply of social and affordable housing through development.

Hume has further invested in property construction and development in 2013 in order to meet the objective to have a clear planned and achievable property development and acquisition pipeline that is commensurate with NRAS delivery frameworks. Balancing this investment, against the risk presented by the delays by NSW government, in transfer of title for Hume's 152 units. Implementing several risk mitigation strategies we have been able to forge ahead with our independent pipeline. Hume has also successfully secured the final amendments to the Hamilton road design ensuring the development of 60 affordable housing properties.

The introduction of a Governance project approval gateway process and the significant involvement of the boards Development Subcommittee has meant that sound risk, social and financial assessment of new projects, occurs at every level in the organisation.

Hume worked hard to meet our NRAS delivery targets which has been challenging in a year where there has been a significant upturn in the property market within which Hume operates. None the less we have negotiated with developers, individual property investors, State and Federal government- taking a collaborative approach to the challenges and we succeeded in being on track to deliver our full allocations of National Rental Incentives (NRI).

In 2013, we have also continued to build and enhance levels of Customer involvement and a variety of non-exclusionary involvement opportunities deepening our understanding our Customer's views.

Hume is deeply committed to customer satisfaction and involvement. Our experience shows that satisfied customers are more likely to maintain their properties to a high standard, become involved in their community and ultimately lead more stable, productive lives.

In 2013–14 our customer satisfaction rate was 87%, based on a 44% engagement rate – both well above the sector benchmark.

2013 also saw Hume face the challenges associated with growth into non-traditional geographical areas. This meant that whilst we await completion of our new Fairfield head office at our Hamilton Road site our existing Fairfield office was becoming very crowded and not conducive to a productive and comfortable working environment. In response to this and given Hume's principle to be a community anchor and value to our customers, we opened a new office in Parramatta.

With an ever increasing housing and service portfolio in the Parramatta LGA and our focus on providing local access to our customers, it was important that we increase our presence in this area. This calculated expansion contributed to relieving the pressure the pressure on the current Fairfield office. The Parramatta office is in the CBD and as such is highly accessible to our customers. It is a priority to Hume that Our Customers feel valued, are well informed and can access information when they want and need to.

Prior to final formulation of our strategic plan significant research was completed in order to further understand our customer's current and future needs. Part of the outcomes of that research meant that Hume has a focus on progressing housing options to meet the needs of an aging local population by providing good quality, innovative specialised housing for older people

Building on our current senior housing portfolio and support service delivery, Hume completed a successful property transfer of a Senior's complex in Cabramatta and successfully secured a Seniors 'new supply tender' for another senior complex in Fairfield, which are show cased in this report.

Detailed above are just a few of the highlights of our achievements against our objectives. Maintaining the same level of determination and focus, everyone at Hume is clear about what we intend to achieve in the coming year.





What's next?

During 2015 Hume will deliver its first major development. Located in our heartland of Fairfield, we will bring to the community 60 new units, fully designed with our future customers in mind.

The Hamilton Road Complex will be a landmark building in the Fairfield CBD and showcase our ambitions for sustainable living and target the demand for affordable housing in prime locations.

Utilising our corporate debt facility, we will deliver on our leveraging targets and develop social housing properties in areas of highest demand, across south west and western Sydney. The properties will be delivered through mixed methods including purchased from plan, turnkey and design and build.

Our NRAS program will be delivered through the projects noted above and through expanding our partnerships with developers and owners, allowing delivery of the final 200 NRI's by June 2016.

Continuing to be driven by our guiding principles, values, strategic and operational plans, our performance in core activities will again be further improved upon. Our Voids program has significantly improved over the last twelve months and we will move forward with the expanded reporting and analysis plans we have in place.

Our customer service will be enhanced through the development of a Customer Service Charter, holding us accountable to our commitment to improving interactions with customers and responding to their enquiries. Our extensive use of translation services in phone and print will also continue.

Social media and digital communications will be a key project enabling engagement with a broader community and customer base, but we recognise we have to start with removing barriers to digital literacy and affordability issues faced by our customers.

This is underway with our engagement with TAFE Outreach services, the new learning centre at Telopea and participation in research projects around this key issue.

Linked to this we will also continue our focus on strengthening our customer's links to employment and implement several different programs that will increase individuals and communities economic participation.

We will utilise the research we have completed on 'new arrivals' to implement appropriate programs for a high and often complex needs group. We understand that being an organisation based in the geographical area of highest demand in the country and as a CALD focused organisation, we are best placed to significantly improve the experience and ultimately the lives of this group of customers.

We are set to respond to government initiatives through strong governance, understanding our strengths, being clear about our costs commensurate with outcomes and building our partnership base with other key service providers.

We are committed to strategic partnerships with like-minded organisations. We recognise our joint customer base, understand their needs and ambitions and will target opportunities that support education and employment, social inclusion and community cohesion projects, alongside our delivery of affordable housing solutions.

We will be vocal in challenging the sometimes negative perceptions of social housing and promote the advantages of utilising Community Housing Providers to manage the State's social housing program, bringing into place our wrap around service delivery, which is proven to be cost effective and introduce more efficiencies in maintenance, capital upgrades, estate redevelopment and renewal.

Hume will undertake all of the above projects in an uncertain environment of government policy inertia, fluctuating State and Federal policy and program changes.

We will continue to do so, as we are driven by the needs of our current and future customers and the knowledge that we make a sustainable difference for individuals and communities.

It is in this spirit that we, Chair and CEO of Hume express our deep pride and recognition of our team, for bringing us to where we are and our year on year performance improvement and unwavering commitment.

We also express, our gratitude to our customers for their ongoing involvement and support and our thanks to our partners new and old.

It is a joy to be surrounded by individuals who value making a difference.

- CEO & Chair





10

Vision, Values & Principles

11

Vision, Values & Principles

Vision, Values & Principles

Hume Housing recognises that safe and stable housing is essential for everyone in order to achieve their potential.

Our Vision

To create vibrant, sustainable and cohesive communities through the delivery of outstanding homes and equitable services.

We Took Time To Revitalise Our Values

With our new strategic plan we took time to review and revitalise our values in consultation with our Board, team members and customers. Our Values are driven by our Vision and guided by our Standards and Ethics Statement which as an organisation we take very seriously.

Our Values

As a team and as individuals we are committed to living our values every day to ensure success. We are here to get results; creating and providing wide-ranging housing options and services to improve housing security and reduce homelessness. We make a sustainable difference to our communities and our customers.

We are;

Champions of change....

- ↳ We advocate for those who are marginalised
- ↳ We create freedom through choice
- ↳ We drive continuous improvement
- ↳ We develop through self-reflection
- ↳ We inspire others to action and change

Creators of Connectivity....

- ↳ We are passionate about people, families & communities
- ↳ We bring people together
- ↳ We support and encourage community empowerment
- ↳ We practice social justice
- ↳ We enable social inclusion
- ↳ We celebrate diversity

Determined to succeed....

- ↳ We do what is right
- ↳ We are dynamic, resourceful and efficient
- ↳ We deliver positive social, environmental and financial outcomes
- ↳ We get results
- ↳ We rigorously deliver value for money
- ↳ We make decisions that ensure longevity



Customers Inside Tangerine Street

Builders of Resilience....

- ↳ We step up to the challenge and make a positive impact
- ↳ We strive for balance and perspective
- ↳ We enjoy a laugh
- ↳ We take time to be grateful

Our Guiding Principles

We know that a broad range of services, support and solutions are required by our current and future Customers and therefore as a team we developed a set of principles that guide Hume Housing to deliver improved and more tailored service options.

Our guiding principles along with our Vision and Values underpin our thinking and approach for the delivery of our strategic plan and the priorities of Hume Housing.

Housing Continuum



We acknowledge the need for access to appropriate accommodation for every stage of life's journey. We have available a broad range of accommodation choices to support our customers through their life journey.

Housing Plus



We coordinate support and opportunities that create and engender the concept of choice, enabling our Customers to achieve their full potential.

Valued Customers



We recognise, listen to and acknowledge our customers individually. We are customer focused, customer driven and customer centric. We adhere to social justice principles, we listen to and acknowledge our customers and we customise our services based on our customers' needs.

Community Anchor



We promote a village approach to community living, providing incentives and opportunities for connecting, learning and employment. We build self-sufficiency and community wealth enabling communities to collectively achieve their full potential. We build our knowledge of our communities through sound research and diligent consultation.

Value for Money



We are an organisation that is professional, properly supported and efficiently run; transparently managing resources, growth, procurement, financial stability and risk.

92%

of team members agreed
“High standards of
performance are expected.”

- EOS Result 2013

94%

of team members agreed “I
am proud to tell people I work
for Hume Housing.”

- EOS Result 2013

Our Environment

The Housing, Political and Economic Environment that we operate in.

It is well understood that the demand for social and affordable housing in our communities is outstripping supply and although Hume Housing's operating areas are relatively contained, the LGA's operate differently from a housing market perspective, these varying housing markets and growth rates provide complexity for all aspects of delivering the organisations services.

- The areas in which Hume Housing operate are considered to be the areas of high social disadvantage as per the ABS Socio Economic Index eg. Fairfield is the 4th most disadvantaged LGA in Australia and the 3rd most disadvantaged LGA in NSW.
- It can be argued that there is an affordable Housing crisis in Australia with Western and South Western Sydney communities suffering significantly as a result.
- Across NSW only 10% of those people on the social housing waiting list are housed each year.
- Waiting times are generally 5 -10 or more years.
- Approximately one in six households are in housing stress.
- House prices require household income between \$84,000 in Campbelltown and \$115,000 in Bankstown to purchase a home without being in housing stress.
- Only 12 – 15% of rental housing in Hume's current area of operation is affordable to low income households.

- No homes in the Bankstown and Parramatta LGAs are affordable to purchase by "low income" households and only 8% are affordable in the Campbelltown, Fairfield and Liverpool LGAs.
- Average Weekly Rental, South West Sydney, all housing types, June 2012: \$350.00 per week. Affordable only to those earning in excess of \$60,000.pa.
- Share of private rental properties affordable for those whose only income is government benefits, Blacktown Area, April 2014: less than 1 per cent.
- Wait list for public housing in NSW: 57, 451 applicants representing more than 120,000 people.
- It is predicted that there will be a significant increase in the demand for senior specific housing.
- According to Homelessness NSW and the 2011 Census, NSW has seen a 20.4% increase in homelessness since 2006.

 The need for social housing is growing due to increasing populations, increasing costs of housing and increasing community and customer 'support' needs i.e. new arrivals requiring language skills.

Hume's external challenges

Compounding the Housing affordability crisis has been the relative uncertainty of both state and federal policy direction for the growth of the Community Housing Sector.

- There is no NSW Community Housing Strategy.
- Current policy and funding directions by the Commonwealth provide uncertainty for all community housing providers, especially with CRA and NAHA under review.
- The National Regulatory System for Community Housing has been implemented. Many Tier 1 organisations are now registered, including Hume. However, Victoria and WA remain outside the system, creating a potential 'ring fence' for these jurisdictions.

5th

highest community housing provider recipient of NRAS allocations, December 2013

13th

largest community housing provider by tenancy numbers, June 2014

FY2013-14 Immigration Statistics – New Arrivals

LGA	Number of New Arrivals	Nil – Poor English Proficiency
Bankstown	1118	98.7%
Blacktown	2001	96.8%
Campbelltown	472	95.3%
Fairfield	2512	98.2%
Holroyd	1540	97.8%
Liverpool	1556	97.4%
Parramatta	2478	98.3%

Total of new arrivals – 11,677

Housing Continuum

Our customers are diverse and need a broad range of housing solutions that suit the particular stage of their life and individual circumstances. Hume Housing strives to provide and is further developing the range of housing products and services which ensures access to appropriate accommodation for every stage of life's journey.



The diagram above shows a representation of the ‘housing continuum’. This shows the various housing options available in Australia, and indicates the level of subsidisation required. The Australian housing system is facing continuing challenges because:

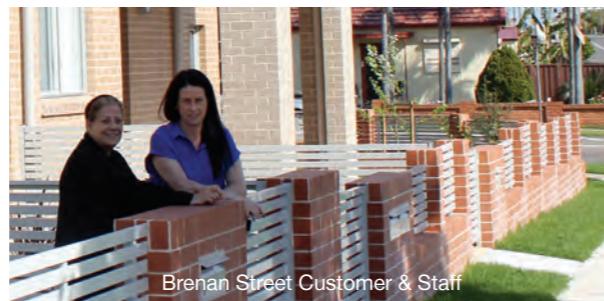
- ▲ Transition along the continuum is increasingly difficult.
- ▲ There is a lack of housing products in the middle of the continuum.

Hume’s housing strategy is to provide housing products that span the housing continuum. This focus links directly with our sustainability strategy to ensure our customers have access to the relevant housing as their needs change. This focus also aligns with current government policy, addressing housing transition, affordable rental stress, specific needs groups, home ownership and place making. We will ensure our strategic asset planning approach effectively delivers this range of housing options for our customers.

HAMILTON ROAD

OUR GATEWAY PROJECT 2013/14

has been a significant year from a development perspective. Hume has, in line with our strategic plan, commenced involvement in the construction and development of new housing. Demonstrating our



commitment to this area by increasing internal capacity at an executive level and forging broader partnerships with development and construction experts. The highlight of this involvement in a new area of activity has been the planning approval from Fairfield Council for the creation of 60 new affordable dwellings and new office accommodation at Hamilton Road Fairfield.

This flagship proposal, a gateway development to Fairfield CBD, has been created through an effective partnership with Hume, our design team and Fairfield Council. Not only does this proposal deliver significant increase in the supply of affordable rental housing, in an area of much need, but it also improves the services to our customers, providing a more accessible and user friendly base for our customer services. Work is now underway in the procurement of a builder, with construction completion due in November 2015.

In addition, with the establishment of Hume’s financial facility, a pipeline of new social and affordable developments will be created, adding further increased growth, to add to Hamilton Road.

Affordable Housing Program Addressing the demand

In December 2011 Hume successfully tendered and was awarded 512 NRAS Entitlements which would provide subsidy to deliver an equivalent number of affordable housing dwellings to eligible customers.

Delivery of the dwellings was programmed to occur across 3 stages:

Stage #1 FY 2012/13 = 152 dwellings

Stage #2 FY 2013/14 = 52 dwellings

Stage #3 FY 2015/16 = 200 dwellings

Hume believes that NRAS provides a financial vehicle that can not only stimulate an increase supply of affordable housing, but also provide a diverse range of housing products, in areas which suffer the highest levels of housing stress and lack of housing affordability.

We launched a range of business models which enable us to actively engage with private developers, owners and investors and access dwellings originally designed for use in the private rental or sale market.

We committed to retaining the benefit NRAS provides within our organisation. The majority of our NRAS allocation will provide financial subsidy to developments we intend constructing in-house or procuring through

Joint Ventures and Turn-Key development which will be held by Hume for long-term ownership.

Hume is currently on-track with our targets for FY 2013/14 finalising delivery of an additional 52 dwellings across 3 high-need LGAs. This will take our total delivery of NRAS dwellings to 204, which represents 40% of our delivery program.

Hume Business Models are:-

- ▲ Fee for Service
- ▲ Head lease
- ▲ Hume Development Program

Fee for Service

Under The Fee for Service Business Model we provide Tenancy Management and NRAS Compliance services to property individual or portfolio owners who applied to us for NRAS entitlements. Predominately these owners are large portfolio developers who are holding whole developments; however some developers have sold individual dwellings to investors. Under all circumstances, Hume is the Approved NRAS Participant and we are responsible for all NRAS Compliance reporting on behalf of investors

Head Lease

Under the Head Lease model Hume enters into a 10 Year Head Lease over a property and sub-leases the property to eligible Affordable Housing customers. These enable us to retain the benefit of NRAS, whilst leasing properties for low to modulate income customers.





Hume Housing Development Program

Hume successfully tendered for the management and title transfer of the 152 properties known as Telopea. The tender committed us to leverage and additionally deliver social and affordable properties. Once vesting occurs delivery will be achieved through a hybrid strategy which includes both the procurement of Turn-Key product (off-plan) and in-house development. 2013/14 saw us identify a number of suitable sites and we are working in consultation with developers/builders. The delivery strategy has enabled us to progress our NRAS delivery targets without exposing ourselves to significant development and planning risk.

Hume Housing was highly commended at the Australasian Housing Institute's NSW Leading Asset Management Awards for our SPM Asset Management Software.

Hume has also identified a number of small development sites for redevelopment from our existing portfolio and development sites for acquisition. The NRAS funding will support the delivery and long-term hold of these developments, along with debt funding supported by Hume's equity and contribution from L&HC as capital contributions in lieu of land supply.

Investing in and Maintaining Our Assets - (PMP)

36 capital properties were identified as requiring an upgrade to the kitchen and bathroom areas to ensure they are fit for purpose and meet Hume Housing's lettable standard guidelines.

Our customers selected their preferred colour scheme and materials from Hume's five interior design options and worked with us to ensure easy access and smooth installation occurred.

Our Emerging Customer Base Seniors Housing Complexes

Hume currently has 869 customers over the age of 55, which equals to 23% of our customer base. Through Housing Pathway's waiting lists, we are aware of 165 low-income seniors aged over 55 seeking one bedroom dwellings and a further 100 low-income seniors seeking two bedroom dwellings in the Fairfield LGA

A successful property transfer process was enabled between Hume, CAPMH and Anglicare Cabramatta.

Hume was selected as the new housing manager for a senior's complex in Cabramatta which contained 10 units, a community centre and a neighbouring cottage.

This complex has allowed us to continue to grow our seniors housing portfolio, enabling access to purpose built homes for our ageing customer base and the creation of a local based community engagement program producing healthy, active living programs for our customers across the Cabramatta suburb.

We were able to leverage off this transition, using the Cabramatta project as a demonstration of our ability to deliver a targeted seniors program. This lead to the successful tender for Brenan Street, Smithfield.

Brenan Street Smithfield: Developed under the Community Housing New Supply Program by the Community and Private Market Housing Directorate, Housing NSW, Department of Family and Community Services, – contains a mix of one and two-bedroom accommodation and constructed under SEPP Seniors Living.

Hume recognises that this new complex will provide long term housing for an ageing group. As there are minimal opportunities to access appropriate housing for this



Budget: \$1.2 million

Over 90% satisfaction with work undertaken, contractors performance and finished product

target group and every opportunity needs to be taken to maximise the success of the new community being created.

We understand that to create a successful and productive small community awareness of issues that might negatively impact on the environment need to be identified and responded to.

Brenan Street as a complex that is ideally located for customers who are able to:

- Participate in their local community – through a range of community activities being held in the area.
- Have high level medical support requirements – the complex is located near a major hospital with support services on site.
- Potentially support and interact with neighbours and take a lead role in supporting the new customers to successfully engage and live compatibly in a new complex.
- Comfortably access public transport – major bus route near complex.
- Have varying levels of disabilities, as units are modified and two are fully adaptable.

We developed a site specific letting strategy and we were able to utilise the allocation process to implement a downsizing program for current customers, assisting lower under occupancy rates, as well as providing secure long term accommodation for seniors from the housing pathways list.

All units were allocated prior to handover and satisfaction with location and suitability of the units rated 100%.

Specialised Program Delivery Senior Specific Housing

Hume has placed strategic emphasis on responding to the ageing population and the increasing demand for senior specific housing and services.

Hume currently manages our Senior's Communities under the Sustainable Communities and Partnerships Portfolio - Supported Housing Programs. This ensures a dedicated, experienced Supported Housing Coordinator is managing and supporting tenancies.

Having a dedicated accessible contact person provides stability and security for our senior customers. This position currently manages a broad range of tenancies and support requirements, not only senior's housing.

On site meetings, individual settlement and property management interviews all provide the opportunity for an assessment of individual needs. This assessment then governs the level of interaction and support offered to the customers. An individualised tenancy sustainment program allows for active, independent living, with opportunities for engagement to be taken up as per the customers' needs and wants.

We respect the rights of the customer to engage, access services, or participate in their own established community activities



Customer - Tangerine Street



Housing Plus

We recognise that once our customers are housed, they may need further support. Our programs provide housing plus support to create betterment in the lives of our customers. We actively seek out and develop partnerships with others, in order to provide our customers with innovative and tailored support services, targeted at the prevention of homelessness and the development of independence for our customers. This support will create and engender a concept of choice, to enable our customers to increase their social and economic participation and achieve their full potential.

Homelessness

Sadly, many people view homelessness as the result of personal failings, and consider that if the economy is going well, there is no excuse for not getting on.

But this belief is belied by the facts, which show that homelessness is caused by a complex interplay between a person's individual circumstances and adverse 'structural' factors outside their direct control.

"These problems can build up over years until the final crisis moment when a person becomes homeless."
(Shelter.org.uk)

Hume understands well the reasons for homelessness and as such, has designed and implemented a range of different programs to break the cycle of homelessness and provide support to address the personal factors contributing to homelessness as well as advocating to change the contributing 'structural' factors.

Homelessness has increased in NSW and Hume is responding to this demand.

Hume Housing's Programs

Temporary Accommodation Program: The TAP was created in partnership with local Housing NSW team members to find a simple solution for families who require immediate housing assistance. Previously families were housed in motel accommodation, an expensive option that lacked basic amenities like cooking facilities in addition to lacking the support mechanisms required to achieve sustainable positive outcomes.

Hume's TAP team provide family accommodation across South Western Sydney and are a critical support for families linking them to financial and counselling services and reconnecting people with families and communities. The program also provides support housing for single people and couples. The TAP team directly provides person centered support and case management to its customers.

This short term stay program has impressive results with **54%** of customers securing suitable accommodation at the end of their stay. It is a cost effective and results driven program.

Transitional Housing Program: Through our experience with the TAP program, we know that some customers require longer term support to enable them to regain their health, financial security and mental wellbeing before settling in a private rental property or long term support needs are identified and application made to Housing Pathways.

The Supported Housing and Transitional Housing programs respond to this need, allowing longer term highly supported tenancies to be undertaken, dependent on the customer's individual needs, which can change through the course of the tenancy. Hume now has 130 Transitional Housing properties – maximising the life span of assets, by utilising vacant "noted for demolition" properties across a range of large scale public housing estates for the Transitional Housing Program.

Transitional Housing Program - rehoused 71% of clients in sustainable and appropriate accommodation.

The Supported Housing Team: works with 38 partners, with 35 of these partnerships working specifically in the homelessness space and ability to assist up to 118 households at any one time. Support partners bring speciality knowledge and capability as does Hume, ensuring that customers have the opportunity to work on resolving the presenting issue that has brought them to this point of homelessness.

As part of our continual improvement and review mechanisms, we engaged The Miller Group to conduct the Hume Housing Homelessness Support Service Process Improvement Project, this included a review our Policy and Procedures and work with Hume in strengthening our practice in the homelessness sector.

Staff workshops were held, Support Partner interviews were conducted and customer focus groups completed, ensuring that all key stakeholders had input into reviewing and strengthening our practice.

A critical part of our review introduced Strengths based and Trauma informed care concepts and work practice. This has created the foundation to further build upon this knowledge and skill base.

Reflections on Hume as a Partner were generally positive with agencies (10 out of 13) ranking the partnership as effective/highly effective (4/5).

Partner agencies described the partnership as being effective because Hume:

- ➔ Is flexible
- ➔ Client focused
- ➔ Understands the needs of clients
- ➔ Is prepared to take on challenging clients with complex needs
- ➔ Works well with partners for the benefit of the clients
- ➔ Promotes good working relationships
- ➔ Communicates well
- ➔ Resolves issues effectively
- ➔ Supports the partner in achieving outcomes for clients
- ➔ Is well linked in with local networks.

Social Housing Program: Customers in social housing programs are ambitious, keen to experience new things and committed to their local communities, with many undertaking volunteer work and being active members of social, sport and cultural pursuits.

Hume's role is to break down barriers for our customers to enable them to achieve goals they have set for themselves and their families.



St Ann - Kitchen



The provision of a range of educational, leisure and community engagement activities allow for connections to be made and strengthening of community cohesion.

We do it differently and we do it well!

Our customers told us – with a rating of 81% satisfied in the annual customer survey with Hume's customer engagement.

The Hume Student Scholarship Program: Hume Housing wants to make a difference in the lives of our customers. We recognise that education helps people to open new doors, to secure good jobs and have a brighter and better future. The Hume Student Scholarship Program awarded \$6,000 in scholarships to 8 young people who were committed to maximising their educational opportunities in Primary, High School, TAFE and University. Hume will be assessing the outcomes achieved through this program.

Macarthur Real Estate Engagement Project (MREEP): was identified in response to the increased number of tenants that were evicted from properties in the private rental market that placed additional stress on Housing NSW (HNSW) and Specialist Homelessness Services (SHS).

Hume took the lead facilitation role on in early 2013 as funding for the project had ceased. The project continued with its valuable work of developing mutually beneficial relationships between Real Estate Agents and Community Services.

From the 1st July 2013 – to August 2014, MREEP have saved 116 at risk tenancies and referred 19 customers for further support.

At near Transition/Supported Housing Program

Overview: Bassma is 29 years of age, a single mother of two young boys, who was homeless and sleeping on the floor of a friend's 1 bedroom unit. Bassma was referred to Hume Housing by Community First Step, a support agency working with family.

Bassma moved into one of Hume Housing's Transitional Housing properties in May 2014 and Hume Housing's Homelessness Prevention and Support Officer assisted in conducting the sign up and outlined the program guidelines in Arabic.

It was explained to Bassma that the expectation was that she works towards resolving her homelessness by applying for private rental properties and she would be able to gain support through the case plan process.

Bassma has no family support, she is a newly arrived migrant who cannot speak English, she had no rental history and she was evicted from her previous rental property after escaping Domestic Violence.

Bassma's son also has mental health issues, yet despite all the challenges Bassma was determined to solve her homelessness and was able to secure a property in the private sector within two months of staying in the Transitional Housing program.



Scholarship Winners



Valued Customers

Our customers are the central focus of what we do. We value our Customers and we demonstrate this through the adoption and adherence to social justice principles of equity, access, involvement and rights for all individuals. Regardless of the activity in question, the focus is on our customer's perspective and the outcomes for our customer. We listen to our customers, providing feedback mechanisms that are accessible to all. We acknowledge what our customers tell us and most importantly we take the opportunity to improve and develop our services based on our customer's feedback, needs and wants.

Tenant's Voice

"Hume aims for the inclusion of their customers to have the opportunity to raise issues, complaints and allow them the ability to directly affect how Hume Housing does business. They are able to talk freely about Hume in an open atmosphere that is Tenants' Voice."

Hume does a great job of trying to solve customer problems even at times of adversity where there are language and communication barriers. They always try to provide the customer with the correct solution to their problem."



Nelson Cabrera, Tenant's Voice Vice President

Their role:

- ▲ Establish the social club subcommittee and management of annual events for seniors, young people and families.
- ▲ Guide Hume's policies by providing their unique experiences of our services and feedback on expectations of service delivery.
- ▲ Lead advocacy and engagement campaigns using their social networks to bring new customers to engage in our programs.
- ▲ Provide peer support for others as needed when navigating social housing procedures.
- ▲ Actively participating in the NSW Housing Federation Tenant's Group – advocating for services and exploring best practice ideas.

"I have been part of Tenant's Voice for over 12 years. I have learned a great amount of knowledge on how the company works, learning different procedure and policies, developing solutions on Customer Issues, making new friends and improving my English skills."



"This year I have had the chance to be directly involved in choosing Social Club activities and organising the End of Year Celebration with the assistance of other Tenants' Voice members."



Khalida Toma, Tenant's Voice President

"Being on Tenants' Voice has given me the chance to represent Hume Customers on the Board."

- Romeo Kerian, Customer Director on Hume Housing Board and Tenant's Voice Member

Hume also engages with customers on specific topics and utilise our customer profiling to bring together a group who have experienced a service such as the complaints process to assist us to improve.

Customer Panels that have occurred:

- Maintenance and Repairs – when should we recharge a customer, what is fair wear and tear?
- Fraud and corruption – managing community perceptions of a fair and just allocations process for social housing.
- Creating the organisations values.

Our customer feedback policy provides for a diverse range of data and information collection on how our customers perceive and experience our services.

Our customers have told us that they are satisfied with our housing services and maintenance programs, but we could do better in assisting them to understand how their rents are set and how they can access the complaints and appeals process.

We have redesigned our rent review letters, with a simplified message on what customers need to do to apply for a subsidy.

We are working on improving our complaints process and will ensure customers are able to lodge a complaint through a range of mechanisms not just online, but also to provide clear, simple messaging to enable understanding on the policy and processes that guide our program and service.

"Hume should be acknowledged for the very significant commitment of time and resources it made to ensure that its diverse customer base had the greatest possible opportunity to participate in the survey.

By translating the survey into the four community languages most frequently spoken by customers, Hume showed its commitment to working with all its customers.

This has led to excellent response rates from these groups. Hume should be congratulated for these efforts as the sector leader in setting new benchmarks for this aspect of good practice.

Hume should continue this good practice in the future surveys. Hume should also communicate these excellent results among its peers to encourage adoption of this practice in the sector."

NSW Housing Federation 2014.

Customer Profile

A profile of our customers extracted from their participation in the annual survey highlights:

"Almost one in three (31%) respondents had been a customer of Hume for more than 11 years.

The results show that there was a pronounced linguistic diversity amongst respondents, with the majority of customers (70%) speaking a language other than English at home, reflecting the fact that Hume operates in some of the most culturally and linguistically diverse areas of Sydney.



Alex Binos, Jason Newton and Romeo Kerian



19%
of respondents identified themselves as belonging to the Australian cultural group, followed by Vietnamese and Assyrian (15% and 12% respectively).

35 - 64
was the largest grouping by age of respondents which accounted for 38% of respondents.

57%
of respondents that answered this question reported having one household member with an illness or disability that had lasted, or was expected to last, at least 12 months."



Tenants Voice

Community Anchor

We are a community anchor, promoting a village approach to community living, building self-sufficiency and providing incentives, work and training to enhance community wealth. Providing opportunity to communities for self-empowerment, facilitating the bringing together of individuals, groups, support services, agencies and businesses. Basing decisions that impact our community, our service delivery and our organisation on sound research and evidence and a solid understanding of who our communities are, what they want, need aspire to and expect from Hume.

Hume knows there is an impact on the communities in which we deliver our housing programs – we bring in diversity, and at times, like with Telopea we have an impact on the community membership with additional families, couples and individuals moving into an area.

Hume introduces ourselves to communities through our team members joining established community networks and promoting our programs and seeking partnership opportunities and understanding the services available to our customers.

Where there is a gap in community networks, we will take a leadership role and bring key stakeholders together to better understand the communities' aims and ambitions. Hume then identifies our potential sustainable roles – leader, advocate, networker participant or direct service delivery.

We are continually enhancing our role as a community anchor and seeking alternative sources of funding to allow us to expand our role. Partnerships and brokerage are our preferred approach and this is what has made programs undertaken to date highly successful.

We have expanded the community anchor role with the establishment of the Telopea community learning space.



Computer Class - Shortland

Telopea Community Engagement Program

Telopea Community Engagement Programme
The Telopea Community Engagement Program commenced in June 2013, and from the outset has strived to provide our customers with a variety of events, opportunity to engage with other neighbouring residents both within the complexes they reside, their surrounding communities and Hume. This has allowed customers to contribute to events planning and delivery, encouraging community development and ownership.

Events and workshops include:

- Emergency Services Safety Evening
- Art Classes
- English Tutoring
- Home Chocolate Making
- Fitted For Work Workshop
- Home Coffee Making
- Telopea Tenant's Voice
- "How to make Cheese" Workshop
- Sturt Street BBQ
- End of Year Celebration
- Creative Jewelry Class
- Bingo in July
- Ceramic classes
- Learning Zone

Macarthur Winter Sleep Out

The Macarthur Homeless Steering Committee was set up to raise awareness of people experiencing homelessness in the Macarthur area. The Macarthur area has an invisible homelessness population as mainstream society associate homelessness with rough sleepers.

90% of Homeless in Campbelltown are secondary homeless, being couch surfers, living in overcrowded accommodation in which they are not recognised as a tenant and as such do not have any legal rights.

Macarthur Homelessness Steering Committee is a strategic network made up of key stakeholders in the area including: Hume Housing, Argyle Housing, Department of Human services, Sector Connect, The Drum Youth Service, St Vincent de Paul Society, Housing NSW, Partners in Recovery, Campbelltown Council and Rotary Australia.

Each partner brings a level of expertise and in collaboration work to increase awareness and support and develop practical solutions to address homelessness across the Macarthur region.

The Committee provides a localised focus on homelessness, raising awareness of housing issues in the wider community of Macarthur and providing practical support through local initiatives/projects to address that need.

The Committee's focus is to research homelessness and housing issues in Macarthur to inform current and future projects and service provision.

The Committee supports the realisation of a number of projects to address homelessness in the Macarthur area. One such project was "A Night in the Cold for a Cause" sleeping rough event held at Harlequins Sportsground in Campbelltown in August 2014.



Computer Class - Telopea

Over 150 local Macarthur residents came along to support the night and were treated to fantastic entertainment, lots of fun activities and inspiring guest speakers.

The event aimed to raise awareness and much needed funds to tackle homelessness in Macarthur.

Guest speakers included Cat, a local resident speaking about her personal experience of homelessness.

Entertainment was provided by a number of local residents including Georgia Evans, Isabel Estephan and a trio of musicians as well as a fun exercise class to keep warm. Ingleburn Rotary Club put on a BBQ on the night and the Harlequins Football Club provided a free soup kitchen.

"We are so overwhelmed by the result of our Night in the Cold for a Cause event. This was only our second year and the growing support and generosity of the local Macarthur community and our event sponsors has been fantastic".

**Total funds raised
for this event
\$30,000**

THE MACARTHUR HOMELESSNESS STEERING COMMITTEE PRESENTS

A NIGHT IN THE COLD FOR A CAUSE

SPONSORSHIP PACKAGE

Proudly brought to you by

MACARTHUR HOMELESSNESS STEERING COMMITTEE

ROTARY CLUB OF INGLEBURN

FIND US ON FACEBOOK

9 AUGUST 2013

HOMELESS PERSONS WEEK

FROM 7:30PM AT CAMPBELLTOWN SHOWGROUND, KING ST, CAMPBELLTOWN



Value For Money

Hume Housing will continue to be a high performing organisation in all aspects of our business, including governance. Alongside protecting and ensuring the best use of our assets, we will seek to both maintain a continuous improvement approach and achieve value for money in all we do.

Hume is an organisation that is professional, properly supported and efficiently run. Where the growth in resources is proportionate to the growth in service delivery and the demand for service improvement. Where procurement decisions are effective and transparent.

Where the financial sustainability of the organisation is managed at every level. We will adhere to our value for money principles in each and every action to deliver quality outcomes, housing and services. We will achieve the maximum benefit from our resources, protecting the viability of the organisation, whilst reflecting our charitable status and ethos.

Our Value for Money principles are not based on the cheapest price or the surplus generated but delivering better services for the same or less cost and finding innovative ways to maximise our positive social impact. Hume utilises structured and proactive governance systems to achieve the desired outcomes of sustainability, efficiency and effectiveness, delivered by a high performing team.

We measure our performance by reporting on KPI's monthly to the board on operational activities and quarterly and annually through CEO reports and Annual reports.

We proactively review policies and processes to streamline our approach, reduce waste, improve efficiency and facilitate an ethical service provision.

Weekly monitoring of our rental income base and targets set on best practice and Regulatory Guidelines ensure stringent controls. The dual benefit of this structured approach enables early intervention for customers at risk of tenancy breaches through rental arrears and support and financial counselling are offered, ensuring sustainable tenancies. The proactive approach prevents spiraling costs in managing NCAT processes, following low yield but lengthy debt collection processes and managing high turnovers.



Streamlined, Sustainable Procurement

Hume engaged Fyson Consultants to assist with the development of our Procurement Policies & Procedures Manual.

The objectives of the policy are to ensure that procurement practices:

- i. Support the needs of Hume Housing and our tenants;
- ii. Make efficient and effective use of our own and our suppliers' resources;
- iii. Ensure fair, open and effective competition;
- iv. Are ethical, sustainable and compliant with Hume Housing policies and practices;
- v. Improve the local amenity of communities and are socially responsible;
- vi. Identify and manage risks to maximise opportunities and manage potentially adverse consequences;

vii. Use Hume Housing's skilled resources to provide advice and guidance;

viii. Ensure Hume Housing and its employees act within their delegations and are accountable for decision making in procurement; and

ix. Engage our customers in the procurement process in relation to selection or service provision where appropriate.

The procurement policy embedded our Value for Money culture and ensures we gain maximum benefits from all goods and services procured.

- Amendments to Hume's Delegations have resulted in streamlined decision making within approved authority limits.
- FY2014 we achieve savings of 8% in Administrative Expenses compared to Budget

Task	Benchmark	Our Result	Continuous Improvement
Re-let of vacant properties <i>(total of 806 managed across all portfolios – 159 in general and affordable housing)</i>	No sector benchmark for total of all program types	Average 13 days across portfolio	
Streamline property assessment, void and re-let times	No sector benchmark	Under 30 days from notification	Maximise the efficiency of the integrated IT systems and improve data entry, collection and analysis
General Social Housing Voids – Minor Works	14 days	Average 5 days	
General Social Housing Voids – Major Works	28 days	Average 22 days	
Overall satisfaction rate from customers with services provided	75%	87%	Target affordable housing program customers to gain further understanding of this expanding program
Rent outstanding	<2%	2.24%	
Rent foregone	5%	4.75%	Relaunch rent policy & promote as a key message – rent to be maintained at two weeks in advance
Rent debt written off	<1%	0.87%	Minimise impact of rent review and system changes. Engage further with customers prior to tenancy end



People & Culture

Our guiding principles are the foundations on which our team builds to be ready to embrace future opportunities.

We are honing our readiness by building skills & knowledge, building our resilience and wellbeing, operating in accordance with our revitalised values, and measuring our performance.

We build skills & knowledge through formal and informal education; for the past year Hume has supported team members achieve their personal tertiary education goals, and we congratulate those individuals on their dedication and perseverance.

We build our resilience and wellbeing with our ongoing delivery of Hume's Health and wellbeing program. Measured by our annual health and fitness tests, the overall health status of the organisation has improved significantly since 2013.

73% of team member participants improved their health status (some substantially).

We measure our performance by further embedding our structured performance management system focusing on accountability and the achievement of outcomes for our customers and our stakeholders. We are more able to recognise exceptional performance based on evidence of exceptional results.

Our capability as an organisation as measured by our competency assessments has increased by 10% in the 12 month period.

The ground up revitalisation of our values gave us an opportunity to reenergise, and remind ourselves of our true purpose, giving ourselves a collective compass to guide our decisions and behaviours towards each other and most importantly towards our customers and our stakeholders. We love our values and are truly passionate

about them; our values and our commitment to them are uniquely Hume.

100% of staff agreed with the statement I believe in the values of this organisation (*EOS Result 2013*)

100% of staff agreed with the statement I believe in the work done by this organisation (*EOS Result 2013*)

A clear measure of our success is the result of our Employee Opinion Survey. Annually Hume Housing conducts an Employee Opinion Survey, facilitated by The Voice Project. Employee engagement is the extent to which employees feel passionate about their jobs, are committed to the organisation, and put discretionary effort into their work.

Organisations with high levels of engagement outperform those with low levels of engagement.

Our EOS Result

- 👉 Our overall employee engagement increased from 81% in 2012 to 84% in 2013.
- 👉 Organisational Commitment 85% in 2012 to 93% in 2013.
- 👉 Job Satisfaction 84% in 2012 to 88% in 2013.
- 👉 The Voice Project described our results as extraordinary, and extremely positive.

Our staff also said we have some areas to improve, these are categorised as Cross Team Collaboration, Career Progression and Technology.

Opportunities for internal promotions and skill development have been increasing as we grow. Our recruitment choices are merit based, and our staff have shown that they are the best person for the role on numerous occasions.

Building Cross Team Collaboration we set up the Voids and Vacancy Working Team which has seen voids and vacancy days of properties between tenancies significantly reduced to below sector benchmarks.

Supporting the development of knowledge across the organisation we have encouraged and celebrated a number of internal promotions and secondments for the year.

Julie Davenport

- 👉 3 years with Hume Housing.
- 👉 Starting role: Housing Coordinator, Supported Housing.
- 👉 Background –Prior to Hume: Counselling and advocacy/caseworker- employment, welfare rights, consumer rights, immigration, financial counselling (UK) based across large social housing estates.

Working as community project worker in tenants advice and advocacy centre in South West Sydney, I heard a lot of great things about Hume's values and approach to customer engagement and customer driven services and this is partially what attracted me to apply to join Hume Housing.

During my 18 months within the supported housing team, we provided tenancy management, built stakeholder relationships, and developed new partnerships and innovative ways of working. I decided I would like to progress my career within the housing sector and at Hume Housing so I requested support to complete a diploma in management and this was approved.

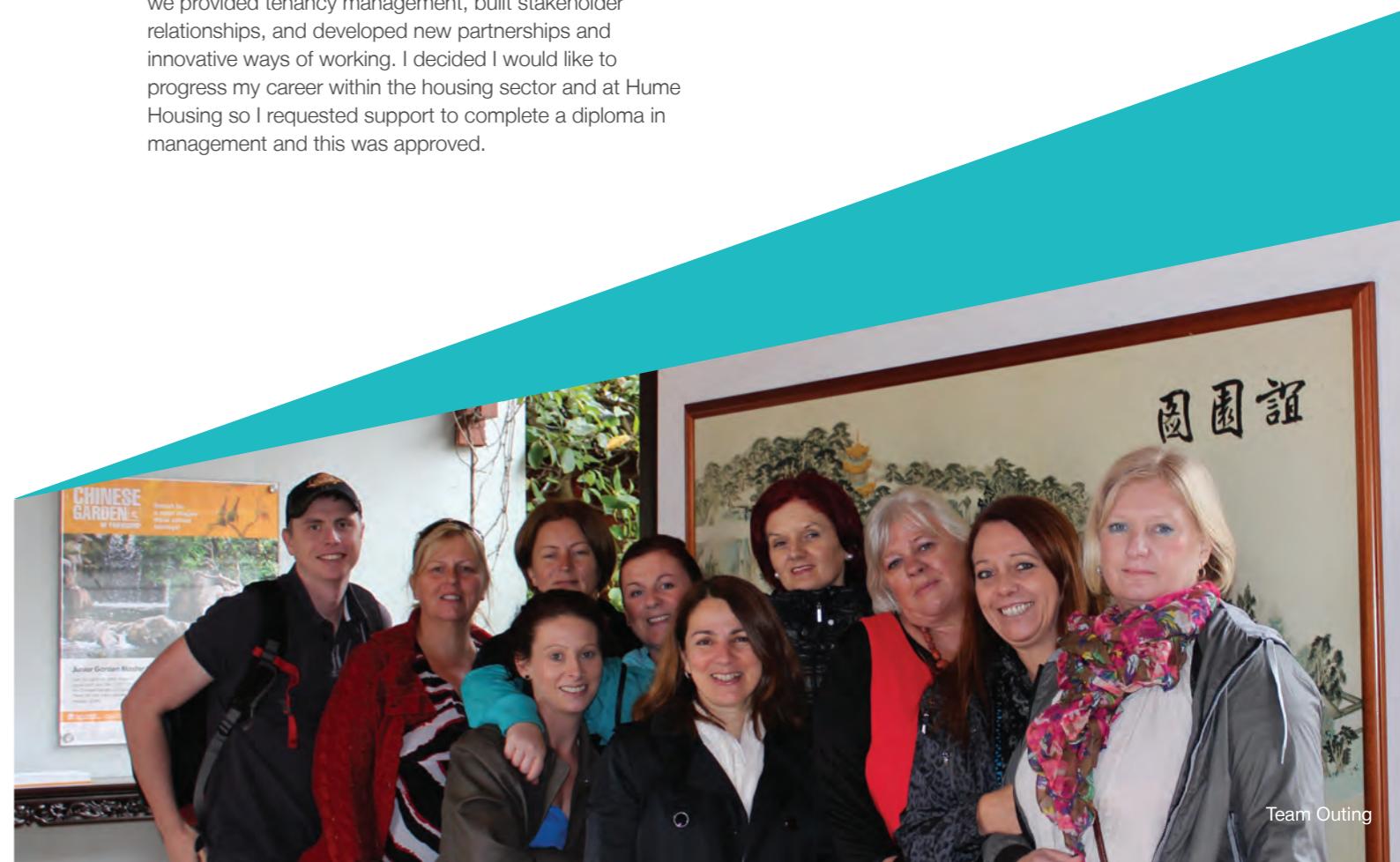
My new found skills, allowed me to apply for a team leader position within the transitional housing team providing tenancy management and casework of a portfolio of customers exiting homelessness and supporting the team.

In this role I was supported to develop my managerial style and skills further and during this time I learned a lot about the resilience of our customers, myself and Hume Housing staff who maintain awareness of and a commitment to our values and ethics whilst dealing with challenging and sensitive situations on a daily basis.

I have been supported in my career progression through great role models, opportunities to step up and investment from Hume Housing in my training and development.

Currently I am settling into my new role as Coordinator, Neighbourhood Programs. For the foreseeable future I am excited about the growth of our affordable housing portfolio.

I am grateful that I work in an environment where the culture is truly driven by the values and ethics of the organisation and that I am able to contribute to innovative and customer driven programs and services that holistically support our diverse customer base to enter high quality affordable accommodation and opportunities to reach their full potential.





Debbie Doggett

- 14 years with Hume Housing.
- Starting role: Customer Service Officer – 21hrs per week.
- Always up for a challenge and a change, within a little while of starting I was offered my first internal secondment to holiday relief role as Maintenance officer. This was to be the pattern of my time with Hume Housing.

Gradually my part time role became full time and I have held positions including, Housing Officer, Maintenance Manager and Income Recovery.

In 2012 I was then given the opportunity to do a Project Officer Role on IT Implementation Team. I thoroughly enjoyed this role as I thought it would be something different and a challenge.

The role did prove to be this and I would say it was a major highlight for me.

Since then I have completed a number of special projects such as Customer Account Coordinator assisting the Income Recovery Team to work with Customers who require additional support to reduce their arrears, Blue CHP NRAS properties audit and Rent Review.

Things have almost come full circle and I have now come back to my Income Recovery role after nearly 3 years of secondments and special projects.

Hume Housing has supported me through these changes and progressions with training as required, leadership and management.

It is nice to have my knowledge of and commitment to Hume Housing recognised and valued. I am grateful for being given the opportunity just to work for Hume Housing and also for the opportunity of many hats I have worn in my career with Hume Housing.

We are working towards achieving our technology plan, the first step of which was to recruit internal IT expertise, a very exciting first for the organisation.



Hume Team Away Day



Staff Away Day



Board Director Profile

Hume Housing's Board of Directors

Hume Housing's Board structure and composition reflect good governance practice. Hume is governed by an independent skills based Board consisting of up to nine directors plus Board Patron who have an experience and skills set appropriate to the scale and scope of the current business and Hume's planned growth. Commitments to strong governance, community spirit and advocacy for disadvantaged individuals and communities are the aims that drive Hume's Board of Directors.

Hume's Board has a cohesive membership that provides skills and expertise in the areas of Property Development, Financial Management, Human Resources, Community services, Urban Planning, Law and Housing and Asset Management.

The Board has the support and guidance of Hume's Patron Pat Martin OAM and a team of specialists engaged as required to provide advice and sector expertise. Hume has established a corporate governance framework that provides for the effective, sustainable, accountable operations and continuous improvement of Hume by:

- Ensuring that Hume services and infrastructure are provided reliably, efficiently and effectively with the appropriate quality levels of service to customers, and stakeholders.
- Ensuring that Hume remains solvent and is complying with all its legislative, financial, ethical and contractual obligations.
- Building corporate awareness as a shared responsibility of Directors, Management and Staff to uphold the values and objectives of Hume.
- Identifying the resources and operational capabilities required to ensure effective corporate governance processes that align with demonstrated best practice.

With these robust mechanisms in place along with a transparent approach to decision making current and future stakeholders can be confident in Hume's Board's ability to govern to the highest standards.



**Patricia (Pat) Martin
(O.A.M) Patron**

Dip.E, Dip.ME, JP
MAHI, MOAA

Pat Martin has been involved with Hume Housing's operations for the last 20 years including serving a 16 year term as President of Hume Housing before her appointment as Board Patron in 2007.

Pat has also served terms as President of the Fairfield Community Resource Centre as well as the NSW Federation of Housing Association.

Pat successfully owned and operated a busy travel study company, Cindela Consultants, which coordinated study visits to and from Japan for Government Officials in the areas of Retirement, Stock Exchange, Police and Fire Brigade. Pat is also a former secondary teacher and taught for 15 years.

Pat specialises in Governance and HR Administration with the desire to assist minority groups within the community, and as a result has managed English classes for elderly migrants. In 1982, Pat was awarded the Medal of the Order of Australia (OAM) for her service to Youth Welfare. Pat is a current member of the Australasian Housing Institute (AHI) and member of the Order of Australia Association (OAA).

Tony Conides

Chairperson, Chairperson – Recruitment and Remuneration Subcommittee, Chairperson – Development Subcommittee
JP, AREI, GAICD, MAICD, ISTM



Tony is a fully licensed and accredited Real Estate, Strata and Property Manager as well as Auctioneer and has been Managing Director of his own Real Estate and Strata Management Company since 1976.

Tony is a successful consultant to solicitors & private individuals specialising in the areas of strata & property management, dispute resolution, property development, strategy and analysis and is a qualified interpreter and translator. Tony also has extensive small business experience managing a family import/export company.

Tony has held a position on the Hume Housing Board since December 2006; he is currently the Chairperson for the Hume Housing Board as well as Chairperson for the Development and Recruitment & Remuneration Sub Committees. Tony has been a non-executive Director of BlueCHP Limited since 2010 and an active member of the Australian Institute of Company Directors.

In 2012, Tony was awarded a scholarship with the Scholarship Foundation and successfully completed 'The Role of the Not-For-Profit Chairman' course.

"I have been in the industry for some 40 years in my own Real Estate practice as an Accredited Property & Strata Manager and having accumulated an enormous wealth of knowledge in the industry. I am very satisfied with the overall progress aims and success of Hume Community Housing and hope to continue as a member of the Board for a number of years."

Brian Lomas

Director, Deputy Chairperson, Treasurer, Chairperson – Audit and Risk Subcommittee
Dip. A, AICD Residential Course FCPA, MAICD



Brian Lomas is a Fellow (FCPA) of CPA Australia and a member the Australian Institute of Company Directors. Brian is currently an honorary Director of and works part time as the Company Secretary, Corporate Governance Advisor and Mentor of the Gladstone Area Group Apprentices Ltd. Brian has also served as the Treasurer for Rosella Park Special School since 2011.

Brian possesses over 45 years' experience in Financial and Corporate Management, specialising in Healthcare, Health Insurance, Corporate Law, Superannuation, Executive Management, with Directorships in the Charity and Welfare organisations in the Not for Profit sector.

Brian was a Senior Executive of the NSW Division of the Health Insurance Commission when Medicare was introduced in 1984 and was also part of a special team that negotiated with Federal Treasury and ATO to amend the Income Tax Assessment Act to recognise the collection of Audio -Visual Copyright Income was tax exempt in the hands of Copyright collecting Societies until distributed to the rightful owner of the copyright.

Brian has held a position on the Hume Board since 2005 and is Chairperson of the Audit & Governance Sub Committee.

Brian recently received a Recognition Award from CPA for his 40 year contribution to the NFP sector.

"I joined the Board in 2005 to fill a financial advisor role on the Board, and although now a resident of Gladstone in Queensland, I still gain satisfaction from my contribution to the Board's responsibility for the financial governance of Hume's ever increasing commitment to our present and future client base.

2014/15 will see the commencement of project like Hamilton Road, the Vesting of the title to 156 properties in Telopea and our commitment to leverage this asset to further increase the availability of suitable, modern and affordable accommodation in areas that our tenants want to live in. This will see the financial prudence of almost ten years of increasing our cash reserves bear the fruits of our efforts".



Lorraine Eddy

Director
Member of Audit and Risk
Subcommittee
JP, Marriage Celebrant



Lorraine Eddy holds a Certificate in Welfare as well as an Advanced Certificate in Working with Older People.

Lorraine has over 20 years' experience working with older people and for the last 15 years has been advocating housing issues for the Aged community through the "Assistance with Care and Housing for the Aged" Program in NSW.

Lorraine has held a position on the Hume Housing Board since 2005 (Lorraine previously held a position on the Hume Board from 1998-2003) and is an active member of the Audit and Risk subcommittee.

"My involvement with Hume Housing has been invaluable in keeping abreast of the housing market enabling me to be a pro-active advocate for Older Australians."

Sue Holliday

BA (Economics), MPhil (Town and Country Planning)
FPIA, CPP, GAICD – Member of Recruitment and Remuneration Subcommittee
Professor Sue



Holliday is a City Planner and Economist. She is Professor of Planning Practice at UNSW, and Managing Director, Strategies for Change, an urban strategy consultancy.

Sue had a long career in the public service and has demonstrated an outstanding commitment to affordable housing. She was Director General of Planning in NSW from 1997 to 2003. During that time the policy arm of NSW Housing and Landcom (prior to commercialisation) reported to her, and she was instrumental in establishing the City West Housing Company to achieve ongoing affordability options in Pyrmont Ultimo. She was appointed a member of the National Housing Supply Council from its inception to its closure in 2013.

Sue has been held various Board roles since 1997.

She was a Director of the Transport Infrastructure Development Corporation from 2004-10. She was President of the NSW Building Professionals Board until June 2013. Sue is currently a Director of Good Environmental Choice Australia (GECA).

True Swain

Director, Member of Development Subcommittee
M. Pro Dev, B. CPM



True Swain is an experienced Property Development Manager who has successfully delivered multi-million dollar property development projects throughout Australia. His qualifications include a Masters of Property Development and Bachelor of Construction Project Management.

In his current role as a Property Development Manager at Qantas, he has been responsible for the delivery a variety of large property construction projects throughout Australia, which have been successfully delivered in complex live operational environments.

His previous project experience as a leader within small and large organisations has given him a wealth of knowledge in the delivery of large complex projects and an appreciation of the need for stringent governance to ensure the project objectives align and meet the organisations core vision.

He has provided strategic property project advice to non-for profit executive board and been responsible for the development implementation of risk management strategies on a variety of construction and development projects.

True was elected to the Hume Housing Board in January 2014 and has expressed; "his sincere belief in Hume's vision and the value it is instilling in the local communities by delivering affordable, vibrant, sustainable and cohesive homes and equitable services."

Vivek Prabhu

B.Bus FCA F.Fin MBA AAICD
– Member of Audit and Risk Subcommittee



Vivek is an accomplished financial services professional and experienced non-executive director. He's a fellow of both the Financial Services Institute of Australasia (FINSIA) and the Institute of Chartered Accountants in Australia (ICAA) and a graduate member of the Australian Institute of Company Directors (AICD). He has over 22 years of experience across accounting, auditing, finance, investments, governance and risk management.

He has managed multi-billion dollar fixed income, credit & currency portfolios during his career in funds management, including previously at Macquarie Bank and currently at Perpetual as Deputy Head of Credit & Fixed Income. His roles in risk management at Macquarie Bank included Compliance Manager (Funds Management Group) and Internal Auditor (Risk Management Division). Prior to this, he was an accountant in the audit division at Coopers & Lybrand (PwC).

Vivek serves on:

- Perpetuals Diversity Council;
- FINSIA's Funds and Asset Management Industry Council; and as an
- Elected Councilor of The Hospitals Contribution Fund of Australia (HCF)

He was awarded the 2011 FINSIA Hugh DT Williamson Performance Scholarship, an award recognising professional accomplishment, social responsibility and leadership. In 2011 Vivek was also awarded a not for profit (NFP) directors scholarship from the Australian Scholarship Foundation, an award providing training to improve NFP directors ability to lead and manage their organisation's.

Vivek's board portfolio includes community based NFP's striving for social justice, including:

- The Deaf Society of NSW: Non-Executive Director & Treasurer;
- Council of Social Service of NSW: Non-Executive Director & Treasurer; and
- Hume Community Housing Association: Non-Executive Director





Romeo Kerian

Tenant Representative on Board



Romeo has been a Hume Housing tenant for the last 10 years and has been an active member of Tenants Voice; Hume Housing's Tenant Committee. In 2013, Romeo was appointed Tenant Representative on the Hume Housing Board.

Romeo is a qualified chef and ran his own restaurant in Sydney.

Romeo possesses business skills acquired through his administration of his own restaurant. These include book keeping skills, payroll, supervision of staff and customer service.

Romeo is a strong advocate for tenant involvement at an organisational level. He believes he can positively give another dimension in representing tenants' needs.

Romeo is currently studying Academic English at Blacktown TAFE, attending Macquarie University next year. His goal is to be a teacher – teaching German Language.

Domenic Portolesi

Director - Member Development Subcommittee
B.Law.



Domenic Portolesi is a qualified lawyer admitted to the Supreme Court of NSW in 2001 and specialises in Personal Injury Litigation including Workers Compensation and Third Party Litigation. Domenic also practices in Commercial Litigation, including the acquisition and the sale of property, business and leases.

Domenic has worked for various legal firms for the past sixteen years and in 2007 became Partner at Kazi Portolesi Lawyers.

Domenic has been a Director on the Hume Housing Board since 2007 and is a member of the Development.

Robert (Bob) Vine

Director
Dip.Mngmt. Gd Dip. HR- Member of Audit and Risk Subcommittee and Recruitment and Remuneration Subcommittee



Bob Vine has served 9 years on the Hume Housing Board including a 2 year spell as Chairman before being appointed again to the Director position in 2012 after a 3 year break.

Bob has been involved in "Not for Profits" management since 1972 culminating in retirement as CEO of one of the State's largest groups of Co-operative Housing Societies, an organisation in which he presently serves as Chairman.

With tertiary qualifications in Management, Human Resource Planning, Accounting and Financial management Bob brings to Hume an all-round raft of experience. Still serving on the NSW Government Co-operatives Advisory Board he is actively involved in the provision of affordable housing.

Bob lives on Sydney's Northern beaches and is an active sailor, tennis and golf player loving life with his wife and extended family including five grandsons.

Judith Beveridge

Judith joined the Hume Housing Board in December 2010. She has lived in the local area for over 28 years, and spent 17 years running a retail business with her husband.



During this time she has always been involved with supporting the community sector. In 1980 her interest was tailored into the community housing sector, tenant rights, education and their self-empowerment.

In 1985 she was employed as Coordinator of Fairfield Community Tenancy Scheme and was instrumental in its amalgamation with Liverpool Rental Housing to form Hume Community Housing Association. Her employment with Hume Housing continued until her retirement in 2009.

Judith joined the Hume Board in December 2010 "After being involved with Hume CHA and the community housing sector in general for many years I feel that I can offer a depth of knowledge and understanding of the history and development of the sector.

During my employment at Hume I was involved with sector wide committees to look at the path forward and the establishment of the ever expanding housing sector.

I also have an understanding of what is expected as a volunteer. Since the mid 1970's I have been involved with the management of many community committees as a volunteer, through this I have also gained experience in holding executive positions. I feel that this experience will be of benefit to the Board of Hume CHA."

Judith retired from her position on the Board in February 2014.

Alexandros (Alex) Binos

Tenant Representative on Board
Dip.A(F/S)



Alex Binos was a Hume Housing tenant for the last 5 years and was an active member of Tenants Voice: Hume's Tenant committee.

In 2012, Alex was appointed Tenant Representative on the Hume Board and is now a member of the NSW Federation of Housing Association's Tenant Network.

Alex holds a Diploma in Accounting (Financial Services) and Certificate in Business Administration and is currently studying a Bachelor of Arts specialising in Modern and Ancient Greek language, culture and history.

Alex is also a qualified fitness instructor and personal trainer.

"I strongly believe that active tenant participation in community housing associations is not only beneficial to the housing association itself but also helps build and sustain healthy communities".

Alex resigned from his position on the Board in January 2014.



Full Team Photo





HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

DIRECTORS' REPORT

FINANCIAL ACCOUNTS AND REPORTS

OF

**HUME COMMUNITY HOUSING ASSOCIATION
COMPANY LIMITED**

FOR THE YEAR ENDED

30 JUNE 2014

Your Directors submit the financial report of the Company for the year ended 30 June 2014. In order to comply with the provisions of the Corporations Act 2001 the Directors report as follows:

DIRECTORS

The Directors of the Company in office during the year and to the date of this report are:-

Tony Conides	Helen Yousif
Brian Lomas FCPA	Alexandros Binos
Lorraine Eddy	Robert Vine
Domenic Portolesi	Romeo Kerian
Judith Beveridge	Vivek Prabhu
Susan Holliday	True Swain

OPERATING RESULTS AND REVIEW OF OPERATIONS

The net result of operations was a surplus of \$2,871,334 (2013 surplus \$3,417,850). The Company is exempt from income tax

A detailed review of operations can be found in the annual report which accompanies the financial report.

SHORT AND LONG TERM OBJECTIVES AND STRATEGY

The short term objectives of the company during the year were to install integrated IT systems and expand tenancy and asset management services.

Long term objectives are to increase the number of properties under management through property development and leveraging on vested properties and through new fee for services arrangements.

The strategic goals of the company are:

- Customer focused, customer driven
- Outstanding homes, quality refurbishment and maintenance
- Vibrant, sustainable and cohesive communities
- Governance and leadership
- Efficient organisation and effective organisation
- Housing growth and service growth

The principal activity of the company during the financial year was the provision of community housing to low to moderate income earners.

The company's activities resulted in the continuation of the company's Tier 1 registration by the NRSCH and an operating surplus that will be used to further the company's long-term objectives.

The company is limited by guarantee of the members. The limits of the guarantee are provided in the Notes to the Financial Statements.

AUDITOR'S INDEPENDENCE

The auditors declaration of independence appears later in the report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Construction of our new head office and 60 affordable apartments at 5-9 Hamilton Road, Fairfield NSW 2165, will commence in October 2014 and is anticipated to be completed and tenanted by November 2015. The development is funded through Hume equity contribution, loan capital and NRAS.

Development Committee

Director's Name	Position on Board	Number of meetings held and eligible to attend	Number of meetings attended
Tony Conides	President	3	3
Domenic Portolesi	Director	3	3
True Swain	Director	1	1

Hume anticipates the receipt of title of transfer of 152 units in Telopea from NSW Government by March 2015. As such Hume will utilise a combination of Hume's equity contribution, loan capital and NRAS to fund the development of leverage properties. Hume will enter into commercial obligations with NSW Government to deliver an agreed number of leverage properties.

Hume's development pipe line means there will be utilisation of Hume's retained equity and significant draw downs on the various tranches of Hume's corporate debt facility which is provided by Community Sector Bank (part of Bendigo and Adelaide Bank).

Remuneration Committee

Director's Name	Position on Board	Number of meetings held and eligible to attend	Number of meetings attended
Tony Conides	President	1	1
Robert Vine	Director	1	1
Susan Holliday	Director	1	1

Hume is currently delivering on our funding obligations under NRAS 4b. Hume anticipates an increase in both rental and Fee For Services income, as well as an increased cash flow output to support the head lease arrangements. This will also result in the receipt of increased NRAS funding from NSW State and Federal Governments.

Hume has also been successful in securing a number of separate grants that will fund the provision of specific customer and community support services.

The likely events detailed have been reflected in our financial forecasts.

DIRECTORS' BENEFITS

Since the end of the previous financial year no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts) by reason of a contract made by the Company or a related corporation with a Director or with a firm of which the Director is a member, or with a Company in which the Director has a substantial interest.

MEETINGS OF COMPANY DIRECTORS

So as to comply with Section 307(2) of the Corporations Law we detail below the number of meetings held during the financial year and the number of these meetings attended by each Director.

Director's Name	Position on Board	Number of meetings held and eligible to attend	Number of meetings attended
Tony Conides	Chairperson	11	10
Brian Lomas FCPA	Treasurer	11	11
Lorraine Eddy	Director	11	8
Domenic Portolesi	Director	11	5
Robert Vine	Director	11	10
Romeo Kerian	Director - Appointed 23/10/13	7	3
Vivek Prabhu	Director - Appointed 18/03/14	4	3
True Swain	Director - Appointed 18/03/14	4	4
Susan Holliday	Director - Appointed 15/04/14	3	3
Helen Yousif	Director - Resigned 23/10/13	4	4
Judith Beveridge	Director - Resigned 18/03/14	8	6
Alexandros Binos	Director - Resigned 24/12/13	6	6

In addition there were meetings of committees of directors held and these are as follows:

Audit & Risk Management Committee

Director's Name	Position on Board	Number of meetings held and eligible to attend	Number of meetings attended
Brian Lomas FCPA	Treasurer	3	3
Lorraine Eddy	Director	3	3
Robert Vine	Director	3	3
Vivek Prabhu	Director	1	1



HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

DIRECTORS' DECLARATION

The Directors declare that:

- a) the attached financial statements and notes thereto comply with Accounting Standards;
- b) the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the Company;
- c) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001; and
- d) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

Tony Conides
Director

Dated: 16th September 2014

Brian Lomas
Director

W. L. BROWNE & ASSOCIATES PTY LTD

ABN 13 151 379 109

**JOHN CHEADLE F.C.A.
BRADLEY TURNER C.A.**

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HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

AUDITOR'S INDEPENDENCE DECLARATION

As the auditor of Hume Community Housing Association Company Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

J. C. Cheadle
Date: 16 September 2014



NUMBER ONE IN NUMBERS

Liability limited by a scheme approved
Under Professional Standards Legislation



W. L. BROWNE & ASSOCIATES PTY LTD

ABN 13 151 379 109



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED

Scope:

The Financial Report and Directors' Responsibility

The Financial Report comprises the income statement, balance sheet, statement of changes in members' funds, cash flow statement, accompanying notes to the financial statements and the Directors' declaration for Hume Community Housing Association Company Limited for the year ended 30 June 2014.

The Directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion to the members of the company. My audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Directors.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In my opinion, the financial report of Hume Community Housing Association Company Limited is in accordance with:

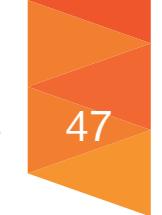
- (a) the Corporations Act 2001, including
 - (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional requirements


 John C. Cheadle-Chartered Accountant
 Suite 8, 924 Pacific Highway, Gordon, NSW, 2072
 Date: *30 September 2014*



NUMBER ONE IN NUMBERS

Liability limited by a scheme approved
Under Professional Standards Legislation



HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE, 2014

	Note	2014 \$	2013 \$
REVENUE			
Rental revenue		17,814,563	16,046,483
Grants		4,381,946	4,163,527
NRAS Incentives		1,185,879	1,218,285
Fee for service revenue		880,775	794,623
Interest revenue		456,917	423,682
Other Income		48,354	68,695
REVENUE AND OTHER INCOME		<u>24,768,434</u>	<u>22,715,295</u>
EXPENSES			
Headlease rent		8,879,628	8,089,046
Repairs & Maintenance		3,278,725	2,845,036
Council & Water rates		2,039,904	1,921,614
Other Property expenses		934,240	928,043
Insurance		280,417	261,404
Salaries & Oncosts		4,423,088	3,866,391
Depreciation		177,249	30,950
Finance costs		280,048	-
Office & administration expenses		690,292	421,224
Other General expenses		913,509	1,112,052
EXPENDITURE		<u>21,897,100</u>	<u>19,475,760</u>
Profit before fair value adjustments and contributions		2,871,334	3,239,535
Gain on revaluation of investment properties	1 (c)	0	178,315
Profit before income tax		2,871,334	3,417,850
Income tax expense	1 (a)	-	-
Total comprehensive income for the year		<u>2,871,334</u>	<u>3,417,850</u>

HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2014

	Note	GENERAL FUNDS \$	LONG TERM MAINTENANCE FUND RESERVE \$	TOTAL \$
Balance 1 July 2012		11,441,648	1,626,010	13,067,658
Surplus attributable to members of the company		<u>3,417,850</u>	<u>-</u>	<u>3,417,850</u>
Balance 30 June 2013		14,859,498	1,626,010	16,485,508
Transfer to Provision LTM	12	-	(1,626,010)	(1,626,010)
Surplus attributable to members of the company		<u>2,871,334</u>	<u>-</u>	<u>2,871,334</u>
Balance 30 June 2014		<u>17,730,832</u>	<u>-</u>	<u>17,730,832</u>



HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Investments	4	15,540,417	14,854,362
Receivables	5	3,776,143	2,553,869
TOTAL CURRENT ASSETS		<u>19,316,560</u>	<u>17,408,231</u>
NON-CURRENT ASSETS			
Plant & Equipment	6	393,905	370,904
Investment Properties	7	3,785,301	3,382,465
Other	8	2,528,942	2,350,014
TOTAL NON-CURRENT ASSETS		<u>6,708,148</u>	<u>6,103,383</u>
TOTAL ASSETS		<u>26,024,708</u>	<u>23,511,614</u>
CURRENT LIABILITIES			
Creditors & Borrowings	9	6,150,154	6,614,461
Provisions	10	211,497	161,435
TOTAL CURRENT LIABILITIES		<u>6,361,651</u>	<u>6,775,896</u>
NON-CURRENT LIABILITIES			
Provisions	10	1,876,678	168,568
Other	11	55,547	81,642
TOTAL NON-CURRENT LIABILITIES		<u>1,932,225</u>	<u>250,210</u>
TOTAL LIABILITIES		<u>8,293,876</u>	<u>7,026,106</u>
NET ASSETS		<u>17,730,832</u>	<u>16,485,508</u>
EQUITY			
General Funds	12	17,730,832	14,859,498
Long Term Maintenance Fund Reserve	12	-	1,626,010
TOTAL EQUITY		<u>17,730,832</u>	<u>16,485,508</u>

HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Grants & Rents		24,141,771	20,717,035
Payments to Suppliers		(23,334,522)	(18,670,398)
Interest Received		456,917	423,682
NET CASH FROM OPERATING ACTIVITIES	18 (B)	<u>1,264,166</u>	<u>2,470,319</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Grants received in advance		-	3,000,000
Bank loan facility		24,975	-
Payments for Land & Buildings - Improvements		(402,836)	(512,465)
Payments for Plant & Equipment		(200,250)	(267,455)
NET CASH USED IN INVESTING ACTIVITIES		<u>(578,111)</u>	<u>2,220,080</u>
NET INCREASE/(DECREASE) IN CASH HELD			
Cash at the Beginning of the Financial Period		686,055	4,690,399
CASH AT THE END OF THE FINANCIAL YEAR	18 (A)	<u>14,854,362</u>	<u>10,163,963</u>
		<u>15,540,417</u>	<u>14,854,362</u>

The accompanying notes form part of these financial accounts



HUME COMMUNITY HOUSING ASSOCIATION COMPANY LIMITED
A.C.N. 003 223 434

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30TH JUNE, 2014**

1 STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Urgent Issues Consensus Views and complies with other requirements of the law. The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS').

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

The following is a summary of the significant accounting policies adopted by Hume Community Housing Association Company Limited in the preparation of the financial statements.

(a) INCOME TAX

The company is exempt for income tax purposes under Division 50-10 of the Income Tax Assessment Act of 1997.

(b) PLANT & EQUIPMENT

Plant & Equipment is included at cost less accumulated depreciation. All assets are depreciated over their useful lives using the prime cost method. Carrying value of assets are reviewed each balance date for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If such indication exists and where the carrying value exceeds the recoverable amount, the asset is written down to the recoverable amount.

(c) INVESTMENT PROPERTY

Investment property, which is property held to earn rental income and/or for capital appreciation, is initially measured at cost at the date of acquisition, being the fair value of consideration plus incidental costs directly attributable to the acquisition. Investment property is subsequently carried at fair value, determined by regular valuations. Changes to fair value of investment property are recorded in profit or loss in the period in which they arise.

(d) EMPLOYEE ENTITLEMENTS

Provision has been made in the accounts for the legal liability to employees for Annual Holiday Pay and Long Service Leave. Provision for Long Service Leave represents leave entitlements accrued by those employees from the first day of employment.

(e) REVENUErecognition

Grant revenue is recognised in the income statement for the period to which it relates. Investment income comprises interest and is recognised as it accrues.

(f) BLUECHP VENTURE

The company has made no further contributions during the year to the BLUECHP. Contributions and all subsequent contributions to be made are approved by the Board as unsecured non-interest bearing long term loans to BLUECHP and are accordingly accounted in the financials.

		2014	2013
		\$	\$
2 SURPLUS			
Operating Surplus has been determined after:-			
(a) Including in Operating Revenue:			
Grants Received	4,381,946	4,163,527	
NRAS Incentives	1,185,879	1,218,285	
Fee for Service	880,775	794,623	
Interest Received	456,917	423,682	
Sundry Income	48,354	68,695	
Rental Revenue	17,814,563	16,046,483	
TOTAL REVENUE	24,768,434	22,715,295	
(b) Charging as Expenses:			
Depreciation	177,249	30,950	
Finance Costs	280,048	-	
Audit Fees	10,103	17,550	
Employee Entitlements	53,279	72,358	
Superannuation contributions	336,441	270,046	
3 DIVIDENDS			
The company's constitution precludes the payment of dividends.			
4 CASH (CURRENT)			
Cash at Bank	15,540,417	14,854,362	
5 RECEIVABLES (CURRENT)			
Sundry debtors	1,534,200	1,395,320	
Rental debtors	549,629	456,798	
Less: Provision for Doubtful Debts	(36,000)	(36,000)	
	2,047,829	1,816,118	
Prepaid expenses	1,728,314	737,751	
Movement in Provisions - Doubtful Debts	3,776,143	2,553,869	
Balance at the beginning of year	36,000	36,000	
ADD : Additional Provisions	-	-	
Balance at the end of year	36,000	36,000	
6 PLANT & EQUIPMENT (NON-CURRENT)			
Furniture & Fittings (at cost)	352,198	322,262	
Less: Accumulated Depreciation	(306,318)	(292,580)	
	45,880	29,682	
Plant & Equipment (at cost)	703,125	596,394	
Less: Accumulated Depreciation	(437,864)	(309,891)	
	265,261	286,503	
Motor Vehicle (at cost)	177,000	177,000	
Less: Accumulated Depreciation	(157,681)	(122,281)	
	19,319	54,719	
Other Assets	63,445	-	
	393,905	370,904	



		2014 \$	2013 \$		2014 \$	2013 \$	
6a	RECONCILIATION OF MOVEMENTS IN PLANT AND EQUIPMENT			10	PROVISIONS		
	<u>Furniture & Fittings</u>				(CURRENT)		
	Carrying amount at the beginning of the year	29,682	40,974		Provision for Employee Entitlements - Holiday Pay	211,497	
	Additions	29,403	8,971			161,435	
	Disposals	-	-		(NON-CURRENT)		
	Depreciation	(13,205)	(20,263)		Provision for Employee Entitlements - Long Service Leave	171,785	
	Carrying amount at the end of the year	<u>45,880</u>	<u>29,682</u>		Provision for Long Term Maintenance - LTM	<u>1,704,893</u>	
	<u>Plant & Equipment</u>					<u>2,088,175</u>	
	Carrying amount at the beginning of the year	286,503	119,593		Movement in Provisions		
	Additions	170,847	258,484		Balance at beginning of year	330,003	
	Disposals	-	-		Net movement in provisions	53,279	
	Relocation	(63,445)	-		Add Transfer from LTM Fund Reserve	1,626,010	
	Depreciation	(128,644)	(91,574)		Increase provision for LTM Reserve	78,883	
	Carrying amount at the end of the year	<u>265,261</u>	<u>286,503</u>		Balance at end of year	<u>2,088,175</u>	
	<u>Motor Vehicles</u>			11	OTHER		
	Carrying amount at the beginning of the year	54,719	90,092		Tenancy G'tee Program	40,313	
	Additions	-	-		Social Club Provisions	<u>15,234</u>	
	Disposals	-	-			<u>55,547</u>	
	Depreciation	(35,400)	(35,373)		12	TOTAL FUNDS	
	Carrying amount at the end of the year	<u>19,319</u>	<u>54,719</u>		GENERAL		
	<u>Other Assets - SDM Installation</u>				General funds at the beginning of the year	14,859,498	
	Carrying amount at the beginning of the year	-	-		Net surplus for the year	2,871,334	
	Relocation	63,445	-		General funds at the end of the year	<u>17,730,832</u>	
	Disposals	-	-		LONG TERM MAINTENANCE FUND RESERVE		
	Depreciation	-	-		Balance at the beginning of the year	1,626,010	
	Carrying amount at the end of the year	<u>63,445</u>	<u>-</u>		Less Transfer to Provision for LTM	<u>(1,626,010)</u>	
		<u>393,905</u>	<u>370,904</u>		Balance at the end of the year	<u>-</u>	
7	INVESTMENT PROPERTIES (NON-CURRENT)					1,626,010	
	Carrying amount at the beginning of the year	3,382,465	2,575,425			1,626,010	
	Depreciation adjustment	-	116,260			-	
	Additions & Development costs	402,836	512,465			-	
	Net gain from fair value adjustments	-	178,315			-	
	Carrying amount at the end of the year	<u>3,785,301</u>	<u>3,382,465</u>			-	
	The fair value of investment properties at 30 June 2014 has been arrived at on the basis of a valuation carried out by Colliers International (Amy Dunn Registered Valuer No. 22859) on 21 August 2013.						
8	OTHER (NON-CURRENT)			13	SUPERANNUATION COMMITMENTS		
	Rental bonds paid (Headlease)	1,136,800	1,005,890		Contributions are made by the Company to superannuation funds as chosen by each employee. All contributions are charged as expenses as they occur. The Company has no legal obligation to cover any shortfall in the Funds' obligations to provide benefits to employees on retirement.		
	Unsecured Non-interest bearing long term Loans			14	CAPITAL EXPENDITURE COMMITMENTS	Nil	
	- Blue CHP Investment	800,000	800,000	15	EVENTS SUBSEQUENT TO REPORTING DATE	Nil	
	- Blue CHP - St Marys	544,124	544,124		There has not been any other matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future years.		
	- NAB Bank Guarantee	48,018	-	16	LIMITATION OF MEMBERS' LIABILITY		
		<u>2,528,942</u>	<u>2,350,014</u>		The organisation is a company limited by guarantee. If the entity is wound up the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the entity.		
9	CREDITORS & BORROWINGS (CURRENT)						
	Rents in advance	1(e) 466,784	376,165				
	Grants in advance	1(e) 3,000,000	3,000,000				
	Sundry creditors	2,658,395	3,238,296				
	Bank loan facility	24,975	-				
		<u>6,150,154</u>	<u>6,614,461</u>				



17 RELATED PARTIES

Transactions entered into during the year with Directors, their firms and associates are within normal customer relationship on terms and conditions no more favourable to those available to other members and customers including the payment of usual member subscriptions and receipt of normal benefits of membership.

The Directors of Hume Community Housing Association Company Limited during the year were Tony Conides, Brian Lomas, Lorraine Eddy, Domenic Portolesi, Judith Beveridge, Helen Yousif, Alexandros Binos, Robert Vine, Romeo Kerian, Vivek Prabhu, True Swain, Susan Holliday.

	2014 \$	2013 \$
Aggregate income received or due and receivable by the Directors of the Company from the Company:	44,333	42,470

Directors' remuneration is paid in recognition of the change in the nature of operations of the business. The payments are made in accordance with the provisions of the company's constitution and all payments are approved by the Board. Payments were approved to commence in June 2012.

18 NOTES TO STATEMENT OF CASH FLOWS

(A) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money markets, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash at bank	15,540,417	14,854,362
	<u>15,540,417</u>	<u>14,854,362</u>
(B) Reconciliation of net operating profit after income tax to net cash provided by operating activities		
Operating Surplus after income tax	2,871,334	3,417,850
Add: Non Cash Flows in Operating Surplus		
Depreciation of Non-Current Assets	177,249	30,950
Gain on revaluation of investment properties	-	(178,315)
	<u>3,048,583</u>	<u>3,270,485</u>
Change in Assets & Liabilities		
(Increase)/Decrease in security bonds	(178,928)	(213,733)
(Increase)/Decrease in receivables	(1,222,274)	(1,328,894)
Increase/(Decrease) in trade creditors/advance income	(489,282)	670,103
Increase/(Decrease) in provisions	132,162	72,358
Increase/(Decrease) in other	(26,095)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,264,166</u>	<u>2,470,319</u>

19 FINANCING ARRANGEMENT

During the year the company entered into a corporate debt facility agreement for \$35,000,000 with the Bendigo and Adelaide Bank Limited. The facility will be used for the development of the properties at Fairfield and Telopea. The borrowing facility is unused at the reporting date.

	2014 \$	2013 \$
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Hume Housing would like to thank our partners.

NEAMI Ashfield
NEAMI Liverpool/Fairfield
South West Mental Health
SWSAHS
New Horizons

Women's Services
Bonnie's Women's Refuge
Joan Harrison Support
Stepping Out
Mary's Place
NESH

Youth Services
Cabramatta Community Centre
HAP/Juvenile Justice
Liverpool Youth Refuge
Liverpool Youth Accommodation Assistance Company
The DRUM – Uniting Care Burnside
Medley
Lotus House

Various
Parramatta Adaptive Partnership

Hume Housing's Partners in Development Consultants
Mode Design
NASR Project Management
Signature Project Management
Civic Valuations
Corrs Chambers Westgarth
DLA Piper
Owen Project Advisory
Shepherd Shaw
Housing Action Network
Washington Brown QS
CPS
AE&D Consultants
TEF Consulting

Government
Department of Social Services
NSW Centre for Affordable Housing
NSW Land And Housing Corporation

Hume Housing's Partners in Maintenance
SR contractors
Steve the Handyman
Jacob Electrical
NSK Electrical
UAS
MLC pest control
Brolou
Sydney Security
Liverpool Glass
Blacktown Hot Water



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