



# ANNUAL REPORT

2018

**“** We recognise that there are many ways that providing the foundation of safe and secure housing helps people get a foot up, to truly flourish in their lives and achieve the things they want to achieve. We are proud to support and deliver to our customers and stakeholders, and we also recognise that we could not achieve what we do without them. I hope you enjoy reviewing the report, as much as I have enjoyed preparing it.

**NICOLA LEMON, CEO**



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Hume Community Housing Association Co Ltd  
A.B.N. 66 647 041 988  
Annual Report - 30 June 2018

A photograph of two people, a man and a woman, smiling and looking at each other. The man is on the left, wearing a dark pinstriped suit jacket, a blue shirt, and a blue patterned tie. The woman is on the right, wearing a black blazer over a white top with a colorful geometric pattern. She has blonde curly hair and is wearing a name tag that reads "Nicola Lemon, Chief Executive Officer". The background is slightly blurred, showing green foliage and white balloons.

“ Our properties are places that our customers are proud to call home.

Robert Vine and Nicola Lemon at the Gallop Street complex ribbon cutting ceremony.

# Chairman & CEO Report

Welcome to the  
Hume Community Housing  
Annual Report for FY 2018.

The 2018 Financial Year has been a stand out year for Hume Community Housing. We have won awards, secured significant growth, diversified our income streams, delivered two years' early on our property development obligations, met a long term objective to develop and own our flagship office space and most importantly increased customer satisfaction.

So, as Chair and CEO, it is with great pride that we present this Annual Report detailing our key achievements for 2018.

In line with our approach we have concentrated our efforts on ensuring that our customers are at the heart of everything we do; that our customers have high quality and appropriate homes, as well as access to services that are pivotal in enhancing quality of life and providing opportunities for all to prosper.

We believe we have succeeded. This Annual Report highlights where we have done so.

This year, 2018 also brought a successful end to our five-year strategic plan so we will take this opportunity to reflect on what we have been able to accomplish throughout the Hume Community Housing Strategic Plan FY 2014-2018.

We have been going through a major transformation over the past 5 years and it is not easy to assess the transformation impact from one single year's results, however when looking back, it becomes clear just how much has changed and how much positive impact we have had on the lives of individuals and communities.

## Chairman & CEO Report

### What's next

During the 2018 financial year Hume's new strategy was developed by the Board and Executive, following consultation with partners, stakeholders, customers and the Hume team.

In the next three years our strategic objectives are directed towards maximising social impact through customer driven services, maximising sustainability through the consolidation and deepening of our footprint and delivering value for money through a progressive and high achieving organisation.

We are confident we will achieve our objectives as the completion of our previous strategic plan demonstrates we can deliver on our aims.

We will continue to draw on our values and social purpose combined with our commercial skills to drive and ensure value for money. We want to continually create the financial capacity to build more homes and deliver more services to support our communities.

*“ In line with our approach we have concentrated our efforts on ensuring that our customers are at the heart of everything we do; that our customers have high quality and appropriate homes, as well as access to services that are pivotal to enhancing quality of life.*

This means that it is critical that we constantly review and challenge all aspects of expenditure, investment, services and process. Our commitment to reflect, measure and refine over the next strategic plan period is clearly set out.

So, as we reflect as a collective Hume team, Board, partners and employees, on the achievement of a fantastic 2018 and measure the success of the Strategic Plan FY 2014 - 2018 we take this opportunity to acknowledge those who have contributed to our success..

We would like to acknowledge the significant contribution of our retiring Treasurer Brian Lomas. Brian has worked diligently on Hume's Board for 13 years and helped us get where we are today. And we would like to sincerely thank Brian and the whole Board for supporting Hume to achieve all of our goals both this year and throughout every year of the Strategic Plan.

We want to thank our customers, partners and shareholders for their continued trust. And we want to thank our team for their commitment, energy and irrepressible drive to always improve our capability.

## Delivering on our strategic objectives - FY 2014-2018

### We said we would create Vibrant, Sustainable & Cohesive Communities...

We **created a specific Community Cohesion Team**. This team worked with our partners to develop the award-winning Youth Housing Options Program (YHOP). YHOP won the 2017 NSW Premiers' Award for Reducing Youth Homelessness.



### We said we would provide Governance & Leadership...

Hume's revenue grew over the five years from **\$24,768,434 to \$34,071,462**.

At the same time our assets grew from **\$26,024,708 to \$131,936,002**.

### We said we would be Customer Focused & Customer Driven...



We provided homes for **4514 households**.

### We said we would provide Outstanding Homes & Quality Refurbishments...

The number of homes Hume owned grew from **3 to 269**, while properties we built grew to **126**.

### We said we would Support Customers & Maximise Individual Potential...



We provided training & work skills to **624 people**

### We said we would provide Housing Growth & Service Growth...

With our successful bid in the Social Housing Management Transfer in the Hunter, this will take us to **more than 4100** properties in the next financial year.



### We said we would Reach our Potential through an Efficient & Effective Organisation...

We diversified our income with **\$21,231,805 in grants** over the five year period that allowed us to **build community gardens, help customers with technology and run mental health programs**.

In FY 2014 we had **51** full time staff at Hume. By 2018 we had grown to a team of **83**.



# Our Strategic Plan

## Years in Review FY2014 - FY2017

2014

Hume received **Tier 1 status** under the National Regulatory Scheme for Community Housing (NRSCH).

Received **Highly Commended** at the 2014 AHI NSW Awards for our SPM Asset Management Software.

Received final council approval to commence works at **Hamilton Road.**

**100% of Hume staff were committed to our Vision & Mission.**

**41% of customers who presented as homeless exited into sustainable housing.**

Hume Student Scholarship Program awarded **\$6,000 in scholarships** to 8 hard-working young people to continue studies and enrich their learning.

**The Community Centre launched at the Telopea complex.**

2015

**We delivered a 21 unit seniors complex on Brenan Street at Smithfield.**

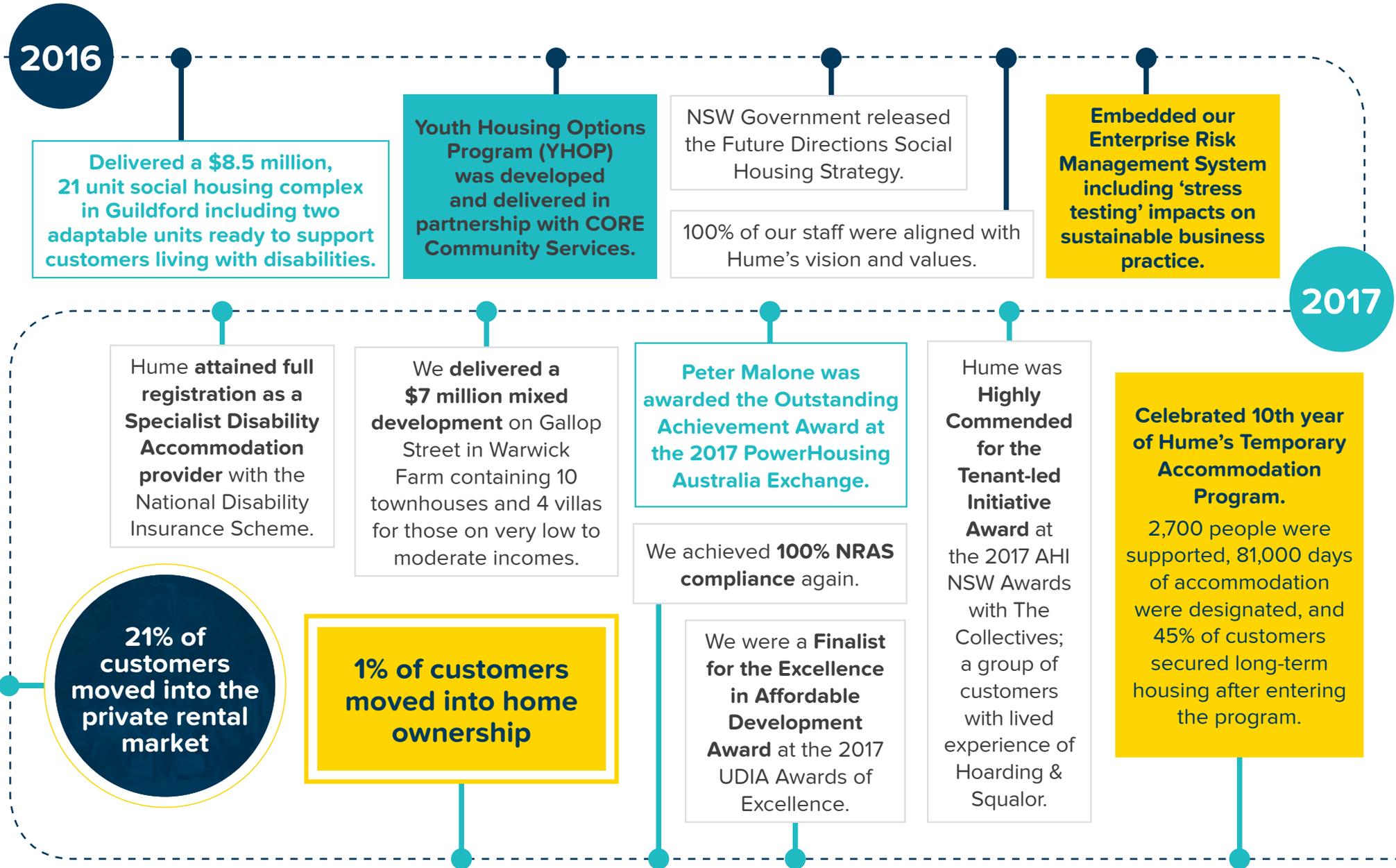
Delivered value for money demonstrated through our **100% compliance** to the National Affordable Rental Assistance Scheme criteria.

Using crowdfunding we raised funds to **develop the Breaking Brick Walls** partnership program to support youth into employment.

**Secured the tender for the Warwick Farm Development**

We received title for **152 Units** at Telopea growing the assets base from \$26m to \$85m.

**Developed and delivered Mental Health awareness and Mental Health First Aid training.**



2018

Our Year



Welcomed

996

new customers



Increased

our social media following by

49%

Grew

tenancies to a total of

2,421



Julie Davenport

awarded Australasian Housing Institute Inspirational Team Member



Delivered

91

new properties, social and affordable housing success



Awarded

Premier's Award for Reducing Youth Homelessness

Supported

20

customers and achieved employment and learning goals



ities to  
affordable  
pply

Welcomed

554

customers living with  
disability into our  
expanded housing  
program



Supported

117

customers  
through our  
Housing  
Independence  
and Supported  
housing  
programs

Delivered

Hamilton@Fairfield



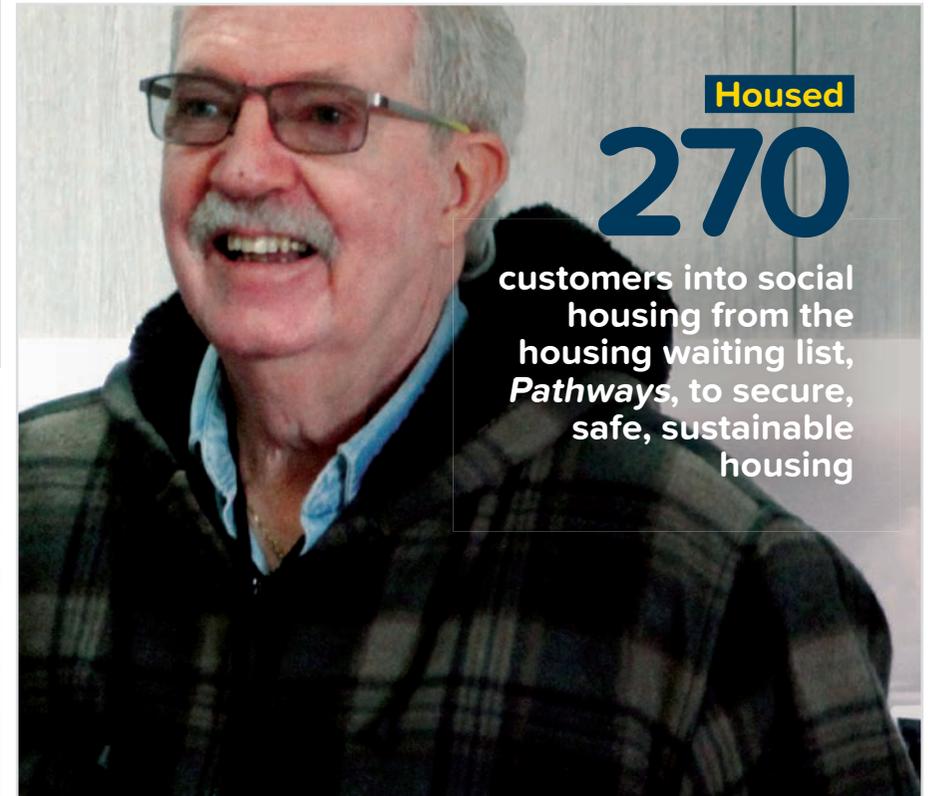
Achieved

Specialist Disability Accommodation  
Registration under NDIS

Housed

270

customers into social  
housing from the  
housing waiting list,  
*Pathways*, to secure,  
safe, sustainable  
housing



Supported

443

customers through  
our Temporary  
Accommodation  
program

to set  
e their  
nt and  
als



Opened

Our new  
Fairfield Office

# Who We Are

At Hume Community Housing, we are committed to delivering opportunities for people to prosper and live in safe, secure homes within vibrant and connected communities.



Senior Management Team visiting local service providers in Port Stephens LGA

Hume combines effective and robust tenancy management with a suite of innovative services that allow us to support and respond to our customers' needs and aspirations.

Informed by our customers we have developed and delivered safe, secure and sustainable housing across our communities to youth, singles, families and seniors. Once housed our customers have the opportunity to engage support services to help them achieve their desired level of independence and participation.

The delivery of our services and programs results in an increase in participation by our customers in their community achieved through education, training, employment, volunteering or simply being involved.

The measurable outcomes from the delivery of our programs can be described in terms of customer health and wellbeing, and social and economic participation.

As a Tier 1 community housing provider under the National Regulatory System for Community Housing, Hume meets the performance requirements set by the regulator.

Supporting the tenancy management and delivery of social support services, Hume is a market leader in the provision of property and asset management services with capacity to deliver large scale property development.

At Hume, our customers are at the centre of everything we do and play a vital role in directing and determining how we do business. People focused and value-led, we are committed to supporting our customers achieve their aspirations.

## Our purpose

We create opportunities for people to prosper by creating vibrant and connected communities.

## Our values



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



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



We are passionate about people, families and communities

We bring people together

We support and encourage community empowerment

We practice social justice

We enable social inclusion

We celebrate diversity



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 Services

We have continued to develop and deliver services that place our customers and their aspirations at the centre.

Our effective tenancy and asset management allows us to provide a housing first approach, providing our customers with safe, secure and sustainable housing. From this important first step we recognise that once housed customers may need further support to define and realise their aspirations.

Our strength based support services provide hope, and enable goal setting and choices to increase engagement with the community, whether that be economic or social.

Our customers play an active role at Hume influencing policy and

determining the way in which services are delivered to them. We choose the term customers very deliberately and this certainly shapes the way in which we operate and deliver our services.

Benchmarking is an important way to measure our performance and customer service by both the National Regulator for Community Housing and the Community Housing Industry Association (CHIA) NSW. We performed well in both measures.

In 2018 we further expanded our service delivery to include housing for people with disability (SDA Funded). We also increased the focus of our Community Cohesion Team on enabling training and employment opportunities for our customers as they work towards their own aspirations and goals.

## 2017 CUSTOMER SATISFACTION

# 81%

The results of the CHIA NSW customer survey showed that Hume performs above benchmark ratings when considering

- Customers' ability to influence decision making
- Customer involvement
- How we handle complaints
- The level of information we provide our customers
- Acting on customers' views

## Our Services support our customers to reach their aspirations



### Housing Independence Program

for those experiencing crisis and who are homeless or at risk of homelessness

### Seniors Housing

for people aged over 55 years

### Youth Housing

for people aged between 15 and 24 years

### Social Housing

for those on very low to low incomes

### Housing for People with Disability

for those with disability

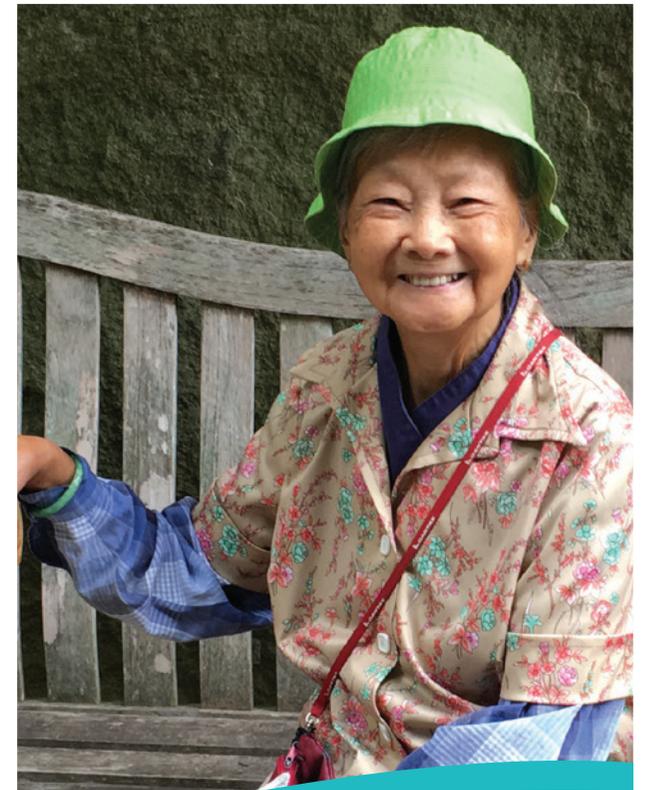
### Affordable Housing

for those who are on low to medium incomes



### Support Services

- Community Engagement programs
- Mental Health First Aid Training
- The Collectives - Hoarding & Squalor Support Group
- Job Readiness Training
- Connections to Employment Programs



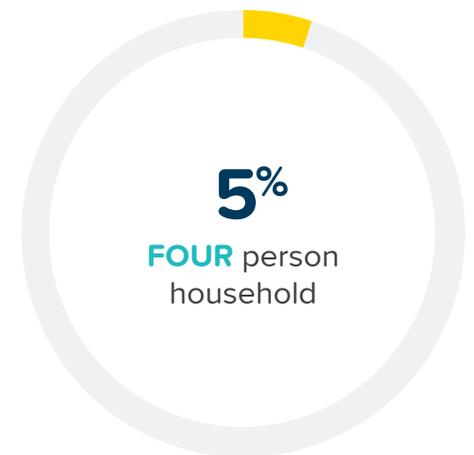
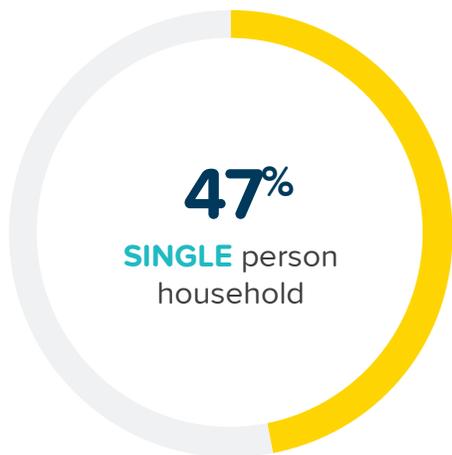
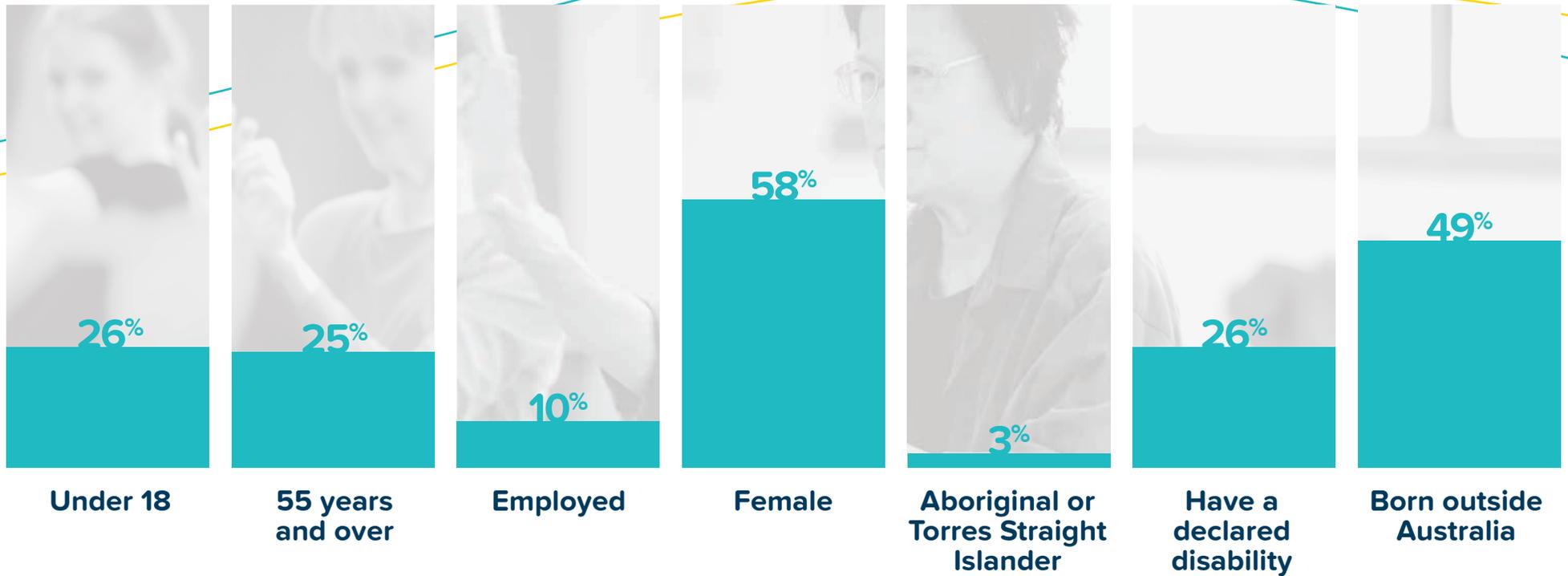
Customer at the Mount Annan Excursion

# Our Customers

Understanding who our customers are and what they are looking for, informs our service delivery to ensure the right service is delivered at the right time, and at an appropriate cost.

Our customers are a diverse group of people who want safe, secure and sustainable housing from which they can live their lives and engage with their communities.

Hume recognises that vibrant, connected communities could not be delivered without our customers. We particularly wish to thank all those customers who have shared their stories and homes with us, who have assisted us by informing our policy making and decision making processes, who have actively participated and helped to create and influence communities we are proud to be part of.





# Our People

As Hume continues to grow, our team members remain committed to Hume, our customers and our services.

Over the past year we have invested in technology and our work environments to support our engaged and motivated professionals to achieve great outcomes.

The commitment and alignment of the personal values of our team members to Hume values, remains sector leading and is measured annually through the Employee Engagement survey.

We are pleased with the continued increase in our staff retention particularly in a tight and demanding talent market.

We are especially proud to have a team of inspiring people who are passionate about the significant impact they have made to the lives of many customers.

And we take the opportunity here to celebrate those staff who have been with Hume through a period of much change and success, for more than 10 years.

Nicola Lemon, Vivian Lisciotta, Debbie Doggett, Dusanka Mrdjenovic and Jacklen Shlaimon come from completely different backgrounds.

Working together they have positively led and contributed to Hume to consistently deliver services that make a real difference to the lives of our customers.

As individuals their passion to help people is what brought them to Hume. During their time with Hume, they have each

been supported to nurture their own families and develop their careers in line with their aspirations. Each of these team members calls out the support that Hume has provided them in terms of their own professional and personal development.

They each derive great satisfaction knowing that the work they do, either on the front line or behind the scenes makes a real and sustained difference in the lives of our customers and help them achieve their aspirations.

Our wonderful team members are certainly champions of change and great advocates for our customers and Hume.

Our broader team recognises Hume as their employer of choice and we take this opportunity to thank them for their diligence, effort and commitment to our customers and the organisation.

“ I discovered that I have a great passion for social justice which drives me to assist our customers wherever possible, and I am proud to work in an organisation that shares my values and ethics.

VIVIAN LISCIOTTO.

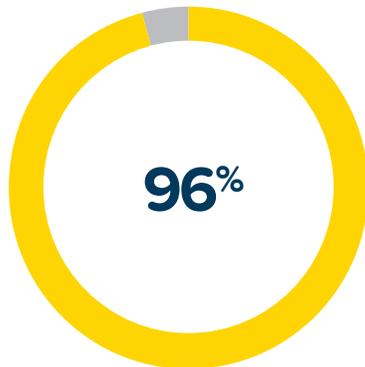


Vivian Lisciotta and Safa Shalak

## Our Commitment

Our Employee Engagement results demonstrate our team's commitment and alignment with Hume's work, values and purpose.

I believe in the **work done** by this organisation



I believe in the **values** of this organisation



I believe in the **overall purpose** of this organisation



**“** Being an employee of Hume means being a part of a big family with a shared vision – providing more homes for our customers, creating safer and stronger communities and celebrating diversity.

*DUSANKA MRDJENOVIC.*



Dusanka Mrdjenovic  
Manager - Housing Independence Programs

## Brian Lomas Retires

Brian Lomas has been a **Non-Executive Board Member and Treasurer of Hume since 2005, retiring in 2018.**

Brian has a long and strong background working in and supporting for-purpose

organisations to not just survive, but to thrive and prosper.

Brian's guidance has been integral to the development of our financial governance, the transfer of title of properties from state government, and the procurement of Hume's

first corporate debt facility which led to the development of over 100 new homes. We thank Brian for his unwavering support and dedication to the organisation which has grown from 1000 properties in 2005, to 2067 properties during Brian's time on the Board. Brian has taken the opportunity to work closely with the management team in response to growth opportunities and has derived great satisfaction in the growth and development of the organisation. We wish Brian all the very best in his well-earned retirement.



Brian Lomas  
Treasurer 2005 - 2018 (Retired)



Brian Lomas and Robert Vine.

“ Brian's stewardship and financial knowledge and experience has been instrumental in Hume's growth and success over the years. In addition, Brian is a great person to know and work alongside, we wish him every enjoyment in his retirement, and thank him deeply for his contribution to Hume.

ROBERT VINE, CHAIR

# Our Portfolio

NO. OF PROPERTIES

# 2,067

Hume's Growing Portfolio

Hume operates across NSW

<b>Albury</b> City Council <b>10</b>	<b>Bankstown</b> Council <b>118</b>	<b>Blacktown</b> City Council <b>27</b>	<b>Blue Mountains</b> City Council <b>3</b>	<b>Camden</b> Council <b>5</b>	<b>Campbelltown</b> City Council <b>105</b>
<b>Canterbury-Bankstown</b> City Council <b>6</b>	<b>Central Coast</b> Council <b>12</b>	<b>City of Canada Bay</b> <b>1</b>	<b>City of Parramatta</b> <b>264</b>	<b>City of Wagga Wagga</b> <b>2</b>	<b>Cootamundra Shire</b> Council <b>2</b>
<b>Cumberland</b> Council <b>210</b>	<b>Deniliquin</b> Council <b>1</b>	<b>Fairfield</b> City Council <b>699</b>	<b>Georges River</b> Council <b>16</b>	<b>Griffith</b> City Council <b>2</b>	<b>Hawkesbury</b> City Council <b>1</b>
<b>Inner West</b> Council <b>20</b>	<b>Liverpool</b> City Council <b>528</b>	<b>Penrith</b> City Council <b>11</b>	<b>The Hills Shire</b> Council <b>10</b>	<b>Wingecarribee Shire</b> Council <b>1</b>	<b>Wollongong</b> City Council <b>14</b>

### Hume manages a range of property types



Share homes for people with disabilities

**598**  
rooms within

**130**  
properties



**1071**  
Units



**653**  
Houses



**61**  
Duplex Style



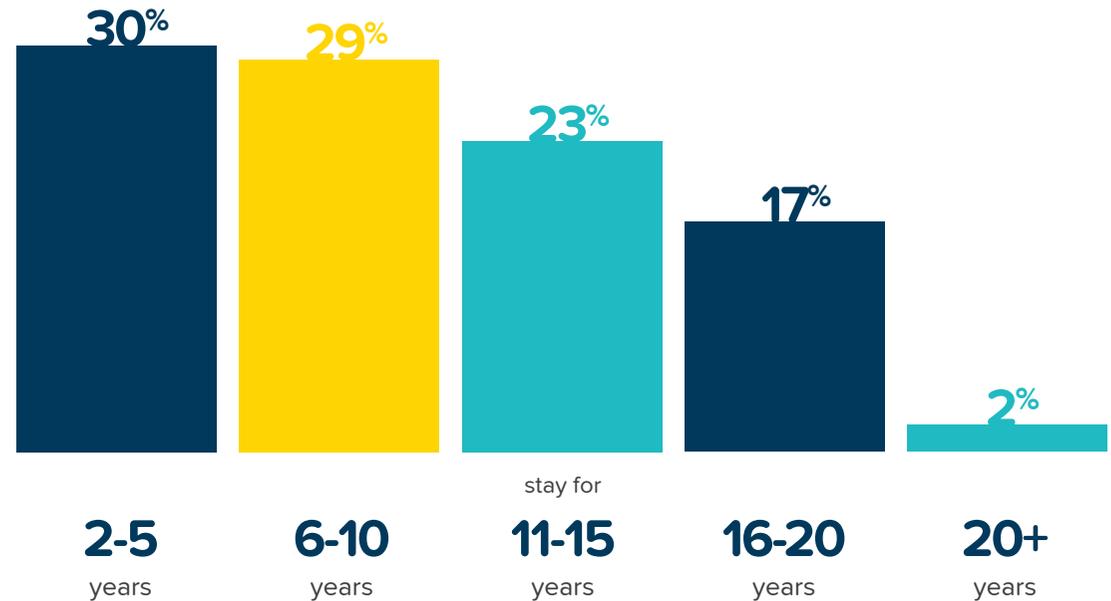
**52**  
Studio Style



**2**  
Crisis Refuges

### Length of Tenancy – Existing Customers

The decreasing proportion of length of tenancy for our existing customers suggests that our customers move through the housing continuum when able, and utilise our services for the period of time that they need it.



### New Customers

Hume welcomed 996 new customers.

**554**

Joining Hume's leading housing for people with disability program

**55**

in newly built Affordable Housing

**117**

Supported through our Housing Independence and Supported Housing Programs

**270**

Housed from the housing waiting list, *Pathways*.

# The Australian Housing Environment

As the Australian population surpasses the 25 million mark, the country's affordable housing crisis deepens.

Though mortgage and rental prices are stabilising in certain areas, still a significant and concerted effort is needed by all levels of government to help first home buyers, key workers and moderate income earners find housing solutions. Equally, a concerted effort is required to ensure low and very low income earners have appropriately located secure and decent housing.

## Housing Affordability

Since 2012, Sydney units have risen by 45 per cent - well in excess of any rise in low to middle income wages - and over this time houses selling for under \$400,000 have dropped from about 26% of all sales in 2012 to around 2.5% in 2017.<sup>1</sup>

In March 2018, the median Sydney house price was \$1,150,357, slightly down from \$1,151,565 in April 2017. The median Sydney apartment price was \$740,041, up from \$717,899 in April 2017. Australia's average house price is \$809,201, compared with Sydney's \$1,150,357.<sup>2</sup>

A house in Sydney now costs over 17 times the average Australian annual salary of \$65,577.<sup>3</sup> Only 65% of Australians own their homes in 2018.<sup>4</sup>



1 Affordable Housing Report Environmental Scan August 2018 PowerHousing Australia

2 <https://www.domain.com.au/product/house-price-report-march-2018/>

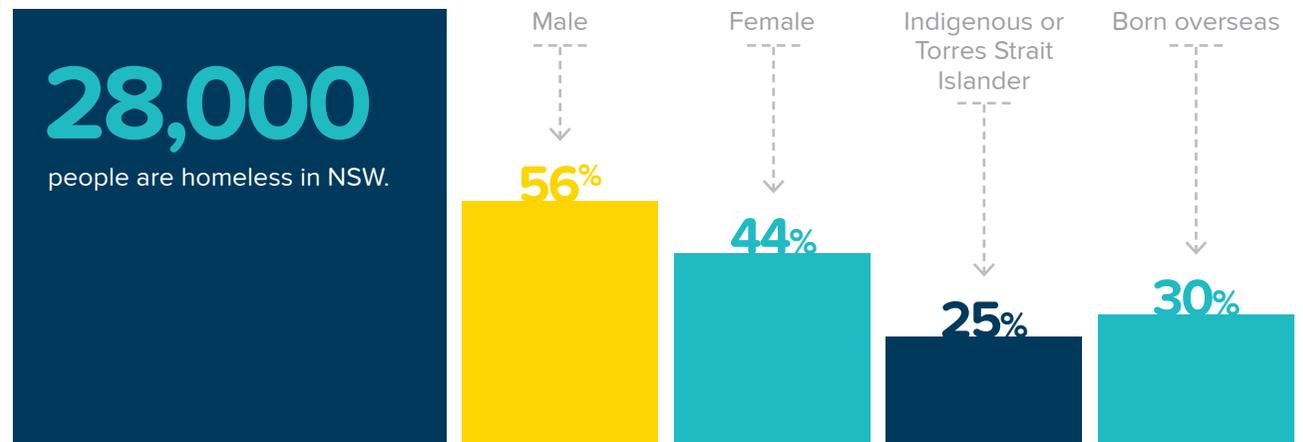
3 <https://www.news.com.au/finance/work/how-much-do-you-need-to-earn-to-be-rich-in-australia/news-story/cd7e6647199773c56ad5a9270c7aab87>

4 <https://tradingeconomics.com/australia/home-ownership-rate>

## Homelessness

There are over 28,000 people in New South Wales that are homeless. 56% are male and 44% are female. 25% of homeless Australians identify as Indigenous or Torres Strait Islander, and 30% have been born overseas.

In the 2016 Census the biggest increase in homeless people in improvised dwellings, tents or sleeping out was in New South Wales, up 35% (664 persons) to 2,588 persons in 2016, when compared to 1,924 persons in 2011.<sup>5, 6</sup>



5 <http://www.abs.gov.au/ausstats/abs@.nsf/PrimaryMainFeatures/2049.0>

6 <https://www.homelessnessaustralia.org.au/about/homelessness-statistics>

7 Australia Bureau of Statistics BS 41300, Table 2, Housing Occupancy and Costs, Australia, 2015–16

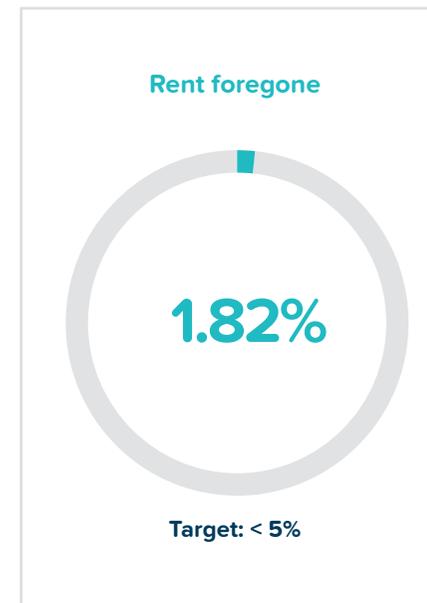
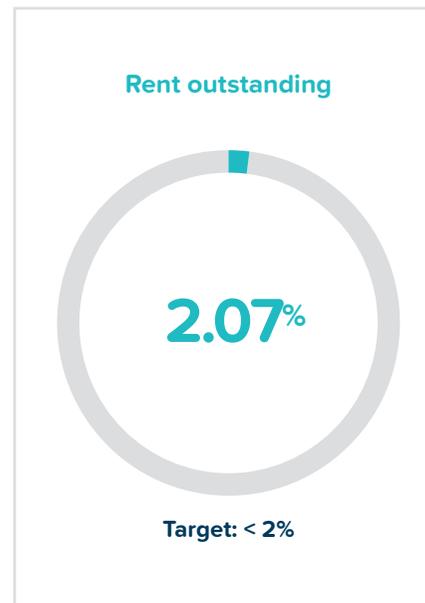
# Delivering Value for Money

**Value for money is maximising the use of funds and resourcing to provide the best possible service to the right people at the right time.**

We measure our value for money by measuring our performance and comparing it to others through benchmarking.

We take a balanced approach by measuring our performance across all programs, our processes, our financials and how engaged our people are.

Most importantly, we measure how satisfied our customers are with the homes we provide and manage, and the services we deliver.





Property assessment, void and re-let times

**10**  
days

Target: 21 days

General social housing voids – minor works

**8**  
days

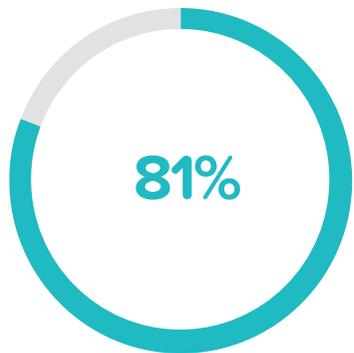
Target: 14 days

General social housing voids – major works

**24**  
days

Target: 28 days

Overall customer satisfaction with service provided



Target: 75%

Our employee commitment to:



Target: 79%



Target: 91%



Target: 81%



## \*Key Achievements

### Our Customers

#### \* Reem Brown from Hamilton@Fairfield - Affordable Housing

Reem Brown has been a customer of Hume's Hamilton@Fairfield complex since May 2018. She lives with her husband and works as a case manager for a community services organisation in Fairfield. Reem arrived in Australia in 2008 after fleeing from Iraq on a humanitarian visa.

Reem learnt about Hume through one of her own clients. Reflecting on her own situation earning a low income, she searched the Internet and found that she fit the criteria for affordable housing, leading to her applying at Hume.

Reem is only two minutes away from her work now that she lives at Hamilton@Fairfield, relieving travel stress and finances. She continues to work hard on advancing her English writing and conversation skills with Hume so that she can improve her chances of attaining a higher paying position.

When asked to explain Hume's culture, Reem explained: "They look after you and provide you with a network...they give you a community."

On weekends, she volunteers with Hume to educate residents on recycling and cleanliness. She says that Hamilton@Fairfield is everyone's home and that all residents are responsible for keeping it a clean and happy place.

## \* Andrew Harlor from Ashcroft - Social Housing

Andrew Harlor's world shifted dramatically five years ago when he was let go from his position at a major retailer. In sharing his story with us, Andrew tells us that event



changed his outlook on life to the point where it ended his marriage and impacted his mental health and wellbeing. "I went home with the wife and kids, I tried to be myself, but I think I found it more and more difficult every day," Andrew said.

After falling into "a black hole" and jumping around different share houses, Andrew received a call from Hume and he was offered a house in Rosemeadow.

"I had balance, I had a place again," he said.

"My son could stay there, it was fantastic." Looking back fondly, Andrew says: "Having Hume Housing's help was exactly how my life turned around. I couldn't ask for any more than what they offered me."

Andrew stayed at Rosemeadow for nearly 12 months before receiving another call from Hume about a three-bedroom property in Ashcroft.

Andrew says Neighbourhood Officer Chantelle Woolridge has been his rock. "She is a warm and easygoing person," he said.

Becoming a customer of Hume has helped Andrew immensely. "It's a new life, I've rebuilt everything...community-wise, my friendships."

"I lost my dreams before, now they're coming back. I can't thank Hume enough for everything they've done for me," Andrew said.

## Delivering Outstanding Homes

### \* **Hamilton@Fairfield**

Hume's flagship social and affordable housing development was delivered and provides 60 residential units. Of these, 31 are social housing available to people from the common housing register and 29 are affordable housing allocated to moderate income working households. This development in Fairfield supports people on very-low to moderate incomes to secure safe and affordable housing in an exceptionally pressured housing market. The development also has 2 commercial spaces dedicated to the organisation's offices.

Developed on a gateway site into Fairfield city centre, 400m from the train and bus stations, the building has significant architectural features and stands out in terms of its exceptional quality, bringing rejuvenation to the area, the impact of which will be long lasting from both an aesthetic and social perspective.

The delivery of the project is an excellent



*The Hon. Michael Sukkar MP, Nicola Lemon and Robert Vine cutting the ribbon at Hamilton Rd.*

example of Hume delivering against its contractual obligations to both Federal and State governments.

Diversity is embraced at Hamilton@Fairfield with a mixed community consisting of different cultural groups, households, ages and customers who are in employment, studying, seeking work or caring for family members. The high quality fit out includes

outdoor areas with BBQs and herb gardens for social gatherings, increasing connections between customers.

“Hume is proud to deliver additional social and affordable housing to the Fairfield Local Government Area, where housing affordability is a very real challenge and people are in need of secure housing,” Hume CEO Nicola Lemon said.

**“** *Hamilton@Fairfield is an excellent example of what can be achieved when governments work with the community housing sector.*

*THE HON. MICHAEL SUKKAR MP*

The opening of Hamilton Rd was conducted by The Hon. Michael Sukkar MP, stating that the Hamilton@Fairfield development was an excellent example of what can be achieved when governments work with the community housing sector.

**“** *We are so thankful for our new place. Everyone was so helpful with our move and made everything easy,”*

*ELINA KHOSHABA*



*Elina Khoshaba is one customer who has moved into the building with her daughter and husband.*

## Snapshot of Hamilton@Fairfield Customers

### Customer Age

**14%** ..... Children aged 0-17

**9%** ..... Youth aged 18-24

**49%** .... 25-64

**26%** .... 65+

### Customers with Employment

**48%** .... of household head are employed

**30%** .... of household head are retired

**22%** .... of household head are unemployed

### Employment Status

**8%** ..... casual employment

**70%** .... full time employment

**22%** ... part time employment

### Customer Satisfaction & Wellbeing

**97%** .... of customers were satisfied with the condition of their new homes

**88%** .... of customers are positive about the future

**95%** .... of customers are happy with the neighbourhood

## Growing our Service Delivery

### \* Social Housing Management Transfers - Hunter Region

Under the Social Housing Management Transfers program, the Department of Family and Community Services (FACS) awarded the transfer of the management of over 2,000 homes in both the Maitland and Port Stephens Local Government Areas to Hume.

The transfer is part of a broader program that will see around 14,000 properties across NSW transferred to nine registered community housing providers that were selected through a rigorous evaluation process that assessed their capacity to deliver good outcomes for social housing customers.

Since the contract was awarded we have

been working towards our final transition date in September 2019 through a rigorous and detailed project management approach and working closely with FACS to manage a smooth transition for customers in the Maitland and Port Stephens areas.

This program will see the Hume properties under management increase to more than 4,350.



Port Stephens

## \* Housing for People with Disability

In 2016 Hume began partnerships with Northcott and Life Without Barriers (LWB) to provide disability accommodation support in the Greater Western Sydney region, the Murrumbidgee, the Blue Mountains, Nepean region and the Central Coast.

As a result of our partnerships and in response to the opportunities available through Specialist Disability Accommodation (SDA) funding provided by the National Disability Insurance Scheme (NDIS) and Hume's long term experience in providing housing to those with disabilities, we successfully registered as a Specialist Disability Housing Provider. Hume has grown this service delivery to more than 555 customers across 130 properties.

**“** *People with disability now have the opportunity to exercise choice and control about their housing and we are proud to be able to provide this support and service.*

For the first time, on a large scale, people with disability are having their rights as consumers recognised. People with disability now have the opportunity to exercise choice and control about their housing and we are proud to be able to provide this support and service.

This growth in property and customer numbers was met by an increase in Hume staffing. Our Specialist Disability Accommodation team has four substantive members, supported by Hume's broader team in areas of asset management, compliance, finance and income co-ordination. In all our SDA program brought an additional 11.5 staff to the organisation.

As captured in the media throughout the year the rollout of NDIS has not been without its

**WE  
LIFE WITHOUT BARRIERS  
VE**



challenges. Hume, and our partners Northcott and LWB have worked together and in conjunction with the various government departments to make the transition as smooth as possible for our customers, and their families, guardians and carers.



**“** The city is vast, but Hume makes us part of the family, and I appreciate them.

*Maria Makaore, Hume customer*



**“** Having Hume Housing was exactly how my life turned around. I couldn't ask for any more assistance than what they'd offered me.

*Andrew Harlor, Hume customer*

## Growing Awareness of Community Housing

### \* Raising Awareness of Hume and the Community Housing Sector

Hume communicates its activities and outcomes through many channels for the purpose of telling our customer and team member stories and raising awareness of Hume and the community housing sector more broadly. Hume has done this through this strategic planning period and specifically in the past financial year by increasing our social media presence, increasing our presence in traditional media and having our staff and their work recognised through various external awards. We are pleased to be able to report that we have been successful in our endeavours in this area.

We have increased our social media following by 49% in 2018, and the work of our staff has been recognised in prestigious awards such as the Premier's Awards.

### \* Australasian Housing Industry Awards

Our Team Leader - Neighbourhood Programs, Julie Davenport followed up her NSW win last year by taking out the national award for Inspirational Team Member. This award recognised and celebrated Julie's capacity for innovation, collaboration and the ability to coach others to success, leading to a significant impact on Hume, our customers and on the community.



*Julie Davenport (left), Winner of the Australasian Housing Institute Most Inspirational Team Member award, with Vivian Lisciotto and Noha Gabriel.*

## Delivering Positive Social Outcomes

### \* Reducing Youth Homelessness NSW Premier's Award

Hume, CORE Community Services and Yfoundations jointly won the award for our Youth Housing Options Program (YHOP) under the Reducing Youth Homelessness category. This award category recognises those who have worked on programs, initiatives, innovations or improvements that support more young people to successfully move from Specialist Homelessness Services to long-term accommodation (supporting the Premier's Priority to increase the proportion of young people who successfully move from Specialist Homelessness Services to long-term accommodation to more than 34% by 2019).

YHOP shares the Future Directions goal to reduce young people's dependence on social housing. YHOP provides young people with links to housing knowledge, education and employment support and community engagement activities via a combination of direct support and workshops.



Winners of the NSW Premier's Award

NSW Premier Gladys Berejiklian with Nicola Lemon - Hume CEO, Rodrigo Gutierrez - Manager, Sustainable Communities & Partnerships, Alison Ora - YHOP Program Coordinator, Lara Hook - Community Cohesion Coordinator, and Graeme Riddel - CORE Community Services

# Our Governance & Leadership Team

## Patron

### Patricia (Pat) Martin

#### (OAM) PATRON

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

Holding a Medal of the Order of Australia (OAM) for service to Youth Welfare Pat is a member of the Order of Australia Association (OAA) and a current member of the Australasian Housing Institute (AHI).

With a background in education Pat developed and operated her own travel and study consultancy coordinating study visits to and from Japan for Government Officials in the areas of Retirement, Stock Exchange and Police and Fire Brigade.

Pat also served as President of the Fairfield Community Resource Centre and the NSW Federation of Housing Association. Pat has been involved with Hume's operations for the last 20 years including serving a 16 year term as President of Hume Board before her appointment as Board Patron in 2007.



## Board of Directors

### Robert Vine

#### CHAIRPERSON

Chairperson of Recruitment and Remuneration Subcommittee  
Member of Audit and Risk Subcommittee  
Dip.Mngmt. Grad Dip. HR, MAICD



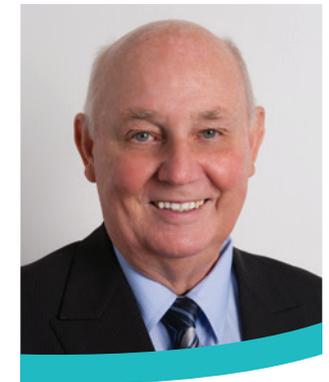
With tertiary qualifications in Management, Human Resource Planning, Accounting and Financial Management, Robert brings deep experience and broad skills to Hume's governance.

Robert's core career activity has been the management of not-for-profits culminating in his retirement as CEO of NSWCH, one of the State's largest groups of Co-operative Housing Societies. Robert is currently serving on the NSW Government Co-operatives Advisory Board as part of his active involvement in the provision of affordable housing. Robert resumed the role of Chair of the Hume Board in 2015 and has been sitting on the Hume Board as a Director for a period of 13 years in total.

### Brian Lomas (retired)

#### DIRECTOR / TREASURER

Member of Audit and Risk Subcommittee  
Dip. A, AICD Residential Course, FCPA, MAICD



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

Having held a Director position on the Hume Board for 13 years Brian is a Fellow (FCPA) of CPA Australia and a member the Australian Institute of Company Directors. Brian brought deep and solid financial management capability to Hume's Board and governance. Brian is currently an honorary Director 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.

## True Swain

### DIRECTOR

Chair of Development Subcommittee  
JD, MBA, M. Pro Dev, B. CPM, GAICD

Holding a Masters of Property Development and Bachelor of Construction Project Management coupled with extensive experience in the delivery of multi-million dollar property development and capital works projects throughout Australia True was elected to the Hume Board in January 2014.

True brings to the Hume Board a particular focus on development implementation and risk management which is invaluable for the governance, future strategy setting and service delivery of Hume.



## Susan Holliday

### DEPUTY CHAIR

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

Professor Sue Holliday has held a position on the Hume Board since April 2014 and brings a wealth of experience and skills to the Hume Board to develop strategy and implement governance that is robust and relevant.

As Director General of Planning in NSW from 1997 to 2003 Sue was instrumental in establishing the City West Housing Company to achieve ongoing affordability options in Pymont and Ultimo.

Sue 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 was appointed as a member of the National Housing Supply Council from its inception to its closure in 2013 and has 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).



## Larraine Eddy

### DIRECTOR

Member of Audit and Risk Subcommittee  
JP

Larraine Eddy holds a Certificate in Welfare as well as an Advanced Certificate in Working with Older People. Larraine has over 20 years' experience working within social services 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 and brings a wealth of experience in program delivery and understanding of customers. Larraine has held a position on the Hume Board for 16 years in total.



## Phillip Hepburn

### DIRECTOR

Member of Development Committee  
Member of Recruitment & Remuneration  
Subcommittee  
B EC, LLB, LLM, Grad Dip Company Secretarial  
Practice

Phillip Hepburn has held a position on the Hume Board since February 2014 and adds to the Board skill set his extensive experience in setting up legal, governance and compliance functions, advising Boards on all aspects of legal and compliance issues.

Phillip was previously General Counsel and Group Secretary at Stockland where his role also included providing commercial and legal advice on business and property acquisitions and sales, and on all aspects of property development and capital management activities undertaken by the organisation. Phillip has been a director of subsidiary boards and has extensive experience in management across the property, banking, retail and agricultural sectors. Phillip has a strong interest in the areas of Board governance, risk and compliance. He is also a member of the advisory board of Lexvoco.



## Jayson Bricknell

### **DIRECTOR, TREASURER**

Chair of Audit and Risk Subcommittee  
Member of Recruitment and Remuneration Subcommittee  
B Ec, GAICD



Jayson Bricknell is an experienced Financial Services executive with broad business experience across a number of disciplines. He has specific expertise and a proven track record in customer experience, program and project management for system deliveries, stakeholder engagement, transformation programs, operational performance improvement, growth and strategy definition and execution (including mergers and acquisitions).

His experience includes 7 years with Westpac/BT Financial Group, 2 years with Third Horizon Consulting, 15 years with Macquarie Bank and over 5 years with Arthur Andersen & Co and PricewaterhouseCoopers. In his current role with Westpac as a Director, Product and Service Development, he is responsible for designing and delivering the employee experience on a large Home Ownership transformation program.

Jayson mentors/coaches social enterprises via the School of Social Entrepreneurs and via the Westpac Foundation. Jayson was elected to the Hume Board in March 2017.

## The Hon. Nathan Rees

### **DIRECTOR**

Member of Development Subcommittee  
Member of Audit and Risk Subcommittee  
BA (Hons)



Nathan Rees has lived his life in Western Sydney and has 25 years experience in public administration. After completing a horticulture apprenticeship, he undertook an Honours degree in English Literature at Sydney University.

Nathan served in the NSW parliament 2007-2015, including as Premier of NSW, Minister for Water, Minister for the Arts, Minister for the Central Coast and Minister for Emergency Services. He was the member for the Western Sydney seat of Toongabbie. He has a passion for Western Sydney and social justice.

Nathan was elected to the Hume Board in February 2017.

## Our Executive Team

Our Executive Team is passionate about Hume, the role it plays in the betterment of people's lives, and the creation of communities in which we all want to live.

The team has a length and depth of experience to see Hume into the next stage of its growth, sustainability and delivery.

In the financial year 2018 we welcomed Sean Parker as CFO to the Executive team, and we are excited about the skills and experience he brings to the organisation.



**Nicola Lemon**

**CHIEF EXECUTIVE OFFICER**

BA (Hons), MAICD



**Sean Parker**

**CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY**

CA, AGIA



**Michael Kourakis**

**EXECUTIVE MANAGER ASSET GROWTH**

MBA, B. Ec, Grad Cert Public Sector Mgmt, Grad Dip Secondary Education & Training



**Julie Bojarski**

**CHIEF OPERATING OFFICER**

Alumni 2015 Sydney Leadership Social Leadership Australia



**Lisa Bonavia**

**EXECUTIVE MANAGER PEOPLE, CULTURE & COMMUNICATIONS**

B. Bus, Cert. IV Workplace Assessment & Training

## The directors present their report, together with the financial statements, on Hume Community Housing Association Co Ltd (referred to hereafter as 'registered entity' or 'Hume') for the year ended 30 June 2018.

### Directors

The following persons were directors of the registered entity during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Robert Vine
- Brian Lomas FCPA (resigned 27/05/2018)
- True Swain
- Susan Holliday
- Lorraine Eddy
- Phillip Hepburn
- Jayson Bricknell
- Nathan Rees

### Objectives and strategy for achieving the objectives

The short term objectives of the registered entity during the year were to expand tenancy and asset management services.

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

The registered entity achieved its objectives of its five-year Strategic Plan (2013-18). The registered entity's activities resulted in the continuation of the registered entity's Tier 1 registration by the NRSCH and a surplus before income tax and fair value movements on investment properties that will be used to further the registered entity's long-term objectives as set out in the new Strategic Plan (2019-2021).

The objectives of the new Strategic Plan are to consolidate and deepen our footprint, maximise social impact through neighbourhood planning and customer driven services and continue to grow a progressive and high achieving organisation.

### Principal activities

During the financial year the principal continuing activities of the registered entity was the provision of community housing to low to moderate income earners.

### Performance measures

The registered entity measures its performance by meeting the objectives established in the annual business plan and departmental service delivery plans to deliver the strategic objectives. Our financial performance for 2018 is reported in the 2018 Annual Report.

### Information on Directors

#### Robert Vine

#### Chairman, Chair of Recruitment & Remuneration Subcommittee and Member of Audit & Risk Subcommittee

Dip.Mngmt. Grad Dip. HR, MAICD

Robert Vine has served 13 years on the Hume Board including a two year spell as Chairman before being appointed again to the Director position in 2012 after a three year break.

Robert 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.

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.

## Information on Directors (continued)

### Susan Holliday

#### Deputy Chair, Member of Recruitment & Remuneration Subcommittee and the Development Subcommittee

FPIA, CPP, GAICD, BA (Economics), MPhil (Town and Country Planning)

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. Whilst working as the Director General, the policy arm of NSW Housing and Landcom (prior to commercialisation) was a direct report. She was instrumental in establishing the City West Housing Company to achieve ongoing affordability options in Pyrmont and Ultimo.

She was appointed a member of the National Housing Supply Council from its inception to its closure in 2013. Sue has 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 was elected to the Hume Board in April 2014.

### True Swain

#### Director, Chair of Development Subcommittee

JD, MBA, M. Pro Dev, B. CPM, GAICD

True Swain is an experienced senior executive manager and director, who has a wealth of professional skills in property development, construction project management, strategic planning, risk management, corporate governance and stakeholder engagement, in both the public and private sectors.

In his current position as a senior executive manager at Taronga Zoo Conservation Society, True is accountable for a \$300 million capital property development program across both metropolitan and regional sites. This position is responsible for leading a multi-disciplinary professional property team in the delivery of a diverse range of property development projects, within complex live operational environments.

The above professional experience is underpinned by multiple tertiary qualifications, including Juris Doctor, Master of Business Administration, Masters of Property Development, Graduate Certificate in Commercial Arbitration, Bachelor of Construction Project Management and Graduate of Australia Institute of Company Directors course.

True was elected to the Hume Board in March 2014.

### Lorraine Eddy

#### Director, Member of Audit and Risk Subcommittee

JP

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 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.

### Phillip Hepburn

#### Director, Member of Development Subcommittee and Recruitment & Remuneration Subcommittee

B EC, LLB, LLM, Grad Dip Company Secretarial Practice

Phillip has extensive experience in setting up legal, governance and compliance functions, advising Boards on all aspects of legal and compliance issues. Phillip was previously General Counsel and Group Secretary at Stockland where his role also included providing commercial and legal advice on business and property acquisitions and sales, and on all aspects of property development and capital management activities undertaken by the organisation. Phillip has been a director of subsidiary Boards and has extensive experience in management across the property, banking, retail and agricultural sectors. Phillip has a strong interest in the areas of Board governance, risk and compliance.

## Information on Directors (continued)

### Jayson Bricknell

#### Director, Chair of Audit and Risk Subcommittee and member of Recruitment and Remuneration Subcommittee

B Ec, GAICD

Jayson is an experienced Financial Services executive with broad business experience across a number of disciplines. He has specific expertise and a proven track record in customer experience, program and project management for system deliveries, stakeholder engagement, transformation programs, operational performance improvement, growth and strategy definition and execution (including mergers and acquisitions).

His experience includes 7 years with Westpac/BT Financial Group, 2 years with Third Horizon Consulting, 15 years with Macquarie Bank and over 5 years with Arthur Andersen & Co and PricewaterhouseCoopers. In his current role with Westpac as a Director, Product and Service Development, he is responsible for designing and delivering the employee experience on a large Home Ownership transformation program.

Jayson mentors/coaches social enterprises via the School of Social Entrepreneurs and via the Westpac Foundation. Jayson was elected to the Hume Board in March 2017.

### The Hon. Nathan Rees

#### Director, Member of Development Subcommittee and the Audit and Risk Subcommittee

Nathan Rees has lived his life in Western Sydney and has 25 years experience in public administration. After completing a horticulture apprenticeship, he undertook an Honours degree in English Literature at Sydney University.

Nathan served in the NSW parliament 2007-2015, including as Premier of NSW, Minister for Water, Minister for the Arts, Minister for the Central Coast and Minister for Emergency Services. He was the member for the Western Sydney seat of Toongabbie. He has a passion for Western Sydney and social justice.

Nathan was elected to the Hume Board in February 2017.

## Information on key members

### Patricia (Pat) Martin (O.A.M)

#### Patron

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

Pat Martin has been involved with Hume's operations for the last 20 years including serving a 16 year term as President of Hume Board 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 and Police and Fire Brigade. Pat is also a former secondary teacher with 15 years teaching experience.

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).

## Meetings of directors

The number of meetings of the registered entity's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2018, and the number of meetings attended by each director were:

	<b>Board Meeting</b> <i>(inc. Special Board Meetings)</i>		<b>Audit &amp; Risk Sub Committee</b>		<b>Recruitment &amp; Rem Sub Committee</b>		<b>Development Sub Committee</b>	
	<i>Held</i>	<i>Attended</i>	<i>Held</i>	<i>Attended</i>	<i>Held</i>	<i>Attended</i>	<i>Held</i>	<i>Attended</i>
Brian Lomas FCPA	5	5	4	4	-	-	-	1
Lorraine Eddy	10	9	6	6	-	-	-	-
Robert Vine	10	9	7	6	2	2	-	5
Susan Holliday	10	9	-	-	1	1	12	10
True Swain	10	8	-	-	-	-	12	12
Nathan Rees	10	9	-	-	-	-	12	10
Phillip Hepburn	10	10	-	-	2	2	10	9
Jayson Bricknell	10	10	7	7	2	2	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

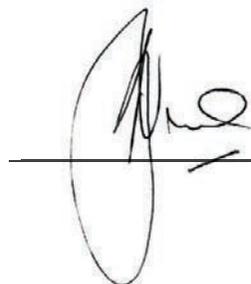
## Contributions on winding up

In the event of the registered entity being wound up, ordinary members are required to contribute a maximum of \$20 each. Honorary members are not required to contribute.

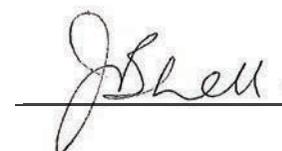
The total amount that members of the registered entity are liable to contribute if the registered entity is wound up is \$400, based on 20 current ordinary members.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Robert Vine, Director  
17 September 2018, Sydney



Jayson Bricknell, Director  
17 September 2018, Sydney

	Note	2018 \$	2017 \$
<b>Revenue</b>	2	31,564,243	27,847,726
Other income	2	2,073,660	232,585
Expenses			
Tenancy and property management expenses	3	(16,792,745)	(15,761,172)
Employee benefit expenses	3	(8,047,405)	(6,638,490)
Depreciation	6	(125,258)	(87,888)
Finance costs		(932,780)	(559,112)
Administration expenses	3	<u>(3,895,983)</u>	<u>(3,320,293)</u>
<b>Surplus before income tax expense and fair value movements on investment properties</b>		<u>3,843,732</u>	<u>1,713,356</u>
Fair value movement on investment properties	5	<u>(7,883,167)</u>	<u>3,789,377</u>
<b>Surplus/(deficit) before income tax expense after fair value movement on investment property</b>		(4,039,435)	5,502,733
Income tax expense	1	<u>-</u>	<u>-</u>
<b>Surplus/(deficit) after income tax expense for the year attributable to the members of Hume Community Housing Association Co Ltd</b>		(4,039,435)	5,502,733
<b>Other comprehensive income for the year, net of tax</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year attributable to the members of Hume Community Housing Association Co Ltd</b>		<u><u>(4,039,435)</u></u>	<u><u>5,502,733</u></u>

<b>Assets</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
Cash and cash equivalents	4	13,748,879	11,649,828
Trade and other receivables	7	6,382,510	2,840,157
Other assets	8	899,606	973,391
<b>Total current assets</b>		<u>21,030,995</u>	<u>15,463,376</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	2,407,193	1,738,192
Investment properties	5	100,661,715	97,980,100
Other assets	9	1,906,639	1,800,945
<b>Total non-current assets</b>		<u>104,975,547</u>	<u>101,519,237</u>
<b>Total assets</b>		<u>126,006,542</u>	<u>116,982,613</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	10,451,844	7,245,878
Borrowings	11	870,700	4,727,008
Employee benefits		653,578	542,637
<b>Total current liabilities</b>		<u>11,976,122</u>	<u>12,515,523</u>
<b>Non-current liabilities</b>			
Borrowings	11	25,250,700	11,736,169
Employee benefits		188,965	100,731
<b>Total non-current liabilities</b>		<u>25,439,665</u>	<u>11,836,900</u>
<b>Total liabilities</b>		<u>37,415,787</u>	<u>24,352,423</u>
<b>Net assets</b>		<u>88,590,755</u>	<u>92,630,190</u>
<b>Equity</b>			
Retained surpluses		88,590,755	92,630,190
<b>Total equity</b>		<u>88,590,755</u>	<u>92,630,190</u>

	<b>Retained Surpluses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2016	<u>87,127,457</u>	<u>87,127,457</u>
Surplus after income tax expense for the year	5,502,733	5,502,733
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>5,502,733</u>	<u>5,502,733</u>
Balance at 30 June 2017	<u><u>92,630,190</u></u>	<u><u>92,630,190</u></u>
	<b>Retained Surpluses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2017	<u>92,630,190</u>	<u>92,630,190</u>
Surplus after income tax expense for the year	(4,039,435)	(4,039,435)
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(4,039,435)</u>	<u>(4,039,435)</u>
Balance at 30 June 2018	<u><u>88,590,755</u></u>	<u><u>88,590,755</u></u>

	Note	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		27,611,922	25,514,900
Payments to suppliers (inclusive of GST)		(30,092,196)	(26,380,989)
Grants received (inclusive of GST)		5,191,478	4,926,703
Interest received		2,021,447	220,297
Interest and other finance costs paid		<u>(932,781)</u>	<u>(559,112)</u>
Net cash from operating activities		<u>3,799,870</u>	<u>3,721,799</u>
<b>Cash flows from investing activities</b>			
Payments for investment properties		(10,564,782)	(16,902,243)
Payments for plant and equipment		<u>(794,260)</u>	<u>(1,595,206)</u>
Net cash used in investing activities		<u>(11,359,042)</u>	<u>(18,497,449)</u>
<b>Cash flows from financing activities</b>			
Net proceeds from borrowings		<u>9,658,223</u>	<u>13,418,383</u>
Net cash from financing activities		<u>9,658,223</u>	<u>13,418,383</u>
Net (decrease)/increase in cash and cash equivalents		2,099,051	(1,357,266)
Cash and cash equivalents at the beginning of the financial year		<u>11,649,828</u>	<u>13,007,094</u>
Cash and cash equivalents at the end of the financial year	4	<u>13,748,879</u>	<u>11,649,828</u>

## Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012, as appropriate for not-for-profit oriented entities.

### Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of investment properties.

### New, revised or amending Accounting Standards and Interpretations adopted

The registered entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet

mandatory have not been early adopted. Accounting standards issued that have not yet been early adopted are discussed below:

### AASB 16 – Leases

AASB 16 – Leases now brings most leases of lessees on balance sheet, eliminating the distinction between operating and finance leases. This standard supersedes AASB 117 – Leases and is applicable to annual reporting periods beginning on or after 1 January 2019, with early adoption permitted for entities that apply AASB 15 – Revenue from Contracts with Customers at or before the initial date of application of this standard.

Hume Community Housing Association Co Ltd are a member of 'PowerHousing Australia', who have been driving an industry wide review of the impact of AASB 15 and AASB 16 on the community housing sector. To date, the group have identified that implementation of the new accounting standards will primarily affect the following areas for community housing providers:

- Agreements in respect of properties rented to provide affordable housing, motor vehicles and rental of office space will be accounted for under AASB 16 which will result in these leases being brought onto the balance sheet. It is expected that the resulting impact will be an increase in non-current assets and a correlating increase in current and non-current liabilities. Additionally, it is anticipated that there will be an additional impact on the timing of expenses relating to the leases

with the adoption of AASB 16 with reduced profits expected in the beginning years of the lease.

- Agreements in respect to social housing and the more recent Social and Affordable Management Housing Transfer ('SHMPT') properties are considered to be outside of the scope of AASB 16 given that they are properties owned and controlled by the government and therefore considered to be service concession arrangements accounted for under IFRIC 12. With the adoption of the new accounting standards, it is anticipated that the impact will be an increase in the asset values as the implementation costs of the SHMPT properties are able to be capitalised under AASB 15.
- Agreements in respect to owned properties that are a mix of social and affordable housing will be accounted for in accordance with AASB 15. It is anticipated that there will be no material impact on the adoption of this standard in respect to these agreements.
- It has been determined that revenues and grants for community housing providers will be accounted for under AASB 15 and AASB 1058 in respect to contracts with customers and residual income values of grants.

## Note 1. Summary of Significant Accounting Policies (continued)

### New, revised or amending Accounting Standards and Interpretations adopted (continued)

#### *AASB 15 – Revenue from Contracts with Customers*

AASB 15 - Revenue from Contracts with Customers specifies how and when revenue should be recognised as well as requiring more informative and relevant disclosures. The standard also requires additional disclosures in respect of the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts. This standard will be implemented with two supplementary not-for-profit specific standards, AASB 2016-8 Australian Implementation Guidance for Not-for-Profit Entities and AASB 1058 Income of Not-for-Profit Entities. These standards supersede AASB 118 – Revenue, AASB 1004 Contributions and a number of other revenue-related interpretations. AASB 15, AASB 2016-8 and AASB 1058 must be applied for all periods beginning on or after 1 January 2019, with early application permitted. An entity may adopt the standard on a fully retrospective basis or on a modified retrospective basis.

Hume Community Housing Co Ltd has begun the initial stages of updating the policies and procedures of the registered entity and determining the exact impact the new accounting standards will have for the year ended 30 June 2019 when adopted.

### Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Estimation of useful lives of assets*

The registered entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### *Employee benefits provision*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

#### *Fair value of investment properties*

Critical estimates are made by the Directors in respect of the fair value of investment properties. The fair value of these investments are reviewed regularly by Directors with references to independent property valuations and market conditions existing at reporting date, using generally accepted market practices.

#### *Provision for remediation works*

The registered entity has determined the provision for remediation works based on consultations with external experts and the directors best estimate of the net costs to complete the remediation works. The final net costs of the remediation works may differ from the provision recognised in these financial statements.

## Note 1. Summary of Significant Accounting Policies (continued)

### Employee benefits

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### *Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

### Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless

restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### Income tax

As the registered entity is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

## Note 2. Revenue and Other Income

	2018 \$	2017 \$
<b>Revenue</b>		
Rental revenue	21,914,785	20,364,774
Grant revenue	4,507,272	4,300,380
NRAS incentives	2,421,895	1,785,156
Fee for service revenue	2,720,291	1,397,416
	<u>31,564,243</u>	<u>27,847,726</u>
<b>Other income</b>		
Interest income	210,380	220,297
Social housing subsidy program interest income	1,811,066	-
Other income	52,214	12,288
	<u>2,073,660</u>	<u>232,585</u>

## Recognition and Measurement

Revenue is recognised when it is probable that the economic benefit will flow to the registered entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

### *Rental revenue*

Rental income is recognised on a straight line basis over the term of the lease, except when an alternative basis is more representative of the pattern of services rendered through the provision of the leased premises.

### *Grant revenue and NRAS incentives*

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

### *Fee for service revenue*

Income from fees received for services is recognised when the service is provided.

### *Interest income*

Interest income is recognised as it accrues using the effective interest method.

### *Social housing subsidy program interest income*

Social housing subsidy program interest income relates to our financial interest in this completed program and is recognised in the periods when they are earned.

### *Other income*

Other income is recognised when it is received or when the right to receive payment is established.

### Note 3. Expenses

	2018 \$	2017 \$
Surplus before income tax includes the following specific expenses:		
<i>Tenancy and property management expenses</i>		
Rent expenses	10,541,252	9,819,274
Repairs and maintenance expenses	2,957,119	2,900,088
Council and water rates	2,286,457	2,188,892
Other property expenses	1,007,917	852,918
	<u>16,792,745</u>	<u>15,761,172</u>
<i>Employee benefits expenses</i>		
Superannuation expenses	658,120	539,394
Salaries and wages expenses	6,941,216	5,742,310
Other employee benefits expenses	448,068	356,786
	<u>8,047,404</u>	<u>6,638,490</u>
<i>Administrative expenses</i>		
Insurance expenses	439,900	380,123
Office expenses	851,707	661,335
Office rent	278,589	240,404
Audit and accounting fees	60,255	46,726
Other administrative expenses	2,265,532	1,991,705
	<u>3,895,983</u>	<u>3,320,293</u>

### Note 4. Current assets – cash and cash equivalents

	2018 \$	2017 \$
Cash on hand	750	750
Cash at bank	4,093,064	2,622,653
Cash on deposit	9,655,065	9,026,425
	<u>13,748,879</u>	<u>11,649,828</u>

Cash amounts restricted, held as cash on deposit as security, amount to \$4,329,593 (2017: \$4,264,310).

### Recognition and Measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## Note 5. Non-current assets - investment properties

	2018 \$	2017 \$
Investment properties - at directors valuation	100,661,715	85,505,833
Assets under construction – at cost	-	12,474,267
	<u>100,661,715</u>	<u>97,980,100</u>

### Reconciliation

Reconciliation of the fair values at the beginning and the end of the year are set out below:

Carrying amount at the beginning of the year	97,980,100	73,842,199
Transfer of deposits	-	797,827
Additions and development costs	10,384,586	21,016,893
Transfers from/(to) property, plant and equipment	180,196	(1,466,196)
Revaluation decrement relating to provision for remediation work*	(3,600,000)	-
Other revaluation increments/(decrements)	(4,283,167)	3,789,377
Carrying amount at the end of the year	<u>100,661,715</u>	<u>97,980,100</u>

\* In December 2017, the NSW Government strengthened the fire safety laws with the introduction of the Building Products (Safety) Act 2017. During the year, the registered entity undertook a fire risk assessment of its investment property portfolio which identified certain non-compliance. Based on consultations with external experts, the Directors have estimated the costs of the remediation to be \$3,600,000. The costs of the remediation works directly impacts the fair value of the relevant investment property and as such the provision for remediation works has been recognised as a fair value decrement as at 30 June 2018. The registered entity will be seeking compensation from various parties for the cost of the remediation works however at the date of this report, the Directors are unable to reliably estimate the quantum of compensation that may be received.

## Recognition and Measurement

Investment properties principally comprise freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the registered entity. Investment properties are initially recognised at cost, including transaction costs and costs of finance, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

During the financial year, costs of finance of \$870,979 (2017: \$1,167,096) were capitalised in relation to the development of Hamilton Rd, Fairfield.

The basis of the valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment. The investment properties are revalued when necessary based on independent assessments by a member of the Australian Property Institute.

**Note 5. Non-current assets - investment properties (continued)****Fair value of investment properties***Fair value hierarchy*

The following tables detail the registered entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

**Level 3:** Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2018				
<i>Assets</i>				
Investment properties	-	-	100,661,715	100,661,715
Total assets	<u>-</u>	<u>-</u>	<u>100,661,715</u>	<u>100,661,715</u>
30 June 2018				
<i>Assets</i>				
Investment properties	-	-	97,980,100	97,980,100
Total assets	<u>-</u>	<u>-</u>	<u>97,980,100</u>	<u>97,980,100</u>

There were no transfers between levels during the financial year

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Note 6. Non-current assets – property, plant and equipment**

	2018 \$	2017 \$
Plant and equipment - at cost	794,078	759,821
Less: Accumulated depreciation	<u>(600,209)</u>	<u>(682,983)</u>
	193,869	76,838
Land and buildings - at cost	1,286,000	-
Less: Accumulated depreciation	<u>(5,360)</u>	<u>-</u>
	1,280,640	-
Furniture and fittings – at cost	1,233,607	568,539
Less: Accumulated depreciation	<u>(506,233)</u>	<u>(436,826)</u>
	727,374	131,713
Assets under construction - at cost	<u>205,310</u>	<u>1,529,641</u>
	<u>2,407,193</u>	<u>1,738,192</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and Buildings \$	Plant and equipment \$	Furniture and fittings \$	Assets under construction \$	Total \$
Balance at 1 July 2017	-	76,838	131,713	1,529,641	1,738,192
Additions	-	167,524	668,068	141,865	974,457
Disposals	-	(2)	-	-	(2)
Transfers to land and building	1,286,000	-	-	(1,286,000)	-
Transfers to investment properties	-	-	-	(180,196)	(180,196)
Depreciation expense	<u>(5,360)</u>	<u>(50,491)</u>	<u>(69,407)</u>	<u>-</u>	<u>(125,258)</u>
Balance at 30 June 2018	<u>1,280,640</u>	<u>193,869</u>	<u>727,374</u>	<u>205,310</u>	<u>2,407,193</u>

**Recognition and Measurement**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

For assets in the course of construction, no depreciation is applied until the asset is complete and is put into use by the registered entity.

During the financial year, costs of finance of \$74,828 (2017: \$137,178) were capitalised in relation to the development of Hamilton Rd, Fairfield.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their expected useful lives using the following rates per annum:

Plant and equipment	20% - 40%
Furniture and fittings	20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the registered entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Note 6. Non-current assets – property, plant and equipment (continued)****Estimation of useful lives of assets**

The registered entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

**Note 7. Current assets – trade and other receivables**

	2018 \$	2017 \$
NRAS receivable	2,621,349	2,036,595
Trade receivables	299,191	121,134
Rental receivables	758,556	596,243
Social housing subsidy program receivable	1,811,066	-
Other receivables	936,717	148,670
	<u>6,426,879</u>	<u>2,902,642</u>
Provision for impairment of receivables	(44,370)	(62,485)
	<u>6,382,510</u>	<u>2,840,157</u>

**Recognition and Measurement**

Other receivables are recognised at amortised cost, less any provision for impairment.

**Note 8. Current assets – other assets**

	2018 \$	2017 \$
Prepayments	842,482	916,267
Deposits for development projects	57,124	57,124
	<u>899,606</u>	<u>973,391</u>

**Recognition and Measurement**

Payments made for deposits and costs for the development of investment properties are recognised as other assets when the payments have been made.

**Note 9. Non-current assets - other assets**

	2018 \$	2017 \$
Rental deposits	1,800,513	1,697,283
Other security deposits	106,126	103,662
	<u>1,906,639</u>	<u>1,800,945</u>

**Note 10. Current liabilities - trade and other creditors**

	2018 \$	2017 \$
Trade creditors	15,693	249,720
Other creditors	2,262,726	1,609,823
Rents in advance	930,175	738,778
Grants in advance	344,442	113,857
Grants to be refunded	182,742	201,073
Property related accruals	1,724,306	1,767,391
Retention payable	447,375	772,652
Accruals for development projects	1,104,371	778,857
Employee benefit accruals	393,992	373,038
Other accruals	1,702,504	640,689
Other deferred income	1,343,518	-
	<u>10,451,844</u>	<u>7,245,878</u>

**Recognition and Measurement**

These amounts represent liabilities for goods and services provided to the registered entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Note 11. Borrowings**

	2018 \$	2017 \$
Current		
Bank borrowings	870,700	-
Other borrowings	-	4,727,008
	<u>870,700</u>	<u>4,727,008</u>
Non-current		
Bank borrowings	25,250,700	11,736,169
	<u>25,250,700</u>	<u>11,736,169</u>

**Recognition and Measurement**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The other borrowing is a loan from Sirius Consolidated Pty Ltd in connection with the development of 5-9 Hamilton Road, Fairfield. The loan is repayable on practical completion of the development project.

The bank borrowings are secured by first mortgages over the registered entity's land and buildings.

**Note 12. Contingent liabilities**

There is a security deposit guarantee of \$47,000 in respect of the Parramatta office (2017: \$47,000) and a security deposit guarantee of \$45,000 in respect of the Pembroke Street Boarding House (2017: \$45,000).

As at 30 June 2017, the registered entity had unrecognised capital commitments of \$9,606,151 for the development of 5-7 Hamilton Rd, Fairfield. Development of 5-7 Hamilton Rd, Fairfield was completed during the year ending 30 June 2018, and as such there is no longer a capital commitment at this date.

### Note 13. Commitments

#### *Lease commitments – operating*

Committed at the reporting date but not recognised as liabilities, payable:

	2018 \$	2017 \$
Within one year	40,797	210,099
One to five years	-	40,797
More than five years	-	-
	<u>40,797</u>	<u>250,896</u>

### Note 14. Related party transactions

Key management personnel

#### Compensation

The aggregate compensation made to directors as key management personnel of the registered entity is set out below:

	2018 \$	2017 \$
Aggregate compensation	<u>170,546</u>	<u>131,309</u>

### Note 15. Events after the reporting period

No matters or circumstances have arisen since 30 June 2018 that have significantly affected, or may significantly affect the registered entity's operations, the results of those operations, or the registered entity's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Charities and Not-for-profits Commission Act 2012, the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Regulation 2013 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the registered entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

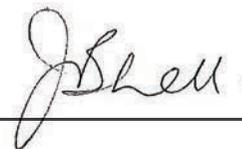
Signed in accordance with a resolution of directors.

On behalf of the directors



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Robert Vine, Director  
17 September 2018, Sydney



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Jayson Bricknell, Director  
17 September 2018, Sydney

## INDEPENDENT AUDITOR'S REPORT

To the members of Hume Community Housing Association Co Ltd

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Hume Community Housing Association Co Ltd, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Hume Community Housing Association Co Ltd, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Hume Community Housing Association Co Ltd's annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Responsibilities of responsible entities for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

### **Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO East Coast Partnership**

BDO

A handwritten signature in black ink, appearing to read 'Ian Hooper', written over a horizontal line.

Ian Hooper  
Partner

Sydney, 17 September 2018

# Partners

**Hume values the support, expertise, leadership and resources of its partners in assisting us to provide holistic services to customers to achieve their goals throughout each stage of their housing journey.**

**Hume's partners support Hume's capacity to address housing affordability, growth and expansion of service offerings.**

## Service Partners

Bonnie Womens' Support Services  
 Cerebral Palsy Alliance  
 Claymore Action Group  
 Core Community Services  
 Craze Lateral Solutions – Dr. Leanne Craze  
 Daystar Foundation  
 DigiHouse  
 Dundas Area Neighbourhood Centre  
 Habitat for Humanity  
 Infoxchange  
 Kari Aboriginal Resources  
 Legal Aid

Life Without Barriers  
 Liverpool Migrant Resource Centre  
 Liverpool Neighbourhood Connections  
 Liverpool PCYC  
 Macarthur Homelessness Steering Committee  
 Macarthur Real Estate Project  
 Mission Australia  
 National Rugby League (NRL)  
 Northcott  
 Not For Profit Alliance  
 NSW Justice Department  
 Partners in Employment  
 Royal Rehab  
 Save the Children  
 Seed Harvest Spoon  
 South West Mental Health – Liverpool  
 St Vincent De Paul  
 SwSi TAFE  
 Sydney Self Defence  
 Telopea Connections

**“** *We are a commercial consultancy and it is enjoyable working with Hume because of their understanding of the sector, understanding of the customer and the passion they bring to everything they do.*

*Wayne Golledge, Managing Director of Impact Group.*

“

**The support we receive from all of our partners is absolutely critical to Hume's delivery of service, and social outcome to our customers.**

**Nicola Lemon**

Tharawal Aboriginal Corporation  
 The Benevolent Society  
 The Collectives  
 Wesley Mission  
 Western Sydney Partners in Recovery  
 Western Sydney University  
 Westfield Liverpool  
 Whitelion  
 Womens' Homelessness Service  
 Yfoundations  
 Yourtown

### Corporate Partners

Arthur J Gallagher  
 Ash St Partners  
 BDO  
 Blooming HR  
 Brewster Murray Architects  
 Community Sector Banking  
 Coup  
 DLA Piper  
 East Coast Partnerships  
 Ensyst  
 Fraser Property  
 Giraphic Creative  
 HKA  
 Impact Group  
 Incus Group  
 Incorporate Organisational Strategy  
 Jasara Constructions  
 Mono Construction  
 NGO Recruitment  
 NSW Federation of Housing Associations  
 Optean Property Solutions  
 Pacific Capital

PowerHousing Australia  
 Shepherd Shaw  
 Sirius Constructions  
 SPM Assets  
 SR Constructions  
 Zavanti

### Government Partners

Chris Hayes, MP  
 City of Parramatta Council  
 Department of Family and Community Services  
 Fairfield City Council  
 Fairfield City Council – Community Safety & Crime Prevention  
 Fairfield City Council – Youth Health Team  
 Fairfield Police  
 Geoff Lee, MP  
 Guy Zangari, MP  
 Land and Housing Corporation  
 Liverpool City Council  
 Senator Doug Cameron  
 Tanya Mihaulik, MP



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