



NSW Federation of  
Housing Associations inc

# Annual Report

2005-2006





# Mission

The NSW Federation of Housing Associations leads the way in supporting community based housing associations to deliver high quality, professional housing services to tenants, for the community, tenants and applicants.

We believe that clients and local communities are the top priority of community housing associations.

Through our membership, the NSW Federation of Housing Associations aims to:

- ◆ assist people to solve their housing difficulties by providing quality, low cost and affordable housing solutions;
- ◆ be responsive to local needs;
- ◆ encourage tenant involvement;
- ◆ achieve the highest standards for accountability, efficiency and community service.

## ***Acknowledgement of the Traditional Owners of the Land***

The NSW Federation of Housing Associations acknowledges the Gadigal Clan of the Eora Nation who are the traditional owners of the land on which the Federation is located. A statement of Apology and Commitment to Aboriginal Peoples and Torres Strait Islanders is posted on our web-site

# Acknowledgements

The Federation would like to acknowledge a number of organisations and individuals who have supported our work over the past year.

- The Office of Community Housing for funding the core activities of the Federation, and for funding specific projects or initiatives. These include funding to update training on the performance based registration system and funding for a number of research and development projects, including the development of a tenant network, tools to build financial expertise and a review of progress on improving access to Aboriginal applicants. The Office also provides scholarships to workers in the sector, many of which undertake Cert IV training with the Federation.
- The Directors Network Steering Committee - Brian White, Anne Grice, Lindsay Kelly, Alex Maitland, Helen Wood
- Speakers at the Director Network forums - Dr Vivienne Milligan, Mark Reader, Dr Judith Stubbs
- Housing Associations Meeting Speakers – Maura Boland, Unis Goh, Gary Moore, Kate Lee, Andrew Larkin, Lauvena Wong, Karen Andrew, Sandy Quealy, Barbara Brown, Nick Sabel
- The Community Housing Conference steering committee – Karine Shellshear, Derek Yule
- Anne Weldon, Chair, Aboriginal Housing Board – for input to the community housing conference planning
- The CHLP reference group – Lesley Oatley ; Jenny Stewart; Marg Bicskos; Frank Birkefeld; Geoff Mann; Lesley Wyatt
- The Code of Practice Committee – Karen Andrews, Nick Sabel, Patrick Yeung,
- Members of the Code of Practice Panel Eligibility List – Shane McArdle, Lucille Bernard, Julie Leete, Professor Bill Randolph
- Hal Bisset (new business & development workshop presented) and Dennis Café (Asset Maintenance workshop presenter)
- Rachel Louttit – for providing Mental Health First Aid training
- Michelle Henwood and John Wagner, Behaviour Intervention Service DADHC – for providing Managing Challenges Behaviours training
- Simone Montgomery , Tenants Union – for RPL Assessment validation
- Swinburne University of Technology, particularly David Ellis – partners in delivering Cert IV training to Department of Housing trainees; and Anne McCabe , Department of Housing
- Productivity Plus – partners in delivering Cert IV training in Tasmania
- The Rent Setting project Reference Group – Prof Judy Yates, Jon Atkins, Phaedra Parkins, Yvonne Weldon
- The Financial Tools project reference group – Prof Peter Phibbs, Brian Murnane, John Nicolades, David Symonds, Patrick Yeung
- Troy Daly – for pro bono development of costing methodology report
- The Large Scale Partnerships reference group - Marg Bicskos, Mohamed Ibrahim, Lesley Wyatt, Patrick Yeung
- The reference group for the Review of progress on Aboriginal access project – Barbara Brown, Amanda Leonard, Ann Weldon, Chair, NSW AHO, Yvonne Weldon, David Lee, Claire Croumbie-Brown, Amanda Hall, , Cassandra Thorne
- The reference group for the Issues in Supported Housing project -
- Robbie Buchanan, Bobbie Townsend, Nick Sabel and Warren Gardiner – for assistance on staff selection panels

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# Highlights for the Year

## ■ **Our biggest year of training delivery**

This year the Federation delivered more training than ever before. It was a record year for the delivery of Certificate IV in Social Housing through our scheduled training – mainly for sector participants. In addition, this was the first full year of delivery of training to trainees in the NSW Department of Housing, in partnership with Swinburne University. Beyond that, we have delivered social housing training to sector and Department staff in Tasmania, in partnership with Productivity Plus. Of our non-accredited training, one of the best received was our Mental Health First Aid course which was run twice this year. Another new initiative was the workshop on working with people with challenging behaviours.

## ■ **Tenants' network**

This year, building on project sponsored by a number of associations, we worked with tenants to establish a metropolitan tenants' network. Once it is consolidated in the metropolitan area, the network will consider expanding to cover all community housing tenants in NSW. A number of newsletters have been produced as part of this initiative.

## ■ **Representation and advocacy for the future of the sector**

Last year we said there had been more changes requiring representation and advocacy than we had seen for a while. But this year was even bigger. This year the policy frameworks that will shape the sector over the coming decade were being hammered out. The Federation played a very active role on the Community Housing Advisory Committee sub-committee that drafted the Strategic Policy Framework for the next 5 to 10 years. But we were also very involved in the lobbying around the creation of an NSW affordable housing strategy. At a national level we have been

involved in holding a national forum to push for a new National Affordable Housing Agreement to replace the CSHA which is now up for review. At the same time we have been pursuing a sector position on the implications of Reshaping Public Housing, and have been involved in the consultative structures around the Bonnyrigg PPP.

## ■ **Sector liaison initiative**

To build more regular links with members, Federation staff are now responsible for regular contacts with particular member associations. The aim is to make sure the Federation stays in close touch with members and is able to identify member issues early.

## ■ **Looking towards development**

This year we have been developing a suite of materials to support associations who might move into private sector partnerships or a new development role. We have developed two tool kits - a basic kit on how to approach such partnerships and one that focuses on larger scale opportunities. We hope that both of these will be launched in the second half of 2006. In addition, we developed a seminar on the key issues in taking on property development. Again the outcomes of this were available in July 2006.

## ■ **Supporting the re-registration of C grades**

Perhaps the biggest challenge of the year has been to support members who had received a C grade registration and therefore had 12 months to improve their grading. By the end of the financial year we had begun work with three associations to analyse the causes of their C outcomes, identify solutions and prepare a plan to implement these. This work continues into the 06-07 financial year.

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# President's Report



2005-06 really challenged the Federation board to balance its two roles.

The first is to lead and guide the Federation's representation of its members. This is not a role most boards have, but is fundamental to the role of a peak. The other role is to oversee the direction and performance of the business. Both of these have been tested this year.

In the last half of the year, the Minister decided to review all three community housing peaks. This meant that for some time we had no way to know what form the Federation would exist in the future. The position the board took was that two things were essential. Whatever structures existed in the sector, the sector must have a far clearer role to play in its future development, rather than being pushed by government. The second was that at this time, of all times, we must not be distracted from meeting the needs of our members. We also need a much more united voice for the sector as a whole.

During the review, the Federation made it a principle to work transparently and cooperatively with the other two peaks – ARCH and Churches Community Housing. The board itself was called on to hold a number of extra meetings with the consultants.

In the end, nothing has changed. But we are at least very clear that the Federation should play a lead role, with its members, in sector development and that we will need to be more active in promoting the sector and play a more prominent role with all stakeholders.

During the year, the board has also begun what will be one of the most important discussions the sector can have. This is how to meet the challenge of a diverse sector. As some associations are growing fast, others are under greater stress and some are disappearing. There is real risk of sector fragmentation and the board is determined to meet our strategic objective of supporting all parts of the sector and build a viable *diverse* sector.

That is why we have spread our efforts to meet the specific needs of each part of our sector. It is why we have been working to support associations with C grades and making our resources and training more accessible to members. That is why the board has supported the Federation's efforts to establish stronger contact with all members. It is why we have also continued to make it a priority to broker access to new business opportunities for expanding associations, look for IT solutions, deliver training for senior managers and directors

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*President's Report (cont.)*

that is the same as that provided in the commercial world. And it is why we have expanded our training business to ensure that the vocational training in our sector is of a standard that cannot be matched in any other part of the social housing system or country.

The policy challenges throughout the year have been huge too. If Reshaping Public Housing has repositioned that part of the social housing as a highly residual system, we have had to ask what we want for community housing. We have worked hard to work through the implications of these changes and to ensure that the sector is still positioned to fulfil its mission. We have continued this discussion, first on the board, then with the sector at the Housing Associations Meeting (HAM) and finally with the Office of Community Housing.

The conversation is not over. But we believe that this sector must continue to be able to make a structural difference to housing need across the spectrum – from the most specific and intensive needs to the needs of ordinary low income Australians.

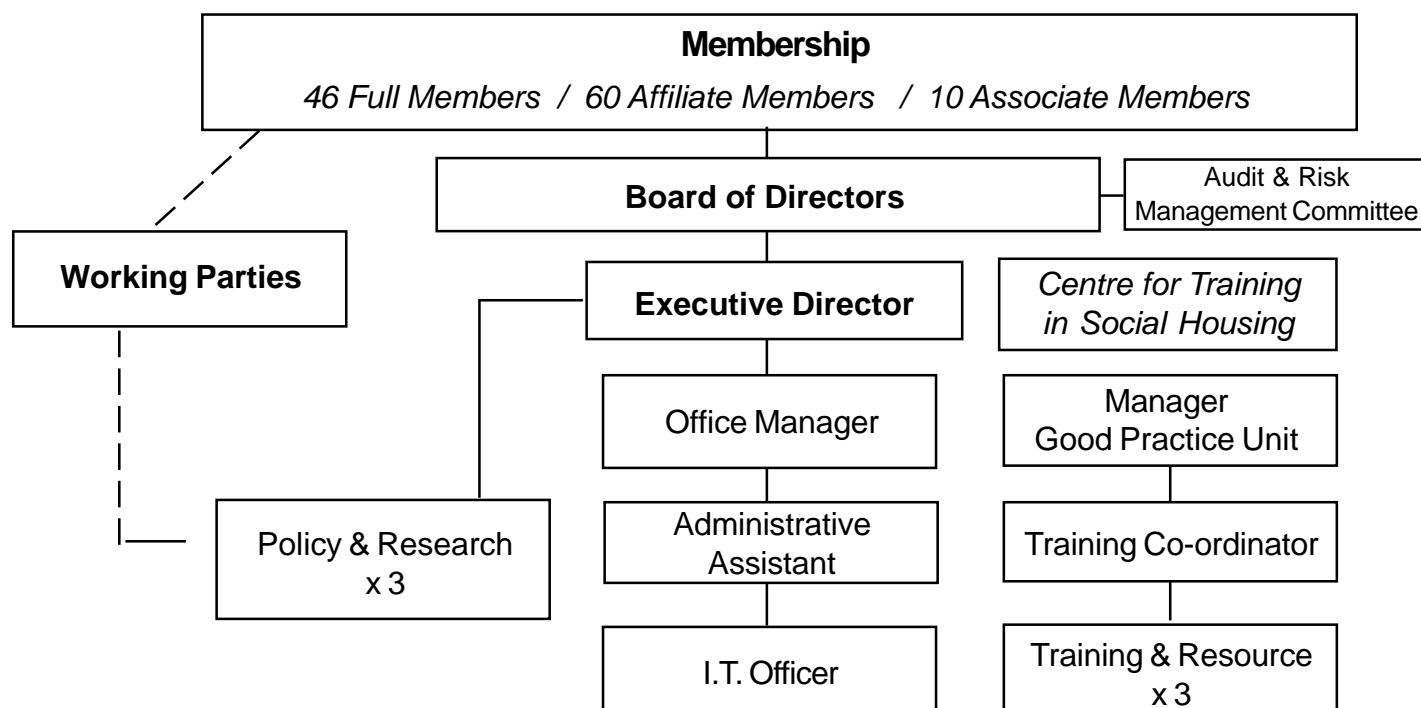
But we have also focussed internally on the strength of the Federation. As the Treasurer will report, we have built a strong financial position so that we can focus on the challenges before the sector. We have also

continued to build the strength of our governance systems. This year we established an Audit and Risk Management Committee which strengthens our relationship with our auditor, builds our internal controls, and provides the board with a very strong focus on how we take on new risks as we grow our activities and areas of work to better support the growing sector.

I would like to thank all my colleagues on the board. As you can see from this annual report, the board has met far more often than expected, and become far more engaged with the work of the Federation. I would also like to thank the staff for the great results this year – even though there will be no let up! I would also like to thank our Executive Director, Adam Farrar, for his support to the board.

**Nick Sabel**  
**President**

# How Does the Federation Work?



## Our core areas of work:

The Federation works in seven core areas:

- **Representation and sector co-ordination** – this is our fundamental role as the peak for housing associations in NSW. Its purpose is to be a voice for members, to enable them to work together as a mutually supportive sector and to articulate and pursue their common aspirations.
- **Research and sector development** – this supports the member's directions and aspirations with effective research and policy development on key issues affecting the development of the sector.
- **Relationships and alliances** – this ensures that associations are promoted and well-known to all other stakeholders who might help our development, and to allow associations to play their part in the wider community sector.
- **Training** – this is our most prominent direct service to members and others in the social housing sector. Through our Centre for Training in Social Housing, our accredited vocational training and other short courses support and build the capacity of organisations and the careers of workers in the sector.
- **Supporting organisations** – the Federation directly supports individual members, their boards and management, in their work as housing providers. This ranges from free advice provided through our Housing Management Hotline, to consultancies on strategic planning, organisational reviews, tenant participation and the like, to intensive work with organisations to achieve their particular goals.
- **Good practice resources** – this also supports our members and other providers by developing and continually updating resources on good practice social housing management. It includes the series of Housing Hints, Across the Board bulletins, Good Practice Guides, and the good practice data base.
- **Organisational support** – this part of the Federation's work supports the Federation itself, its secretariat and the Board of Directors.

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# Statement of governance practices

## **The role of the board**

Members of the Federation board of directors have two broad roles. The first is to provide leadership, on behalf of members, in the Federation's work to represent the interests of the sector and to pursue its development. The second is to be responsible for corporate governance matters for all aspects of the Federation's activities.

## **Board composition**

The board is comprised of nine members, elected from candidates nominated by full members of the Federation. The Executive Director is not a member of the board, but is invited to attend all board meetings. Board members are elected for two year terms with half the board retiring at each Annual General Meeting. Retiring members are eligible for nomination and re-election. There are four office bearers: President, Vice President, Secretary and Treasurer. No office bearer may hold the same position for more than four consecutive years.

## **Insurance of directors and officers**

During the financial year the Federation has paid an insurance premium insuring each of the directors of the Federation named in this report and officers against all liabilities and expenses arising as a result of performing their duties to the association, to the extent permitted by law.

## **Ethics**

In 2003 the board adopted a Federation Statement of Ethics which requires all Federation staff and directors to:

- Behave honestly
- Treat people fairly
- Act within the law
- Act in the interests of the Federation and all its members
- Work diligently
- Treat people and communities with respect.

This was part of a wider Values Statement adopted by the board.

In addition, both directors and Federation staff sign a Code of Conduct before taking office. The Code identifies directors' responsibilities to act in the interest of the organisation, their responsibilities as employers, financial conduct, confidentiality and disclosure and covers conflicts of interest.

## **Annual statement on internal control systems**

The Federation's Audit and Risk Management Committee has responsibility to oversee the Federation's Internal Controls. Internal controls are governed by Federation policies – in particular 3.7 Authority Limits, 3.8 Conflicts of Interest, 1.17 Code of Conduct for Employees. Monitoring of internal controls is undertaken in two ways: as part of the annual external financial audit, and internal audit functions undertaken by the Audit & Risk Management Committee on financial management, human resource management, and information management. The Committee can report to members that, in its assessment, internal controls are appropriate and are being effectively implemented.

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### **Audit & Risk Management Committee - purpose and scope**

In February 2006, the Federation board established an Audit & Risk Management Committee, comprised of three members appointed by the board from among the directors. The committee meets at least three times a year. The committee is authorised by the board to investigate any activity within its terms of reference. The committee may seek board approval to obtain outside legal or other independent professional advice. At least once a year, the committee shall meet with the external auditors.

The committee activities cover four areas:

- *Risk management* – to facilitate annual priority risk identification by the board, monitoring priority risk management strategies and reviewing the Federation's long-term organisational risk management framework;
- *Internal auditing and controls* – to establish an internal audit program, particularly based on the Risk Management Monitoring Framework;
- *External financial audit* – to liaise with auditor on behalf of the board;
- *Half yearly financial statements* – to provide advice to the Treasurer on risks associated with the half yearly and annual financial statements.

The members of the committee are Brian White (Chair), Judith Beveridge, and Patrick Yeung.

### **Risk policy**

In 2004 the board adopted the following statement of the Federation's approach to risk. This was endorsed by a Housing Association Meeting.

- The Federation's role is to advance the interests of its members. It is therefore prepared to be proactive in identifying and pursuing new opportunities for the sector and to manage the risks that may arise.
- It is prepared to take considerable political risks in the pursuit and protection of its members needs and interests, but will always seek to minimise these if possible.
- The Federation represents its members and so places a premium on the sector's reputation and will be very reluctant to expose the sector's reputation to risk.
- The Federation has been established to support its members. It will take on business risks to the extent that they can be prudently managed, but only to the extent that these activities support or enhance its capacity to support its members.

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# The Board

**Board** members are elected for a two year term. The Board members for 2005-2006 were elected at the NSW Federation of Housing Associations AGM's of November 2004 and 2005.



**Nick Sabel - President** *(from 18th November 2005)*

Nick is the Executive Officer of Wentworth Area Community Housing, a large multi-site housing association in greater western Sydney . He has held this position for over 7 years, during which he has seen the association through 2 rounds of accreditation and registration. WACH carries out much of its work through partnerships, and is currently working in this way with approximately 28 other organisations. Nick was co-opted to fill a casual vacancy in June 2003, and then elected to (State Council, now Board) in November 2003. Nick was elected President in Nov 2005.



**Patricia J Martin OAM - President** *(until 18th November 2005)*

Pat has been the Chairperson of Hume Community Housing Association for over twelve years, and before that the Treasurer of Fairfield Rental Housing. In the first years of the Federation she served two years on the State Council as Vice President and was again elected Vice President in 2001. Pat became President at the AGM of November 2003.



**Karen Andrew - Vice President**

Karen's affiliation with Community Housing began in 1984 when she became a tenant at the local CTS in Orange. Karen then became involved as a tenant worker and relief Manager. In 1986 Karen was employed as the Manager of the Orange CTS and from that point on became heavily involved in community housing. Karen led the organisation through amalgamation and took up the position of Executive Officer of Central Tablelands, a multi office rural organisation in 1998. Karen has completed a Certificate IV in Community Management. Karen was first elected to (State Council, now Board) as an Ordinary Member in November 2002, and then as Vice President in November 2004.



**Bobbie Townsend - Treasurer**

Bobbie Townsend, CEO Women's Housing Company, she has worked in community housing for over 20 years-has led the organisation through major change management - going from a small organisation managing 50 properties to now well over 750 when the current Stock Transfer Program is completed . Women's Housing Company Ltd is about to undergo further development in order to remain competitive in the changing housing environment. Bobbie has a keen interest in sector development and participates in a range of committees and working groups to ensure the sector continues to improve and change. This includes Accreditation, Community Housing Advisory Committee, Supported Accommodation Assistance Committee, Registration for SAAP sector, and other interests that relate to good governance and supported housing issues.



**Judith Beveridge - Secretary** (from 18th November 2005)

Judith has held the position of EO Service, responsible for the running of Hume Community Housing Association since its inception in 1994. Prior to this she was the Co-ordinator of Fairfield Rental Housing Co (which amalgamated to become Hume), for 8 years. She holds positions on a number of committees and reference groups, some representing Hume and others as a volunteer. Judith was involved with other workers from the sector in developing the NSW Federation of Housing Associations on the very early Council. Judith was elected to the Board in November 2005.



**Ordinary Member - Barbara Brown** (to 7th April 2006)

Barbara had been the Housing Manager at Western Plains Housing Scheme for over 2 years. Western Plains is a small rural organisation and she therefore brought this perspective onto the board. Barbara has worked for another NSW peak body in the Western Region of NSW and therefore has an understanding of the roles and responsibilities of a peak body. She has also been a Board Member and President of another community service and has an understanding of governance. Barbara has the Certificate IV in Community Housing. Barbara was elected to (State Council, now the Board) in November 2004.

No  
photo

**Stephanie Cunningham** (from 18th November 2005)

Stephanie has been the Treasurer of Homes North Community Housing in Armidale and Gunnedah for the past four years. She was involved in the restructure of Homes North and in the more recent amalgamation discussions with Glen Innes Accommodation Service. She participated in developing the successful HNCHC accreditation and registration submissions to OCH. Stephanie has a Ph.D in Public Policy and served as staff in academic and fiscal areas to the head of the tertiary education agency. Dr. Cunningham is quite familiar with the policy environment and the level of issues and legislation that the Federation board would be addressing. Stephanie was elected to the Board in November 2005.



**Pamela Pryor** (to 1st December 2005)

Pamela has been a Director of Eastern Suburbs Rental Housing Association since 1998 and has been Treasurer since 2000. During this time she have undertaken a wide range of professional development training opportunities to keep abreast of the continuing changes in Legislation and Office of Community Housing. Pamela's previous experience has been in small business and banking. She has participated on a number of not for profit boards and has been appointed as Chairperson, Secretary, Treasurer and Public Officer. Pamela was elected to (State Council, now the Board) in November 2004.



**Margaret Robinson - Secretary** (until 18th November 2005)

Marg is the Housing Manager for Parkes-Forbes CTS and has worked there for over 7 years. Previously she was an interior decorator, and is a qualified Real Estate Agent. She has completed the entire HATPIN

program, and has also finished a Graduate Certificate in Housing Management at Swinburne University. She was first elected to (State Council, now the Board) in 1999, and elected Secretary in November 2001, and again in November 2003.

### Brian White



Brian White was elected to (State Council, now Board) in November 2004 and was on the Board of Argyle Community Housing where he was its Treasurer from early 2004. He currently works in the Asset Strategy and Financing Branch of the Department of Housing where he evaluates major public housing projects. Brian's career includes policy development in the public sector, as well as consulting and business development in the private sector. Brian also participates in humanitarian and community development activities.

### Patrick Yeung



Patrick has been appointed as the Chief Executive Officer of St George Community Housing for more than 7 years and has worked in the social housing sector for over 12 years. He has done Community Development work on housing development, and worked with the Department of Housing in various senior staff positions including strategic planning and asset management. Prior to social housing, Patrick worked in the social welfare field for more than 9 years targeting deprived communities. Patrick was elected to (State Council, now Board) in November 2004.

## Meetings of Directors

Number of meetings attended by each director during the financial year while a director:

	Normal meetings		Teleconferences & special meetings		Total	
	Attended	Held	Attended	Held	Attended	Held
Pat Martin	2	2	3	3	5	5
Pamela Prior	2	2	1	3	3	5
Margaret Robinson	1	2	0	3	1	5
Karen Andrew	4	5*	1	5*	5	10
Barbara Brown	6	6	3	6**	9	12
Nick Sabel	4	6	7	7	11	13
Bobbie Townsend	4	6	5	7	9	13
Brian White	5	6	6	7	11	13
Patrick Yeung	5	6	7	7	12	13
Judith Beveridge	3	4	3	4	6	8
Stephanie Cunningham	4	4	4	4	8	8

\* Granted leave from the Board

\*\* Resigned

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# Staff 2005-06

## Executive Director



**ADAM FARRAR**  
MA (Hons), MAHI, AICD Company  
Directors Course Diploma

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## Good Practice Unit

### MANAGER



**LAUREL DRAFFEN**  
BA Dip Ed; MA (Ed  
Studies); Cert IV in  
Assessment &  
Workplace Training;  
AICD Company  
Directors Course  
Diploma; MAHI.

### TRAINING & RESOURCE WORKERS



**LYNDALL KATZ**  
BA; Cert IV in  
Assessment and  
Workplace Training;  
Diploma in Social  
Housing; MAHI



**ADAM WEST**  
Post Grad Diploma  
in Housing Policy &  
Practice; Cert IV in  
Assessment &  
Workplace Training;  
AICD Directors  
Course Diploma



**ESTELLE  
LOHMAN**  
  
**TRAINING  
CO-ORDINATOR**



**SHERYL DE VRIES**  
BS Bus. Studies;  
Master of  
Management -  
Community Sector  
Mgmt; Grad Cert in  
Housing Policy



**JACQUI  
MORENO-OVIDI**  
Bachelor of  
Education and  
Training; Diploma of  
Community Devel.;  
Cert IV Assessment  
& Workplace Training

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## Policy & Research



**ANDREW  
MEEHAN**  
BA in Social  
Science and  
in International  
Studies



**ELLEN ADELE**  
BA Hon Sociology



**MELANIE  
SOUTHWELL**  
BA Welfare  
(specialising  
in International  
Social Develop-  
ment)

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## Office Services Team



**WENDY  
ROCKWELL**  
BS Psych/Math.  
  
**MANAGER**



**ANDRA KEAY**  
BA Communications  
  
**INFORMATION  
TECHNOLOGY**



**CASSANDRA THORNE**  
  
**ADMINISTRATIVE  
ASSISTANT**

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# Executive Director's Report



This year the Federation expanded its work in a number of ways.

Most noticeably, its training activities grew substantially. However, we also increased our staffing in policy and sector co-ordination, allowing us to do more research and development. We have become much more involved in negotiating with private companies to try to meet the emerging needs of the sector. Representation and advocacy has also grown as the policies for a major shift in the sector take shape. And we have built the board's involvement in ensuring our performance by establishing a new Audit & Risk Management Committee which leads our risk management and also has taken on an internal audit role.

All of these, we believe, position the Federation even more strongly to support members during the substantial growth and change that the sector is experiencing.

This year all parts of our training business grew. There were more participants in our scheduled Cert IV training (which is mainly delivered to housing association workers) than previously; more participants in our non-accredited professional development training; and we delivered a number of session on-site to regional housing associations. There has also been good take up of our distance training option.

At the same time, we have been in full swing delivering training to Department of Housing client service officers, in partnership with Swinburne University. This has involved a mix of RPL and face to face training. In previous years we provided some training in the ACT. But this year we went further afield, providing training to both community sector and public housing workers in Tasmania. Again this was in partnership with a local RTO.

Our professional development training is provided to respond to demand from the sector for training that meets immediate skill gaps or specific needs not captured in the formal qualification. This has included asset management training, registration training and understanding CHLP. But we have focused on the growing need to manage more complex clients with 2 sessions of mental Health First Aid and one on managing challenging behaviours. We continue to also provide high level training for senior managers and for directors, delivered by trainers from the UTS and the Australian Institute of Company Directors (AICD) respectively.

The spread of issues requiring representation this year has also been a huge challenge. The most important in terms of future policy has been the development of a draft strategic policy for the

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sector. But this has been clearly framed by the implications of the new Reshaping Public Housing policy announced at the beginning of the year, and the elusive affordable housing initiatives we have been pushing for at both national and state levels.

While these shape our future direction, the day to day imperative for members is still appropriate funding to ensure viability and to reduce the serious stress on workers in the sector. While we have continued to push these issues with OCH and the union, the sector still has no information on what will be decided. Worse still, it has had no real input into the work.

Our research and development has focused on two areas – the future needs of the sector as it engages in more commercially complex activities and the need to focus on our tenant base.

We have worked on a number of tools to support commercial partnerships, which are being released in 2006. To support member's work with tenants we have looked at the issues emerging in supported housing partnerships, the progress that has been made in improving access to Aboriginal tenants, and we have worked with metropolitan tenants to establish a Metro Tenants Network.

This year we have seen more staff changes. Sheryl de Vries left us to travel and has been replaced by Jacqui Moreno-Ovidi. Ellen Adele and Melanie Southwell joined the team, Melanie for a six month contract. And perhaps the biggest change for the Federation, Cassandra Thorne left us in June after ten years as our admin officer.

I would like to thank all the staff for their work – particularly Laurel Draffen who has been responsible for the major development of the Good Practice Unit's work. I would also like to thank the board and our President, Nick Sabel for their support and contribution.

**Adam Farrar**  
**Executive Director**

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# Achievements for 2005-06

## Representation and sector co-ordination

Last year we said there had been more changes requiring representation and advocacy than we had seen for a while. But this year was even bigger – not least because the policy areas involved all represent deep changes in the role and shape of the sector. The most important areas of representation were:

- On the Community Housing Advisory Committee sub-committee established to draft the Strategic Policy Framework for the sector for next 5 to 10 years: this framework established a target of growing the sector to 30,000 units. This would see the sector managing over 20% of social housing in NSW.
  - Advocating for the creation of a NSW affordable housing strategy which will make more use of private finance and deliver housing responses to a wider range of lower income households. This has meant engaging nationally and with the Premier's office as well as our more traditional relationship with the Housing Minister.
  - In the organisation and conduct of a national forum to push for a new National Affordable Housing Agreement to replace the CSHA which is now up for review.
  - Working with members and OCH to establish and reflect a sector position on the implications of Reshaping Public Housing for our sector.
- The Living Communities Consultative Committee which provides input into the public private partnership which will redevelop the Bonnyrigg estate.
  - The advisory committee for the Housing & Support Initiative (HASI).

We also continued to work on ongoing reference groups that have a major impact on how the sector works.

- The Implementation Reference Group for the new performance-based registration system,
- The reference group on the review of Community Housing Leasing Program funding formula.

While there were some meetings of the CHLP group at which OCH tested possible major changes in the financing of sector operations, the review of the CHLP funding formula was not finalised. The Federation has pressed for a far more transparent approach to this fundamental part of providers' business.

As well as these, the Federation is represented on another 25 committees and forums (see representation on committees: pg 24).

### **Sector networks and forums**

- The Federation held two state-wide Housing Associations Meetings, in August 2005 and February 2006. These were attended by 73% and 69% of

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housing associations across the state. They covered key issues of the day including legislation for community housing, the reshaping public housing changes, affordable housing, stock transfers and funding.

- Federation staff also attended around 88% of regional network meetings.
- We prepared an up to date bulletin of news and information for each meeting.
- We also attended the two small associations meeting held to coincide with the Housing Associations Meetings.

### ***Housing Associations Directors' Network***

The Federation continued to provide the secretariat support for the Housing Associations Directors Network.

- There are now 86 members of the network from 36 housing associations (83% of housing associations).
- We held three Directors Network meetings attended by 38 directors in all.
- We sent out seven network e-bulletins informing members of key issues relevant to sector directors.

### ***Community Housing Conference***

This year we undertook most of the organisational work for the biannual NSW Community Housing Conference, jointly hosted by the Federation, the Association to Resource Co-op Housing, and Churches Community

Housing. The Federation undertakes the conference organising.

The conference itself was held in August 2006 to avoid organisations bearing the cost of both a national and state conference in the one year.

## **Relationships and alliances**

A key part of the Federation's work is to ensure that we have strong relationships with stakeholders outside the sector and the Department of Housing who could influence the development of the community housing. Increasingly we have looked to private companies to meet some of the main commercial and business needs of the sector.

### ***Governments***

This year we saw a new Minister, Cherie Burton, who took up the portfolio in August 2005. This year we have met and liaised with the new Minister's staff.

### ***Private sector***

This year we have increased our relationship building with private sector companies or their representatives. We have particularly tried to find opportunities for commercial arrangements that will meet the emerging needs of the sector.

- Working with a UK based IT company to explore the opportunity to bring an IT

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system suitable for the future needs of larger associations into the Australian market. This involves also working with OCH to provide technical advice on this and local options to enable providers to make an informed choice. Access to such IT is a major issue for much of the sector.

- Developing commercial arrangements with a new company, Ahouse, to support a new model of privately financed affordable housing and create new fee-for-service management opportunities for the sector.
- Building a relationship with a recruitment company, BRC Recruitment, to support the presence of a specialist social housing recruitment and HRM company with experience of the UK social housing workforce needs to support the emerging staffing needs of the sector.
- Continuing to work with the Bendigo Bank franchise, CSB, to deliver financial products that are tailored to the sector's needs.
- Working closely with industry bodies, in particular the Housing Industry Association, in the organisation of the national affordable housing agreement forum.
- Our national peak, the Community Housing Federation of Australia.
- The National Community Housing Forum, which sadly ceased operation this year.
- The Australian Council of Social Services (Adam Farrar is the principal national policy adviser on housing to ACOSS)
- Our two equivalent community housing sector peaks, ARCH and Churches Community Housing, with whom we have had regular meetings.
- NSW Shelter – we have been represented on the Shelter board for a number of years
- NCOSS, including participation in the state peak Forum of Non-Government Agencies
- Finally, this year we have maintained a relationship with the Australian Services Union to encourage them to focus on the pressures other community sector peaks, experienced by workers in our sector.

### ***The community sector***

An important part of our sector development work is to work as part of wider groups at state and national levels. These include:

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## Research and sector development

This year we undertook research and development on a number of projects:

- A three part project to clarify the financial concepts involved in new commercial partnerships, to develop a kit to help associations assess partnerships and to develop a costing model for associations. The kit is being published in 2006.
- Develop a resource for associations undertaking large scale partnerships. The resource will be published in 2006.
- Research on issues and options in rent setting for social housing.
- A review of progress and barriers to improving Aboriginal access to community housing.
- Identification of emerging issues in partnerships to provide supported housing – particularly the new HASI program.
- Approaches to undertaking housing development. A seminar and resources will be held in 2006 as part of this project.

Two new staff joined the Federation's Policy Team, which undertakes the research, development and sector co-ordination work. They were Ellen Adele as a permanent staff member and Melanie Southwell (on a six month appointment).

## Training by our Centre for Training in Social Housing

This year the Federation has delivered more training than at any other time. We delivered the largest number of training sessions to date to providers in NSW – both accredited units of the Cert IV in Social Housing and non-accredited professional development training. In addition, our Cert IV training to DoH staff, which we have delivered in partnership with Swinburne University, was fully rolled out, with 34 face to face trainees and another 34 undertaking recognition of prior learning. We have now also expanded our training delivery into Tasmania, in partnership with a Tasmanian RTO.

The purpose of expanding our training business in this way is to build our capacity – both in terms of expertise and resources – to enable us to offer a wider range of training to providers in NSW in response to our rapidly changing sector.



*Mental Health First Aid Training - October 2005*

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One of the important achievements this year has been to expand our training delivery to participants outside Sydney. This has been major objective of the Federation to overcome the barriers experienced by regional members.

This year we have 15 people undertaking the Cert IV by distance training and we delivered 5 sessions directly to regional organisations, with a total of 32 participants. In the coming year we are working to build our capacity to deliver distance training electronically – something we hope will be assisted by our partnership with Swinburne.

We have also taken a keen interest in the wider training needs and development in our industry. This year we made submissions to the Independent Pricing and Review Tribunal review of the skills base in NSW and future challenges for vocational education and training.

After 14 months with the Federation, Sheryl de Vries bid farewell in March and took her itchy feet off travelling again. Sheryl's depth and breadth of understanding of community housing and her sound financial skills made an enormous contribution to the Federation. She provided a valuable historical perspective to many issues from her years in the sector and shared her excellent business management skills with the team at the Federation and with members.

Jacqui Moreno-Ovidi joined the Good Practice Unit as a permanent member of staff in

February 2006, to replace Sue Aujard who resigned after a years leave. Jacqui worked with Swinburne University of Technology in Melbourne with us on the DoH project.

### ***Cert IV in Social Housing delivered to community housing providers***

- Take up of distance delivery – 15 participants undertaking the Certificate IV in Distance delivery from across NSW. We continue to fine tune our distance delivery processes in response to participant need.
- In total there were 178 participants in the accredited Cert IV training we offered in 05-06 over 23 sessions. This was an average of 7.7 attendees per session. Many sector workers attend individual training units as ongoing professional development.
- We went on site to Orange, Bathurst and Shoalhaven to provide training from the Cert IV qualification.

### ***Training Department of Housing staff***

- The partnership with Swinburne University of Technology for the development and delivery of training and assessment services in Cert IV in Social Housing for the Department of Housing has matured strongly.
- By June 30th 2006 the development of materials for 8 out of ten training units

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were completed to suit the Department of Housing.

- We delivered 15 days of training for DoH client service officer trainees, to three groups totalling 34 trainees.
- In partnership with Swinburne University, we were responsible for assessing 250 assessment tasks and assessing up to 34 candidates by recognition of Prior Learning.

### ***Training in Tasmania***

This year we were invited to develop a number of accredited housing management units for Tasmania and deliver them in partnership with Productivity Plus, a Tasmanian community sector RTO. The training was provided to both public housing, community housing and SAAP workers. Four days of training were delivered to 48 participants.

### ***Non-accredited professional development training***

This year we provided three new courses. These responded to needs expressed in the sector – particularly as we house more and more tenants with high needs. We also repeated previous courses related to housing management. We continued to broker high level professional training targeted to the increasingly complex needs of executive officers by brokering training from the University of Technology.

- We offered Mental Health First Aid training for the first time this year. Our trainer Rachel Louttit is a senior housing manager who provided particularly relevant training to our members. There were four training days in total with 26 participants for each two day course.
- Dealing with Challenging Behaviours – a new workshop facilitated by the Department of Aged, Disability and Home Care.
- Introduction to CHLP methodology – newly developed and delivered by Sheryl de Vries
- Asset management training
- Mapping amalgamation tasks
- Performance Based Registration training
- EO professional development – Again this was run through the University of Technology, this year on Strategic Human Resource Development – attended by 18 EOs.

### ***Other training***

- We delivered cultural awareness training developed in the previous year for DoCs funded agencies.

## Training statistics \*

	Cert IV				Professional development**		TOTAL
	NSW Scheduled training	Delivered to NSW organisations on-site	NSW DoH	Tasmania	NSW scheduled training	Delivered on-site	
Participant days	178	32	117	58	181	29	595
Day-sessions	23	5	14	4	14	3	63

\* We also delivered non-face-to-face training 15 Cert IV participants via distance delivery and 34 DoH trainees via Recognition of Prior Learning.

\*\* Non accredited.

## Supporting organisations and their tenants

### Governance training and support

The standard of governance is now a major issue across both the commercial and the not-for-profit sectors. In our sector, the capacity of boards to take on the challenges of rapidly growing and changing business is being seen as crucial by governments, potential partners and by organisations themselves.

The Federation has made supporting governance a priority over a number of years and has been steadily increasing and adapting the range of services and resources it can offer.

This includes training provision through our Centre for Training in Social Housing, good practice resources, bulletins, strategic briefings for boards, facilitation of key governance events, and the housing association directors' network which puts directors across the sector in contact with their peers.

To ensure that the support we offer is fully informed, a third Federation staff member this year completed the Australian Institute of

Company Directors' qualification. And to ensure that we meet the needs of all levels of governance, for the fourth year we have brokered high level training sessions from the AICD. Our expertise in this area was also reflected in the workshop presentation by Laurel Draffen at the Governance and Management Conference.

This year we provided the following services to support governance:

- High level governance training – AICD financial reporting training
- Governance issues training – 3 sessions
- Board strategic briefings – 4 sessions
- 12 Across the Board governance practice bulletins
- 7 Directors Network e-bulletins
- 2 Directors Network breakfast seminars
- There are now 86 members of the Directors Network from 36 associations
- Governance review of a crisis accommodation service
- Facilitated 9 strategic planning or risk management planning sessions with boards

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### **Supporting housing management**

The Good Practice Unit has continued to provide direct support to workers and organisations in the sector. This work ranges from responding to specific requests for help to solve immediate tenancy management problems, to more structured management consultancies, though to our support for members who have received a C grade registration to improve the areas of their business assessed as presenting an unacceptable risk.

We receive national and international requests for information about community housing through our website as well as local requests for information on a wide range of operational and management matters which we respond to.

This year we built our capacity to provide business analysis, particularly financial projections and for small associations, and developed new tools to assist in strategic planning and risk management planning.

- Housing Management Hotline –The Hotline is our front line of support for workers and providers. The Hotline operates from 10 – 1 every week day. We received 216 Housing Management calls this year.
- Strategic planning/ business planning facilitation & development – 9 organisations.

- Staff restructure consultancy with one organisation.
- Risk management planning – 5 organisations.
- Review of tenancy management for a local government accommodation service.
- Analysis of the cause of identified risks, strategy and implementation plan for 3 associations with a C grade registration to assist them to become re-registered.

### **Supporting tenant participation**

We continue to utilise the extensive experience brought by Adam West in working with tenants involved with large scale stock transfers and community renewal in the UK. We now provide both assistance with tenant participation in individual associations, and support for a new Tenant Network, which covers housing association tenants in the Sydney Metropolitan Area.



*Tenant Network workshop, April 2006*

- 
- Metropolitan Tenant Network – workshops and forums were held this year, with a total of 69 participants from 11 of the 16 metro associations. Two newsletters were produced.
  - Tenant participation support – there was 1 TP consultancy this year.

## Good practice resources

One of the main activities of the Good Practice Unit over many years has been to produce good practice resources to assist housing associations. These resources range from short fact sheets (collected over time into a compendium) to substantial good practice guides on the full range of housing management and governance activities. The Good Practice Unit also has developed and maintains a good practice data base which draws on examples from across the sector.

This year:

- In partnership with the Aboriginal Housing Office (AHO), we produced and distributed 15 Hints in 2005-06.
- We produced 12 of information sheets for board members – Across the Board.
- We developed a risk management planning guide and template and a strategic planning guide and template to enable us to provide best practice assistance to providers.
- A new Good Practice Guide on Risk Management has almost been completed and will be launched in 2006.

## Organisational support

- **Support Board of Directors** – The Office Services Team provides important secretariat support to the board, and administrative support for the work of the Federation.
- **Membership** – The Federation aims to facilitate the provision of services to members in an efficient and responsive manner. The Office Services Team helps this process by overseeing the three types of membership applications and renewals and maintaining an accurate data base of members allowing for effective information distribution.
- **Communication with Members** – The team is also responsible for the production and distribution of e-bulletins, which keeps members informed of urgent information & issues.
- **Publications / IT / website** – The team is also responsible for the layout/production of *Housing Matters*, the Federation's bi-monthly newsletter, and a host of other publications produced by the Federation. Cassandra Thorne had the major responsibility for the layout & design of publications, event announcements and invitations.
- **All IT systems** in the Federation are maintained by our IT worker, Andra Keay, who is committed to keeping us technologically up-to-date.
- **The website** is kept up to date by the Office Manager, keeping members and other interested parties informed of such things as: up-coming conferences and events, new reports and papers written by the Federation, and employment vacancies throughout the sector.

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# Publications

## *Housing Matters*

- Vol 11, Issue 4 (July 2005)
- Vol 11, Issue 5 (Sept 2005)
- Vol 11, Issue 6 (Dec 2005)
- Vol 12, Issue 1 (Feb 2006)
- Vol 12, Issue 2 (April 2006)

*Housing Hints* - 15 produced

## *Across the Board Bulletins*

- Volumes: 76 - 88

## *Reports & Submissions*

- Submission to Department of Housing on the proposed Community Housing Legislation – (October 2005)
- Response to the draft “NSW Housing and Human Services Accord” – (23 January 2006)
- Submission to the Public Bodies Review Committee on the Inquiry into the Allocation of Social Housing – (February 2006)
- Common Application System: Review & Recommendations – (March 2006)
- Setting Good Practice in Motion: Employing and Supporting Aboriginal Trainees – A Guide for Housing Associations – (2006)

## *Housing Associations Meeting reports*

- 19<sup>th</sup> August 2005
- 24<sup>th</sup> February 2006

## *Directors network e-bulletins*

- August 2005
- September 2005
- October 2005
- November 2005
- February 2006
- March 2006
- May 2006

## *Regional bulletins*

- August 2005
- September 2005
- November 2005
- December 2005
- February 2006
- March 2006
- April 2006
- June 2006

## *Federation e- bulletins*

- 6 sent

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# Representation on Committees

During the year the Federation, its nominees or its staff members participated in the following committees or consultative forums:

- Assessor Network (Jacqui Moreno-Ovidi and Sheryl de Vries)
- Australasian Housing Institute – Education and Practice Committee (Adam Farrar)
- Australian Council of Social Service – Principal Housing & Regional Policy Adviser (Adam Farrar)
- Bobby Goldsmith Floating Care working party (Laurel Draffen, Melanie Southwell)
- C21 board ( Eleri Morgan-Thomas – nominated by Federation)
- Community Housing Advisory Committee (CHAC) (Bobbie Townsend - Federation nomination, Ministerial appointment)
- CHAC sub-committee – Community Housing Strategic Policy Framework (Adam Farrar)
- Community Housing Federation Members Forum delegate (Andrew Meehan)
- Consumer Trading and Tenancy Tribunal Advisory Forum (Laurel Draffen and Sheryl de Vries)
- Department of Community Services Community – Strengths Indicators Study External Stakeholders Workshop (Andrew Meehan)
- Department of Housing – New Products NGO Reference Group (Adam Farrar/ Melanie Southwell)
- Department of Housing – Living Communities Consultative Committee (Andrew Meehan)
- Department of Housing – NGO Accord Briefing Workshop (Andrew Meehan & Melanie Southwell)
- Department of Housing – Reshaping Public Housing Reference Group (Andrew Meehan)
- Department of Housing – Stock Transfer Program Working Group & roundtable (Andrew Meehan)
- Department of Housing, Centre for Affordable Housing - Local Government Housing Kit, Local Government Users' Group Meeting (Melanie Southwell)
- HASI Advisory Committee 1 & 2 (Laurel Draffen)
- National Affordable Housing Summit Steering Committee (Adam Farrar - alternate)
- National Community Housing Forum Policy Advisory Committee (Andrew Meehan)
- National Community Housing Forum Roundtable – National Affordable Housing Framework (Andrew Meehan & Adam Farrar)
- NSW Council of Social Service – Forum of Non-Government Agencies (Adam Farrar)
- NCOSS – Water & Energy Efficiency Advisory Group (Laurel Draffen)
- Office of Community Housing – Community Housing External Appeals System Steering Committee (Andrew Meehan)
- Office of Community Housing – Community Housing Leasing Program Review Reference Group (Adam Farrar)
- Office of Community Housing – Performance Based Registration Implementation Reference Group (Adam Farrar)
- Office of Community Housing – Resourcing Forum (Adam Farrar)
- Office of Community Housing – Stock Transfer Evaluation Framework Reference group (Ellen Adele/ Andrew Meehan)
- Policy & Research Working Group of HMAC – National Sector Development Plan Workshop (Adam Farrar)
- Shelter NSW – Affordable Housing Network (Andrew Meehan/ Melanie Southwell)
- Shelter NSW – Board of Directors (Andrew Meehan)
- Supported Accommodation Advisory Council (Adam Farrar in an individual capacity)



# NSW Federation of Housing Associations Incorporated

## Financial Statement for the year ended 30th June 2006

Haywards Chartered Accountants  
Level 8/ 19-31 Pitt Street, Sydney 2000

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## ***DIRECTORS' REPORT***

Your directors present their report on the association for the year ended 30<sup>th</sup> June 2006.

The names of the directors in office at any time during or since the end of the year are:

Nick Sabel	<i>President (from 18 Nov 2005)</i>
Patricia June Martin	<i>President (to 18 Nov 2005)</i>
Karen Andrew	<i>Vice President</i>
Bobbie Townsend	<i>Treasurer</i>
Judith Beveridge	<i>Secretary (from 18 Nov 2005)</i>
Margaret-Ann Robinson	<i>Secretary (to 18 Nov 2005)</i>
Patrick Yeung	<i>Member</i>
Brian White	<i>Member</i>
Stephanie Cunningham	<i>Member (from 18 Nov 2005)</i>
Barbara Brown	<i>Member (to 7 Apr 2006)</i>
Pamela Pryor	<i>Member (to 1 Dec 2005)</i>

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

The surplus of the association for the financial year amounted to \$7,534.

The association is exempt from income tax.

A review of the operations of the Association during the financial year and the results of those operations show that market demand and competition have seen revenue increase to \$983,153. The surplus however reduced significantly over the prior year. This was largely attributable to an abnormal surplus in the prior year for a training project and an increase in employee benefit expenses.

No significant changes in the association's state of affairs occurred during the financial year.

The principal activities of the association during the financial year were Community Housing assistance and training.

No significant change in the nature of these activities occurred during the year.

No matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

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

No indemnities have been given during or since the end of the financial year for any person who is or has been an officer or auditor of the association. Directors and Officers Liability Insurance premiums are paid by the association.

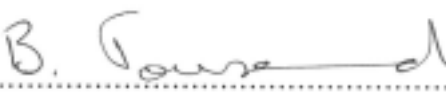
No person has applied for leave of court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings.

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

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

Director: .....  .....

Director: .....  .....

Dated this 13<sup>th</sup> day of October 2006

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**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2006**

	Notes	2006 \$	2005 \$
		-----	-----
Revenues from ordinary activity	2	983,153	832,798
Property expenses		(61,583)	(59,279)
Employee benefits expenses		(626,557)	(513,088)
Other expenses from ordinary activities		(287,479)	(199,215)
Net surplus from ordinary activities attributable to members of the association		----- 7,534	----- 61,216

*The accompanying notes form part of these financial statements.*

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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2006**

	NOTE	2006 \$	2005 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	191,627	177,954
Receivables	5	101,689	65,929
Prepayments		7,899	10,377
<b>TOTAL CURRENT ASSETS</b>		<b>301,215</b>	<b>254,260</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	6	20,000	20,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>20,000</b>	<b>20,000</b>
<b>TOTAL ASSETS</b>		<b>321,215</b>	<b>274,260</b>
<b>CURRENT LIABILITIES</b>			
Payables	7	169,574	133,405
Provisions	8	43,241	37,335
<b>TOTAL CURRENT LIABILITIES</b>		<b>212,815</b>	<b>170,740</b>
<b>NON CURRENT LIABILITIES</b>			
Provisions	9	24,528	27,182
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>24,528</b>	<b>27,182</b>
<b>TOTAL LIABILITIES</b>		<b>237,343</b>	<b>197,922</b>
<b>NET ASSETS</b>		<b>83,872</b>	<b>76,338</b>
<b>EQUITY</b>			
Retained Earnings	10	83,872	76,338
<b>TOTAL EQUITY</b>		<b>83,872</b>	<b>76,338</b>

**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2006**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (NSW). The directors have determined that the association is not a reporting entity.

NSW Federation of Housing Associations Incorporated is an association incorporated and domiciled in Australia.

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The report has been prepared in accordance with the requirements of the Associations Incorporation Act (NSW) and the following Australian Accounting Standards:

AASB 1031:	Materiality
AASB 110:	Events after the Balance Sheet Date
AASB 117:	Leases

No other Accounting Standards, Urgent Issues Group interpretations or other authoritative pronouncements of the Australian Accounting Standard Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

**(a) Income Tax**

The association is exempt from income tax.

**(b) Fixed Assets**

Leasehold improvements and office equipment have been expensed on purchase.

**(c) Investments**

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. Non-current investments are not written down to recoverable amount where the future economic benefits comprising those assets are not primarily dependent on the asset's ability to generate cash inflows.

**(d) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the association are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the fair value of the leased property or the present value of minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease expense for that period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2006  
(continued)**

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE</b>		
<b>Operating activities:</b>		
Government Grants	609,834	582,135
Service Fees	54,940	89,785
Training Fees	242,271	95,112
Membership Fees	45,119	44,118
Publications	1,345	2,942
Interest Received	11,965	7,317
Other Revenue	17,679	11,389
	<b>983,153</b>	<b>832,798</b>
<b>3. SURPLUS FROM ORDINARY ACTIVITIES</b>		
(Has been determined after)		
<b>Expenses:</b>		
Provision for Holiday Pay and Long Service Leave	3,252	4,041
Equipment Purchases Expensed	54,398	(1,748)
Auditors Remuneration	3,650	4,354
Rent Expense on Operating Lease – Premises	61,583	59,279
Rent Expense on Operating Lease – Copier	13,333	12,145
Rent Expense on Operating Lease – Telephone	1,611	2,649
<b>4. CURRENT ASSETS – CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	191,627	177,794
Petty Cash	-	160
	<b>191,627</b>	<b>177,954</b>
<b>5. CURRENT ASSETS – RECEIVABLES</b>		
Trade Debtors	101,689	65,929
	<b>101,689</b>	<b>65,929</b>
<b>6. NON-CURRENT ASSETS – OTHER FINANCIAL ASSETS</b>		
Community 21 Ltd – at cost	20,000	20,000
	<b>20,000</b>	<b>20,000</b>

Shares in Community 21 Limited have been recorded at cost. Community 21 Limited was formed to fund the establishment of a community sector bank which would provide lower cost banking services and other financing opportunities to community based organisations. This investment represents an ultimate 2.5% share of Community Sector Banking. Bendigo Bank Ltd is a 50% shareholder in Community Sector Banking.

On a strict underlying net asset interpretation the recoverable amount of the investment as at 31 December 2005 was approximately \$7,000.

The directors have determined that this method of valuation does not represent the future economic benefit of the asset. The business plan included in the Information Memorandum forecasted initial losses. The directors are still confident of a future economic benefit which will flow from this investment and have retained the investment at the original cost.

#### **7. CURRENT LIABILITIES – PAYABLES**

Trade Creditors	43,750	4,257
Other Income in Advance	28,828	43,725
Accrued Expenses	96,063	71,955
GST Payable	933	13,468
	<b>169,574</b>	<b>133,405</b>

#### **8. CURRENT LIABILITIES – PROVISIONS**

Provision - Annual Leave	43,241	37,335
	<b>43,241</b>	<b>37,335</b>

#### **9. NON CURRENT LIABILITIES – PROVISIONS**

Provision – Long Service Leave	24,528	27,182
	<b>24,528</b>	<b>27,182</b>

#### **10. RETAINED EARNINGS**

Retained profits at the beginning of the year	6,338	15,122
Net profit	7,534	61,216
Retained profit at the end of the year	<b>83,872</b>	<b>76,338</b>

#### **11. CAPITAL AND LEASE COMMITMENTS**

(a) Operating Lease Commitments.

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

- not longer than 1 year	47,723	73,342
- longer than 1 but not longer than 5 years	-	55,687
	<b>47,723</b>	<b>129,029</b>

#### **12. CONTINGENT LIABILITIES**

The association has entered an unsecured commercial business bank guarantee facility for securing its office premises rental bond

	14,553	14,553
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#### **13. GOING CONCERN**

The accounts have been prepared on a going concern basis. This is on the assumption that ongoing funding and support will be provided by the government.

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## DIRECTORS DECLARATION

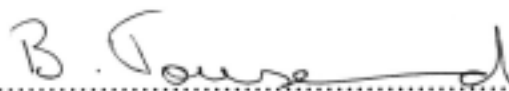
The directors have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the association declare that:

1. The financial statements and notes, as set out on pages 4 to 9 present fairly the associations financial position as at 30<sup>th</sup> June 2006 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the directors' opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: ..... 

Director: ..... 

Dated this 13<sup>th</sup> day of October 2006.

## INDEPENDENT AUDITORS REPORT

### SCOPE

We have audited the attached financial report, being a special purpose financial report of NSW Federation of Housing Associations Incorporated for the year ended 30 June 2006, as set out on pages 4 to 10. The association's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Association's Incorporation Act (NSW) and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the association. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Act (NSW). We disclaim any assumption of responsibility for any reliance on this audit report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

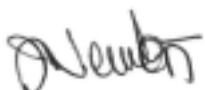
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Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the association's financial position, and performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

### **Audit Opinion**

In our opinion, the financial report of NSW Federation of Housing Associations Incorporated for the year ended 30 June 2006 presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of NSW Federation of Housing Associations Incorporated as at 30<sup>th</sup> June and the results of its operations for the year then ended.



**Haywards Accountants**

**John G. Newton**, ACA, Registered Company Auditor:

Dated this 13<sup>th</sup> day of October 2006

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### **DISCLAIMER**

The additional financial information presented on the subsequent page is in accordance with the books and records of NSW Federation of Housing Associations Incorporated which have been subjected to the auditing procedures applied in our audit of NSW Federation of Housing Associations Incorporated for the year ended 30 June, 2006. It will be appreciated that our audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our Firm policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.



**Haywards Accountants**

**John G. Newton**, ACA, Registered Company Auditor

Dated this 13<sup>th</sup> day of October 2006.

**DETAILED FINANCIAL PERFORMANCE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2006**

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Government Grants	609,834	582,135
Service Fees	54,940	89,785
Training Fees	242,271	95,112
Membership Fees	45,119	44,118
Publications	1,345	2,942
Interest Received	11,965	7,317
Other Revenue	17,679	11,389
<b>TOTAL INCOME</b>	<b>983,153</b>	<b>832,798</b>
<b>EXPENSES</b>		
Advertising	2,529	3,690
Accountancy Fees	3,650	4,354
Bank Charges	837	453
Conferences/Catering	16,398	15,609
Contractors	84,272	62,632
Couriers	298	447
Donations	1,350	-
Equipment & Furniture Purchases	54,398	(1,748)
Information	6,995	3,734
Internet Fees	1,185	1,035
Insurance	8,553	9,212
Legal and Licence Fees	1,375	1,458
Movement in Provision for Doubtful Debts	-	(3,000)
Movement in Provision for Leave Entitlement	3,252	4,041
Office Utilities & Expenses	7,496	5,215
Printing, Postage & Stationery	37,185	37,186
Relocation expenses	-	(106)
Rent – Office Premises	61,583	59,279
Rent – Plant and Equipment	13,333	12,145
Rent – Telephone	1,611	2,649
Repairs & Maintenance	1,119	1,130
Software	4,845	390
Staff Training	4,538	8,651
Superannuation	51,885	42,365
Telephone & Faxes	9,132	8,034
Temporary agency expenses	929	-
Travelling & Accommodation	22,199	22,004
Wages & Salaries	574,672	470,723
<b>TOTAL EXPENSES</b>	<b>975,619</b>	<b>771,582</b>
<b>OPERATING SURPLUS</b>	<b>7,534</b>	<b>61,216</b>
<b>ACCUMULATED SURPLUS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>76,338</b>	<b>15,122</b>
<b>ACCUMULATED SURPLUS AT END OF THE FINANCIAL YEAR</b>	<b>83,872</b>	<b>76,338</b>

*The above Detailed Profit and Loss Statement should be read in conjunction with the attached disclaimer*

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# About our members

## Code of Practice for Housing Associations

The Code of Practice for Housing Associations is a statement of the standards that the housing association sector has set for itself in the conduct of community housing. As of 30 June 2006, 71% of all housing associations had adopted the Code, managing around 84% of the sector's properties.

### Organisations that have adopted the Code

- Argyle Community Housing Association Inc.
- Central Tablelands Housing Association Inc.
- Coastal Community Tenancy Scheme Ltd.
- Community Housing Lower North Shore
- Community Housing Mid North Coast Inc.
- Cumberland Housing Cooperative Ltd.
- Eurbodella Community Housing Inc
- Garrigal Housing Association Ltd.
- Homes North Community Tenancy Scheme
- Homes Out West
- Hume Community Housing Association
- Lithgow Community Tenancy Scheme Inc.
- Marrickville Area Community Housing Co-op
- Monaro Tenancy Scheme Ltd.
- Narrabri Community Tenancy Scheme Ltd.
- Newmacq Community Housing Co. Ltd.
- Pacific Link Community Housing Association
- Queanbeyan Community Ltd.
- Sapphire Coast Tenancy Scheme Inc.
- Shoalhaven Community Housing Scheme
- South West Community Housing Association
- St George Community Housing Co. Ltd.
- Tamworth Community Housing Association
- The Housing Trust Ltd.
- Upper Hunter Tenancy Scheme Ltd.
- Wellington Community Tenancy Scheme Ltd
- Wentworth Area Community Housing
- Western Suburbs Housing Cooperative
- Western Plains Housing Scheme Inc
- Women's Housing Company

## Accreditation

Community housing providers can be accredited under the Community Housing Accreditation System if they are assessed as complying with National Community Housing Standards. The standards are a benchmark for service delivery and attempt to cover all elements that constitute high quality housing service.

As of 30 June 2006, 71% of housing associations were accredited.

### Accredited Associations in NSW:

- Argyle Community Housing Association
- Burwood Area Community Housing
- Central Tablelands Housing Association
- Coastal Community Tenancy Scheme
- Community Housing Lower North Shore
- Community Housing Mid North Coast
- Cumberland Housing Co-op
- Homes Out West
- Hume Community Housing Association
- Inverell Community Housing
- Lithgow Community Tenancy Scheme
- Marrickville Area Community Housing
- Monaro Tenancy Scheme
- Narrabri Community Tenancy Scheme
- Pacific Link Community Housing Association
- Parkes Fobes Community Housing
- Queanbeyan Community Housing
- Ryde Hunters Hill Community Housing
- Sapphire Coast Tenancy Scheme
- Shoalhaven Community Housing
- South West Inner Sydney Housing
- St George Community Housing
- Tamworth Community Housing Association
- The Housing Trust
- Wellington Community Tenancy Scheme
- Wentworth Area Community Housing Assoc
- Western Plains Housing Scheme
- Western Suburbs Housing Co-op
- Women's Housing Company

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## Directors Network

The NSW Federation of Housing Associations established a network of sector directors in 2004.

The purpose of the Housing Associations Directors Network is to enable sector directors to work together to share information, provide peer support and to develop a range of resources to meet their needs.

This will assist to break down isolation of sector directors from their peers and the sector as a whole, ensure peer information is available to directors, facilitate the spread of expertise based boards and, identify the further governance training and support needs of directors.

As of June 30th 2006, the Network has 86 members from 32 housing associations. They represent 75% of housing associations.

### **Organisations with directors that are members of the network**

- Eurobodalla Community Housing
  - Garrigal Housing Association
  - Homes North Community Housing co
  - Homes Out West
  - Hume Community Housing Association
  - Marrickville Area Community Housing
  - Monaro Tenancy Scheme Ltd
  - Narrabri Community Tenancy Scheme
  - Newmacq Community Housing Company Ltd
  - Parkes/Forbes Community Housing Inc
  - Queanbeyan Community Housing
  - RESAMEN Men's Housing Ltd
  - Ryde-Hunter Hill Community Housing Co-op
  - Shoalhaven Community Housing Scheme
  - South-West Community Housing
  - South West Inner Sydney Housing co-op Ltd
  - St George Community Housing Co-op
  - Tamworth Community Housing Association
  - Wentworth Area Community Housing
  - Wellington Community Tenancy Scheme
  - Wentworth Area Community Housing
  - Western Plain Housing Scheme
  - Western Suburbs Housing Co-operative Ltd
  - Women's Housing Company
- Albury Community Housing Inc
  - Argyle Community Housing Association
  - Burwood Area Community Housing
  - Central Tablelands Housing Association
  - Community Housing Lower North Shore
  - Coastal Community Tenancy Scheme
  - Cumberland Housing Co-op Ltd
  - Eastern Suburbs Rental Housing Association

# 2005-2006 Membership

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## **Full Members:**

Albury Community Housing Inc.  
Argyle Community Housing Inc.  
Bathurst Women's Housing Program Inc  
Broken Hill Community Tenancy Scheme  
Burwood Area Community Housing  
Central Tablelands Housing Association  
Central Tablelands Housing Association  
City West Housing Pty Ltd  
Coastal Community Tenancy Scheme  
Community Housing Lower North Shore  
Cumberland Housing Co-op Ltd.  
Eastern Suburbs Rental Housing Association  
Eurobodalla Community Housing  
Fusion Accommodation & Support Services  
Garrigal Housing Association (Hornsby)  
Glen Accommodation Services Inc.  
Homes North Community Housing Co  
Homes Out West  
Hume Community Housing Association  
Inverell Community Tenancy Scheme  
Lithgow Community Housing Inc  
Marrickville Area Community Housing Co-op  
Monaro Tenancy Scheme Ltd  
Moree & District Community Housing Assoc Ltd  
Narrabri Community Tenancy Scheme  
Newmacq Community Housing Company Ltd  
Ngalawi Housing Co-operative  
North Coast Community Housing Co.  
Pacific Link Community Housing Association Ltd  
Parkes Forbes Community Housing Inc.  
Queanbeyan Community Housing Ltd  
Resamen Men's Housing Ltd.  
Ryde-Hunters Hill Community Housing Co-op  
Sapphire Coast Tenancy Scheme  
Shoalhaven Community Housing Scheme  
South West Inner Sydney Housing Co-op Ltd  
South-West Community Housing  
St George Community Housing Co-op  
Tamworth Community Housing Association Inc  
The Housing Trust Ltd  
Upper Hunter Tenancy Scheme  
Wellington Community Tenancy Scheme  
Wentworth Area Community Housing  
Western Plains Housing Scheme  
Western Suburbs Housing Co-operative Ltd.  
Women's Housing Company

## **Affiliate Members:**

Aboriginal Housing Company  
ACON (AIDS Council of NSW)  
Alice's Cottage Inc.  
Anglicare Canberra/Goulburn Youth & Family Services  
Armidale Womens Housing Group Inc.  
Aston Hall Housing Co-operative  
Australian Nursing Home Foundation Ltd  
B. Miles Women's Housing  
B.R.A.N.C.H.  
Bobby Goldsmith Foundation  
Bondi Youth Accommod (E.Subs Youth Asscn)  
Bonnie Women's Refuge Ltd

Byron Emergency Accommodation Project Inc.  
Centacare - St. Agnes Parish  
Centacare Youth Services  
Community Connections North Coast Inc.  
Community Housing Mid North Coast Inc.  
Community Restorative Centre  
Cooloola Community Housing Association  
Crossroads Community Care Centre Inc  
Dubbo Women's Housing Programme  
Elsie Women's Refuge  
Erskineville Youth Housing Inc.  
Eva's Project Inc.  
Fairfield Youth Accommodation Service  
Garanga Housing Co-operative  
Gunyah Womens Housing  
Havelock Housing Association  
Illawarra Youth Housing Ltd.  
INNARI Housing Inc  
Katakudu Women's Housing Inc  
Liverpool Youth Accommodation Assistance  
Lower Hunter Women's Housing  
Macarthur Ozanam Centre  
MHARS Inc.  
NESH Women's Scheme Inc.  
Newtrain  
Northern Region Young Women's Accom  
ON Track Community Program Ltd  
Phoenix House Youth Services  
Sisters Housing Enterprises  
Soul Housing Association  
Southern Youth & Family Services  
St George Accommodation for Youth Ltd  
St George Women's Housing Inc  
St Laurence House Inc  
Stepping Out Housing Program  
The Burdekin Association Inc.  
The Crossing (Mission Australia)  
The Gender Centre  
The Salvation Army  
The Salvation Army - Carinya Cottage  
The Settlement Neighbourhood Centre  
The Twenty-Ten Association Ltd  
Top End Association for Mental Health  
United Tenants Housing Co-op Ltd  
Vinnies Emergency Accommodation Program  
Western Housing for Youth Ltd  
Wollongong Women's Housing Inc  
Women Up North Housing Inc

## **Associate Members:**

Anglicare North Coast  
Baptist Community Services  
Bundaberg Community Rent Scheme  
CCHOACT - Coalition of Community Housing Org's of the ACT  
Community Housing Canberra Ltd.  
Community Housing Ltd  
Department of Family & Community Services  
Hunter-Central Coast Tenants Advisory Council Inc.  
Marian Centre  
Paraquad NSW

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# Notes

2005 - 2006



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