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**Annual  
Report  
2023-24**

# EMPOWERED INDIVIDUALS, STRONGER COMMUNITIES.



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# Hi there!



## WELCOME TO THE 2023/24 ANNUAL REPORT

CHC acknowledges the traditional custodians of the lands on which we work and meet, paying our respects to their Elders past, present, and emerging.

This report presents an overview of CHC's operational and financial performance, key activities and initiatives, and highlights throughout the 2023-24 financial year, including CHC's social enterprise, HomeGround Real Estate Canberra.

CHC is a not-for-profit Community Housing Provider that aims to enable more people in the Canberra region to live in quality homes at a price that is affordable. CHC also provides community development opportunities and facilitates access to support services, empowering individuals and strengthening communities.

# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS.

Australia has been a part of the United Nations since 1945, and as such, the Country has embraced the 2030 Agenda for Sustainable Development.

This agenda serves as a universal framework for promoting peace and prosperity for both people and the planet, not only in the present but also in the years to come. It encompasses 17 global objectives collectively known as the Sustainable Development Goals (SDGs).

These SDGs address a wide range of social and economic development challenges, such as poverty, hunger, healthcare, education, climate change, gender equality, access to clean water and sanitation, sustainable energy, urbanization, environmental preservation, and the pursuit of social justice.

*Look out for the ways CHC actively contributes to the SDGs and helps to build a more fair and inclusive society throughout this report.*





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# VISION, MISSION AND VALUES

## VISION

Empowered individuals, stronger communities

## MISSION

To enable more people in the Canberra region to live in quality homes at a price that is affordable.

## VALUES

### **CUSTOMER-CENTRIC:**

Everything we do directly or indirectly delivers value to our current or prospective future customers.

### **AUTHENTIC:**

We are genuine and respectful in our dealings with our customers and all other stakeholders.

### **COLLABORATIVE:**

We proactively partner with others to deliver greater value and manage risk.

### **INNOVATIVE:**

We bring fresh thinking to tackle industry challenges and to better meet our customer needs.

### **CONTINUOUS IMPROVEMENT:**

We strive to continuously improve all we do and accept that some of the greatest learnings and advances will result from initiatives that fail.





# OUR IMPACT.

Tenancies

**1900**

People housed today

**804**

Social and Affordable tenancies

**149**

Supported tenancies<sup>1</sup>

Financials

**\$2.7m**

Rental subsidy

**\$248m**

Total equity

**\$1.9m**

Underlying EBITDA<sup>2</sup>

Socials

**10**

Scholarships awarded this year

**+\$40000**

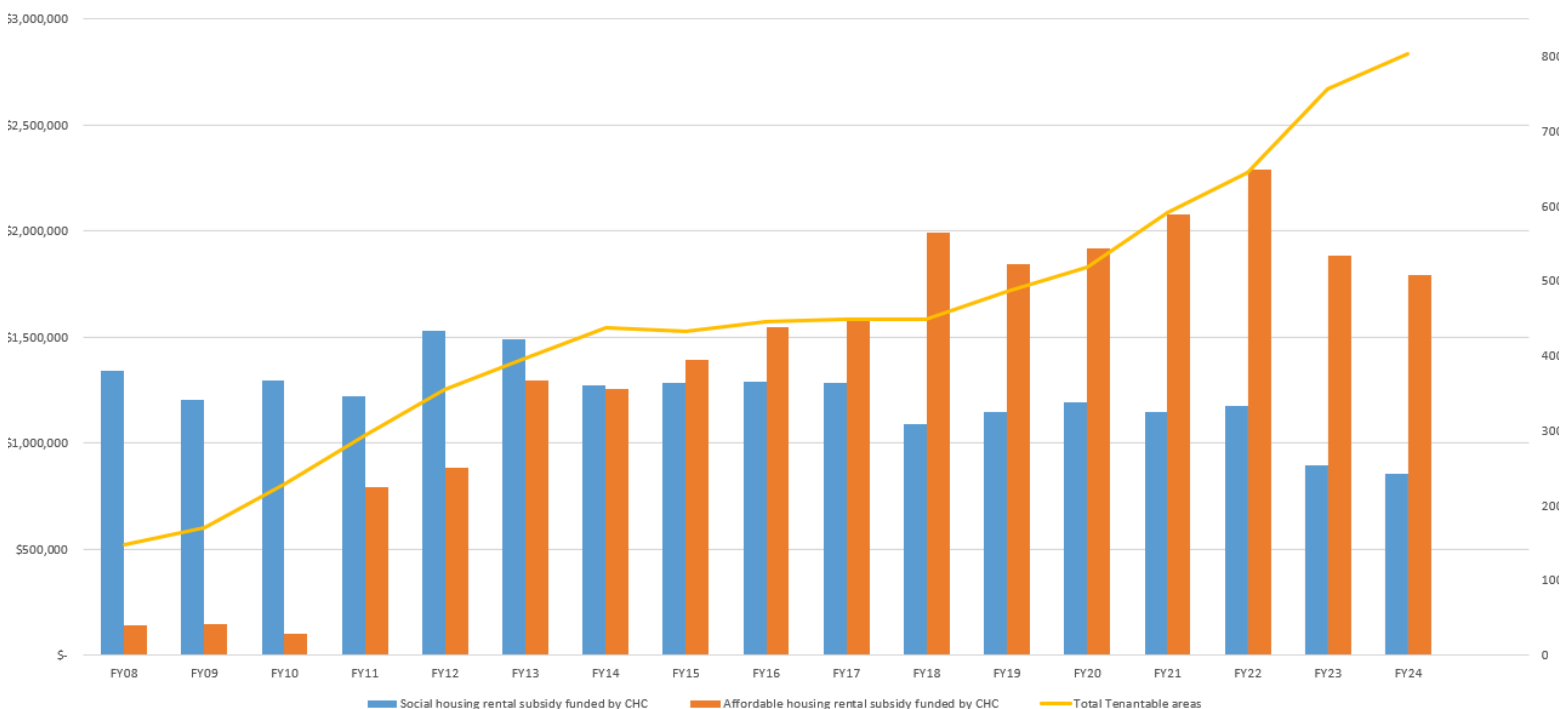
Ken Horsham Scholarship total awards<sup>3</sup>

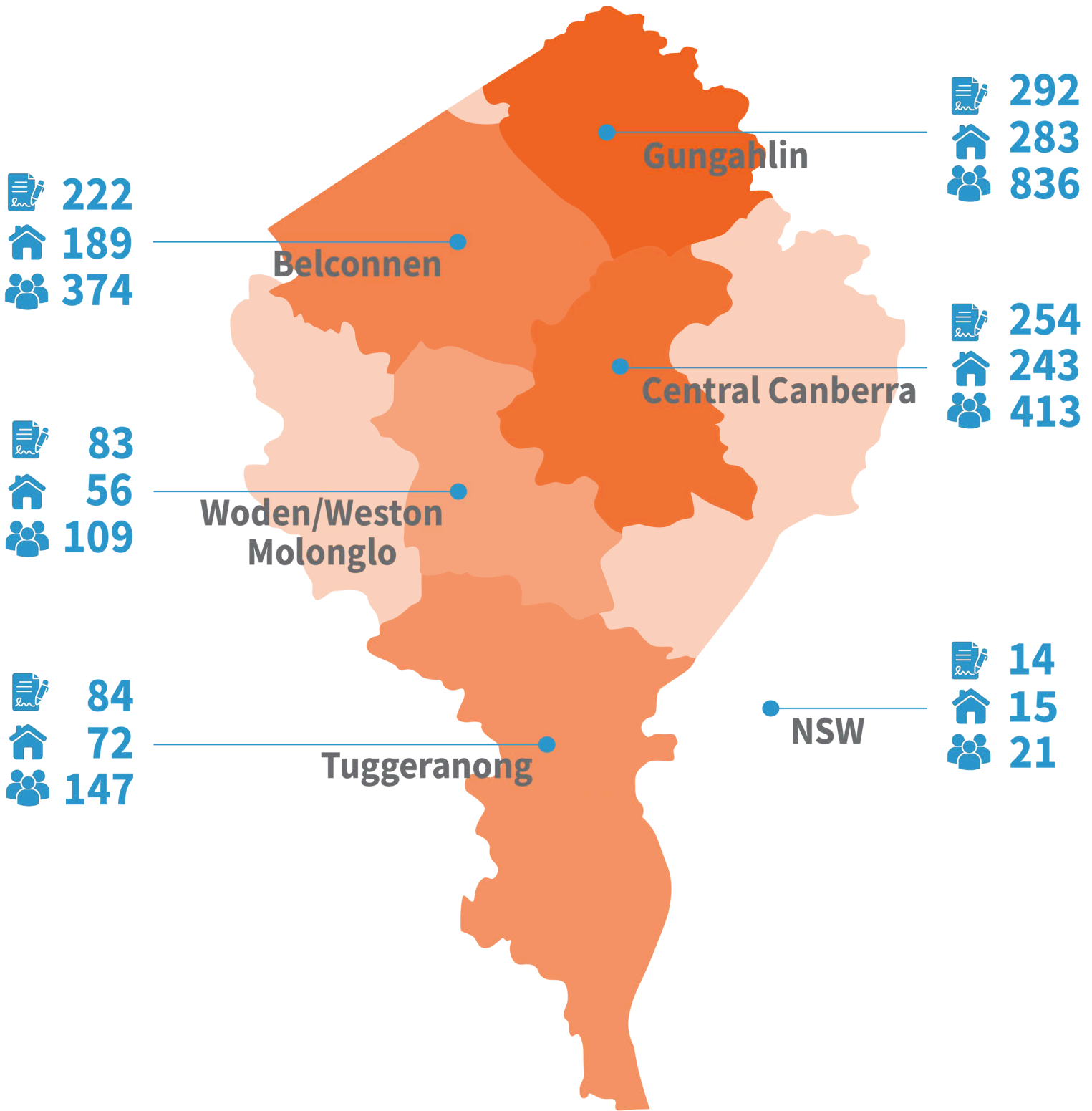
**326**

Tenants participating in community development

1. A supported tenancy is a subset of the total number of social tenancies, relating to those tenancies that also have a tenant support services provider appointed.
2. EBITDA means earnings before interest, tax, depreciation, and amortisation. Underlying performance excludes development revenue and expenses, and one-offs such as asset acquisition/divestment or grants awarded.
3. Total amount spent on the Ken Horsham Scholarship since its inception 2017.

## Rental subsidy funded by CHC and tenancy growth (CHC and HomeGround)





 **949** Tenancies<sup>1</sup>  
 **858** Properties owned/managed  
 **1900** Number of people supported  
 totals inclusive for both CHC and HomeGround

Note 1: Some properties have multiple tenancies associated with them.

# CHAIR REPORT.

## Rental affordability remains a challenge

Annual underlying inflation tempered from the prior year and was marginally outstripped by wage growth, however rental affordability continues to present a challenge both nationally and in the Canberra region, with economic and social wellbeing impacts on lower income earners.

A positive sign for rental affordability is that rental markets have softened, and locally Canberra has recorded an annual rental price growth of under 3%, well below all major capital cities. Despite these positive affordability trends, there remains a large unmet need for social and affordable rental housing for low to moderate income earners within the Canberra region.

## New government programs to unlock supply will help

The first funding round of the Housing Australia Future Fund Facility and National Housing Accord Facility program during the year resulted in the announcement of preferred projects that are targeting to deliver over 13,700 social and affordable rental homes, including over 700 within the ACT. Through supporting financial viability of projects, the program will unlock the ability for the community housing sector to deliver a step growth in social and affordable rental supply, harnessing institutional capital, private sector developers, construction companies and State/Territory contributions as applicable.

Future funding rounds are expected that collectively plan to unlock delivery of over 1,200 new social and affordable rental homes within the ACT, plus additional homes in the broader Canberra region incorporating parts of regional NSW. This Federal-led program has been embraced by CHC, with the team focussing intently on sourcing project opportunities and aligned partners to bid as part of the program, consistent with the CHC Strategic Plan.

The ACT Government has bolstered its \$60m Affordable Housing Fund investment up to a total of \$80m to aid delivery against its targeted additional 600 affordable rentals by 2026.

Two further CHC projects were announced through the year as being supported – a CHC and Canberra Southern Cross Club Joint Venture development of a 140 dwelling mixed market and affordable Build-to-Rent project in Phillip, and a CHC and Canberra PCYC Joint Venture development of a 55 dwelling mixed affordable and social Build-to-Rent project in Turner, with the social housing to provide supported accommodation options for youth.

In further support of delivering against the targets, the ACT Government has recently announced it will release a pipeline of community housing sites and dwellings, a welcome development for the community housing sector and CHC.

The NSW Government has several programs in place, through LandCom, Homes NSW and the Department of Planning, Housing and Infrastructure, which management continues to monitor for potential partnering and growth opportunities within the Canberra region.

## Positive early progress against new strategic plan

In terms of key output measures, during the year the organisation:

- Achieved a 6% increase in the total social and affordable tenancies under management to 804;
- Was announced as the recipient of ACT Affordable Housing Fund subsidies to support financial viability of two joint venture projects with the Canberra Southern Cross Club and Canberra PCYC respectively, which are expected to add 125 social or affordable rental dwellings;
- Completed construction of a secondary residence in Holt, which now provides accommodation to support women transitioning from the justice system;
- Commenced construction of six specialist disability units in Scullin, and six social housing units in Taylor; and,
- Post-reporting period, completed construction of a 3-bedroom Specialist Disability Accommodation dwelling and 2-bedroom affordable rental dwelling on a single block in Wanniasa, and commenced construction of 22 townhouses for the Build-to-Rent-to-Buy Women's Housing pilot project.



From a financial perspective, in producing these outputs the organisation during the year delivered:

- A direct rental subsidy to lower income Canberran households of \$2.7m;
- Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) of \$1.9m and Net Surplus of \$1.8m; and,
- A positive underlying net cash flow of \$4.4m.

## Board and management team renewal

At last year's AGM we bade farewell to Paul Carmody as a Director after over 7 years of valued service, including his contributions as a member of the Development Committee.

Late in the reporting period we welcomed Haleh Homaei, Simon Butt and Brian Ferreira as new Directors, and appreciate the fresh perspectives that they are already contributing. Post-reporting, Clare Wall resigned after over 9 years of valued service, which included her Chairing the Community Committee and being a member of the Development Committee.

In terms of the management team, during the year we farewelled Miko Montelibano as Chief Financial Officer who moved to Canada with family and is taking the opportunity to gain international community housing experience. We also welcomed Vicki Williams as Chief Commercial Officer.

Post-reporting period Megan Ward, Chief Operating Officer, resigned after 8 years of exemplary service to CHC, and wish her well as she furthers her community housing career on the NSW south coast. We also welcomed Kate Wisbey as Chief Operating Officer.

At the AGM we will also farewell our Chief Executive Officer, Andrew Hannan, after 7 years of outstanding leadership of CHC. During this time Andrew has led a significant increase in CHC's supply of social and affordable rental homes, and he leaves the organisation well capitalised and with a substantial pipeline of growth projects and prospects.

We wish Andrew every success as he heads across the country and in his next career move supporting delivery of the WA Government's social and affordable housing growth agenda.

I am also delighted to announce that CHC has appointed Nathan Dal Bon as the next CEO, following a handover period with Andrew in December. Nathan brings extensive public policy and housing related experience, including the past 6 years as CEO of Housing Australia, and he is excited to be moving into the role at a transformative time for the community housing sector, and leveraging and building further on his past experiences in the delivery of new housing supply.

I would like to take this opportunity to thank my fellow Directors, independent committee members, the CEO and all staff members for their dedication and commitment during the year, and for their contribution to supporting lower income individuals and households with their housing needs.

Thanks very much to our tenant community who remain at the core of all we do, our philanthropically minded landlords that make available their properties via HomeGround Real Estate, and to our many partners that support us, and who are critical to delivery of the CHC Strategic Plan.



**Paul Green**  
Chair

# CEO REPORT.

## Our values in action

*Customer-centric, authentic, collaborative, innovative, continuous improvement*

In our annual staff survey, whilst the target of overall staff satisfaction being >75% was met, it was evident that for staff there was not a high level of connectedness to CHC's values.

Following this finding, a values workshop was held for all staff in September, providing the opportunity to highlight the origins of the values (developed as part of the 2018-2023 Strategic Plan development). Staff had the opportunity to share what each value meant to them, and to work together in small groups to articulate examples of each value in action looks like and build a common understanding around this.

Management has made commitments to take further steps to embed CHC's values in our day-to-day work.

## Performance is tracking to plan

A status update of performance against our three strategic goals for the first reporting period of the five-year strategic plan is below:

### 1. Deliver sustainable growth in social and affordable housing supply

- Net add of 47 social and affordable rentals created, plus ACT Affordable Housing Fund commitments to support delivery of two projects totalling 125 social and affordable rentals, out of 5-year plan target of 500; and,
- ACT Affordable Housing Fund commitment to support a Build-to-Rent-to-Buy Women's Housing pilot project totalling 22 affordable home purchase opportunities, out of a 5-year plan target of 50.

### 2. Deliver quality homes and related services

- All completed and planned new homes meet minimum silver-level accessibility and 7-star energy ratings;
- Annual property inspections completed; and,
- Tenant and landlord satisfaction surveys each had overall satisfaction levels >75%

### 3. Enhance business operating model to support delivery of strategic goals

- Underlying net cash flow of \$4.4m and EBITDA of \$1.9m, both positive as targeted;
- Approaches to improve risk, compliance and other business processes and systems are being established, especially in light of planned step growth in CHC's social and affordable rental supply;
- A workforce management plan is being implemented and has underpinned the workforce budget for the next year;
- A staff satisfaction survey was undertaken during the year with staff overall satisfaction levels meeting the target of >75%; and,
- CHC has completed its inaugural voluntary Environment, Social and Governance (ESG) report.

In the next year whilst management will continue to be ambitious in bidding projects in response to Government funding program opportunities, enabled by the strong financial position of the organisation, there is an important body of work to further strengthen the operating model (the third strategic goal) – the people, policies, processes and systems that are the foundations upon which managing a future significantly increased portfolio of social and affordable housing will be dependent upon.

## Increased supply needed, and continued government support is critical

Whilst there have been positive signs for renters in that rental affordability has improved in the past year on the back of wage growth outpacing inflation and modest rental price growth, there remains a large unmet need for social and affordable housing supply that far exceeds the combined growth in supply targets that have been announced by Governments.

Market barriers remain high to grow social and affordable rental supply with persistent high costs of construction, both materials and labour, and interest rates failing to shift downwards. The combined effects are materially impacting the feasibility of new development projects, reinforcing that Government provision of appropriately sized subsidies, such as through

the Housing Australia Future Fund Facility and the ACT Affordable Housing Fund, are imperative to support financial viability of new community housing projects.

The opportunity exists for Governments to embed such programs as the norm from a policy setting perspective, and indeed such a step is essential if an investable asset class in social and affordable rentals is to be created, is to be sustainable and is to be fit to survive the political cycles. As markets fluctuate over time under any such policy the required level of subsidy to make projects viable will also change, and policy design should allow for this, but with an understanding that a subsidy will always be required as to create subsidised housing requires a subsidy.

## Thank you and farewell

After the seven most professionally rewarding years of my career to date as CHC's CEO, the time is right for me to move on. I am incredibly proud of the team that we have built and the team's achievements in the period since. Some of these highlights include:

- Today we support over 800 households across the Canberra region with subsidised rental homes households, almost double the number from 2017, with operations having now expanded into Regional NSW as well as the ACT;
- We have established and grown the only licenced real estate agency in the ACT that is also a registered charity in HomeGround Real Estate Canberra;
- We have strengthened our free operating cash flows, including through negotiating the extinguishment of an historical loan agreement with the ACT Government, leaving CHC debt free and with solid foundations for significant further growth;
- We have doubled our net asset position to \$0.25 Billion, including substantial cash and cash equivalents, enabling CHC to contribute equity to growth projects and thus unlock new social and affordable rental developments or acquisitions;
- We have successfully delivered numerous development projects, most notably the three-staged mixed tenure Downer development, comprising 37 townhouses, 123 apartments and, via Goodwin Aged Care, the development of over 100 independent living units of which CHC will have long-term control over seven as affordable rental independent living units; and,

- We have built a substantial pipeline of growth prospects and projects in conjunction with partners that can be bid as future government funding opportunities emerge.

To our tenants, thank you for your active engagement in our community development programs and activities, feedback on how we can improve our services, and the care you put into your homes.

Thanks also to our long-term partners and contractors that support our tenants, and support delivery against our mission. Thanks to our commercial, development and finance partners that will help us to continue to deliver more impact through our multi-channel approach to growth.

A big appreciation to the leadership team and all staff for consistently delivering strong performance across each of our strategic goals, and for being on board as we have pushed hard on our growth agenda to enable us to support many more lower income households across the Canberra region. A special mention and thanks to Megan Ward, Chief Operating Officer, who has been instrumental to CHC's achievements over my tenure as CEO, and we wish her well in her new role within the sector on the NSW south coast.

Thanks to Paul Green, Chair, and the Board of Directors, for your direction, advice and support of management and staff in our day-to-day operations.

Finally, I look forward to a thorough handover with the next CEO, Nathan Dal Bon, in December, who I am sure will bring energy and both fresh and big thinking. I wish him the very best as he leads the team in its exciting next chapter.



**Andrew Hannan**  
Chief Executive Officer



# STRATEGIC GOALS.

The full Strategic Plan is available via [CHC website](#). The plan includes the following strategic goals, objectives and key success factors.

STRATEGIC GOAL	OBJECTIVES	KEY SUCCESS FACTORS
<p>1. Deliver sustainable growth in social and affordable housing supply</p>	<ul style="list-style-type: none"> <li>(i) Grow supply in response to Canberra region social and affordable housing needs</li> <li>(ii) Leverage partnerships to support growth where it makes sense</li> <li>(iii) Influence policy makers to support ability to deliver growth</li> </ul>	<ul style="list-style-type: none"> <li>1. Additional 500 social or affordable rentals created over 5 years, with at least 350 being additive <sup>1</sup></li> <li>2. Additional 50 affordable home purchase opportunities created over 5 years</li> <li>3. All growth is in line with the needs of the community and is value accretive for CHC</li> </ul>
<p>2. Deliver quality homes and related services</p>	<ul style="list-style-type: none"> <li>(i) Ensure quality is designed into all new homes developed, homes renewed or acquired</li> <li>(ii) Maintain, or where necessary, enhance existing stock to a quality level to promote tenant satisfaction and consistent with the strategic asset management plan</li> <li>(iii) Support high overall tenant satisfaction of over 75%</li> <li>(iv) Support high home purchaser and landlord satisfaction of over 75%</li> <li>(v) Foster strong community support and goodwill</li> </ul>	<ul style="list-style-type: none"> <li>1. New homes developed or acquired meet minimum silver level accessibility and 7-star energy ratings</li> <li>2. Existing stock is regularly inspected (at least annually) and appropriately maintained</li> <li>3. Overall customer satisfaction levels of over 75% are achieved, across tenants, home purchasers and landlords</li> </ul>
<p>3. Enhance business operating model to support delivery of strategic goals</p>	<ul style="list-style-type: none"> <li>(i) Ensure financial sustainability of underlying business</li> <li>(ii) Continuous improvement to governance, risk and compliance management</li> <li>(iii) Continuous improvement to business processes and systems to increase efficiency and effectiveness</li> <li>(iv) Foster a high-performance culture that supports achievement of individual and collective goals, with overall staff satisfaction of over 75% achieved</li> <li>(v) Measure and report against Environmental, Social and Governance (ESG) performance standards and prepare the business for a future targeted transition to net zero</li> </ul>	<ul style="list-style-type: none"> <li>1. Positive underlying cashflow and EBITDA</li> <li>2. Better practice Governance, Risk and Compliance management practices are implemented</li> <li>3. Better practice business processes and systems are implemented</li> <li>4. Workforce management plan is implemented, aligned to strategic goals</li> <li>5. Overall staff satisfaction levels of over 75% are achieved</li> <li>6. Voluntary annual ESG reporting is undertaken and a plan for a staged future transition to net zero is prepared</li> </ul>

1. Note: Additive means resulting in net add to social or affordable rentals for the community

# CORPORATE GOVERNANCE AND RISK MANAGEMENT.

CHC helps to empower individuals and strengthen communities through the provision of safe, secure, and affordable homes, providing connections to support services, and a range of community development events and activities.

Our organisation is committed to transparent and ethical corporate governance and, therefore, we are constantly monitoring and evolving our management processes. Doing so helps us deliver the best social outcomes and financial performance, and guard against any risks that may arise.



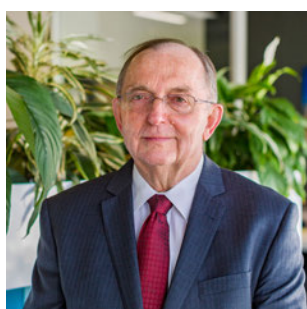


# OUR BOARD.

Our independent and skills-based Board of Directors provide oversight and direction to the leadership team, helping to drive the growth and strength of the organisation.

Each member of the Board has been hand-picked to ensure a wide skill set aimed to help CHC meet our charter. Directors are appointed for their expertise in housing development, asset management, community and social policy development, law, finance, or accounting.

*We thank the following Directors for their ongoing commitment and contributions to the success of our organisation.*



**Paul Green** MG, BA, LLB (Hons). Chair, Chair (Development Committee)



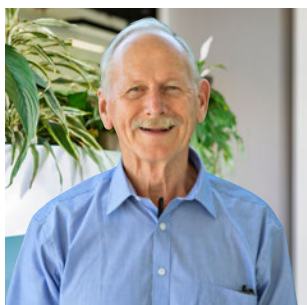
**Jill Divorty** B.Bus(Acctg&Fin) MBA, FCPA, GAICD. Deputy Chair, Chair (Audit & Risk Committee)



**Cathi Moore** BA (Soc Sci). Director, Member (Audit & Risk Committee), Member (Community Committee)



**Clare Wall** B Ec, Dip Rec. Pl, M Pub Pol. Director, Chair (Community Committee) Member (Development Committee)



**James Douglas** AVI, Certified Practising Valuer, Licensed Real Estate, Business, Strata & Stock & Station Agent. Director Member (Community Committee)



**Alice Tay** LLB Sydney University, Graduate, Australian Institute of Company Directors, Fellow, Governance Institute of Australia. Director, Member (Audit & Risk Committee)



**Hal Pawson** BSc (Hons) MPPS FCIH. Director, Member (Development Committee)



**Haleh Homaei** GAICD. Director, Member (Development Committee)



**Brian Ferreira** MGovLead; FCG (CS, CGP); FGIA; GAICD; MSID. Director, Member (Audit & Risk Committee)



**Simon Butt** B App. Sci Bldg, Construction Management, FAIB. Director, Member (Development Committee)



## AUDIT AND RISK COMMITTEE

CHC's Audit & Risk Committee assists the Board by overseeing the organisation's financial management and risk management practices, including statutory reporting and external audit requirements; internal audit and internal control; risk and compliance management; CHC's insurance coverage; and tax and employee obligations.

## COMMUNITY COMMITTEE

CHC's Community Committee assists the Board by helping to ensure that the organisation continues to provide exceptional service to our tenants, and that a strong sense of community is fostered through our community development program. In doing so, they exemplify the essence of CHC's vision - "**Empowered individuals, stronger communities.**"

## DEVELOPMENT COMMITTEE

CHC's Development Committee assists the Board by overseeing the organisation's property development and acquisition activities, and critically reviewing and vetting project proposals prior to them being presented for Board final investment decision consideration.

## REGULATORY COMPLIANCE

CHC's regulatory compliance responsibilities have been embedded in the Constitution of CHC, and in the organisation's corporate governance practices. CHC is a not-for-profit company registered under the Corporations Act 2001.

CHC is a Charity and endorsed as a Public Benevolent Institution. This status is determined by the Australian Taxation Office and Australian Charities and Not-for-Profit Commission (ACNC).

CHC is also registered as a Tier 1 provider under the National Regulatory System for Community Housing (NRSCH) Providers. This registration is the highest attainment under this system and CHC is committed to maintaining this status.

CHC remains an approved participant under the National Rental Affordability Scheme (NRAS) and is committed to maintaining and maximising incentives under the Scheme for itself and its Non-Entity Joint Venture investors.

CHC is a registered provider of Specialist Disability Accommodation with the National Disability Insurance Scheme (NDIS). CHC, under its HomeGround business arm is also a licensed real estate agent in both the ACT and NSW.

CHC complies with Accounting Standards as determined by the Australian Accounting Standards Board. Annual audited financial statements are published in full within CHC's Annual Report. An additional external agency conducts audits on both the ACT and NSW HomeGround Real Estate Canberra Trust Accounts.

# LEADERSHIP TEAM.

The leadership team provides strategic leadership and managerial insight for the organisation. The leadership team during the year comprised:



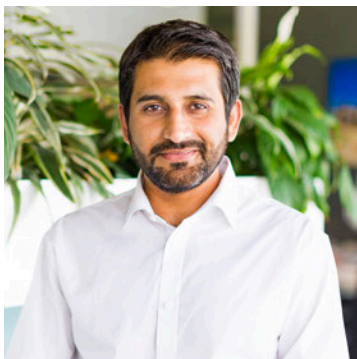
**Andrew Hannan**  
Chief Executive Officer



**Megan Ward**  
Chief Operating Officer



**Vicki Williams**  
Chief Commercial Officer



**Ahmed Munir**  
Head of Development



**Yee Cheam**  
Head of Finance



**Fiona Dearden**  
Head of People/Company Secretary

# OUR STAFF.

*Building stronger communities through dedication and innovation*

CHC has maintained focus on creating strong, diverse, and thriving communities through providing social and affordable rental homes and associated support services. At the heart of our success are the passionate, committed, and highly skilled individuals who make up the CHC team. Their dedication to providing high-quality services and support is instrumental in turning our vision into reality.

Our staff are the bedrock of CHC, and they embody our commitment to making a positive impact in the lives of low to moderate-income households.

Our staff continue to adapt and broaden their skills to better support our tenants whatever their needs or circumstances. Their ability to understand and care for tenants with diverse backgrounds and needs is pivotal in delivering the exceptional services that CHC is known for.

CHC invests heavily in our staff, recognising that their satisfaction and well-being is essential to the organisation's success. We are committed to attracting and retaining the best talent in the industry by treating our staff with respect, offering competitive compensation, and providing opportunities for professional growth.

We believe that our employees' insights are invaluable in enhancing our processes and systems, and we actively involve them in shaping the way we operate. Their input and dedication are central to our continued growth and evolution.

This year our success in meeting these needs was measured through staff participation in our first formal employee satisfaction survey. We are proud to report that 92% of the respondents to the survey expressed they are satisfied with their employment.

While happy with this result, we acknowledge the importance of continuing to find ways of improving the employment experience for our staff. To ensure this process is meaningful we commenced a process of collaboration to explore ways we could continue to improve.

To build on feedback received from the survey, a workshop was held to tease out improvements from three priority areas identified by staff, being Remuneration, Wellbeing and alignment with Values. We are using the feedback from this successful workshop to explore new and innovative ways of improving our performance in these areas.

CHC has a well-being program to support physical and mental health of our staff. We are proud to report that 33 employees accessed the \$700 Health and Well-being payment during the financial year, with an impressive 94.29% of staff availing themselves of this benefit. Additionally, CHC funded flu vaccinations.

In terms of staff development, CHC funded courses for 100% of our team members this year. These courses encompassed diverse topics including, dealing with complex and difficult behaviours, MS Project, safe home visits, first aid and mental health first-aid courses, and other real estate-related courses.

To support our commitment to continuous improvement, we have made significant progress in implementing a suite of online training opportunities that will ensure all staff are able to meet their regulatory and contractual professional development requirements. These courses include, but are not limited to Respect @ Work, Cultural Sensitivity and Anti Bullying and Harassment. We believe in empowering our staff with the knowledge and skills they need to excel in their roles, ensuring they can provide the best possible service to our tenants.

As we reflect on the past year, we are grateful for the hard work and outstanding contributions of our staff. Delivering upon CHC's vision and mission would remain an aspiration without the dedication, innovation, and compassion of our team. Their commitment to our tenants and the community continues to be the driving force behind our success, and we look forward to another year of building stronger, more inclusive communities together.

*Thank you, CHC staff, for your incredible work and dedication.*



### CHC Work

Extended well-being program for staff

#### Impact

- 33 employees accessed the \$700 Health and wellbeing payment in the financial year.
- 94.29% of staff had availed themselves of this payment.



### CHC Work

Courses and training opportunities offered to staff members.

#### Impact

- CHC funded courses for 100% of staff members.

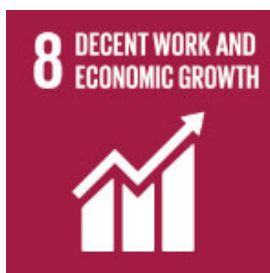


### CHC Work

Expressive women's participation in CHC's leadership and Board.

#### Impact

- Leadership: 67% women x 33% men
- Board: 50% women x 50% men



### CHC Work

CHC has an Enterprise Agreement that includes terms and conditions of employment negotiated between staff and management. This agreement includes:

- 8-weeks paid parental leave over and above Government-funded Parental Leave entitlements.
- Christmas Closedown (without the requirement to take leave).
- Flexible work arrangements.
- Professional Development.
- Allowances for undertaking support tasks such as Fire Warden and First Aid Officer.

#### Impact

- Gives employees greater flexibility to balance work and personal responsibilities.
- Gives recognition for performing tasks requiring additional responsibility.
- Supports skills development, career progression opportunities and supports skills development and career pathways within the sector.





# HomeGround

Real Estate Canberra



# HOMEGROUND.

*We manage your property,  
you make the difference.*

HomeGround has been effectively navigating regulatory changes while simultaneously fostering community engagement and growth in the affordable housing sector.

## **Sustainability Leadership**

In September 2023, the HomeGround team received the Real Estate Industry (REI) ACT's inaugural Sustainability Leadership Award at the annual industry awards night. This marked a significant milestone for HomeGround. This recognition not only validates the hard work put into sustainability initiatives but also enhances HomeGround's reputation in the local community.

## **Energy Efficiency Standards**

The introduction of new energy efficiency standards in April 2024 had a noticeable effect on the market dynamics. The ACT Government introduced new regulations in an effort to keep homes warmer in winter, and cooler in summer. Additional benefits of this could include a positive impact the health, comfort and wellbeing of renters at home as well as helping manage energy costs within the home.

Many landlords began to reevaluate their options, with some choosing to sell their properties instead of investing in the required upgrades. This shift not only affected the rental market but also highlighted the need for education and support for landlords on compliance and potential benefits of these upgrades, such as increased property value and tenant satisfaction. HomeGround team received good feedback from the tenants who benefited from this.

## **Government Collaboration**

HomeGround worked with the ACT Government to enhance advertising for the affordable housing scheme, issuing flyers with all Rates notices. HomeGround ensured that homeowners are informed about the affordable housing program initiative. This not only increased awareness but also encouraged more property owners to consider participating.

## **Engagement with Students**

HomeGround participated in the University of Canberra's orientation week which resulted in a surge of interest from students seeking accommodation. Distributing flyers in new student packs, the business unit successfully reached a demographic that often faces challenges in finding affordable housing.



### HomeGround Canberra Work

Promote adequate, safe, and affordable housing through an innovative model, supporting positive economic, and social impact.

#### Impact

- 22% growth in the number of affordable rentals provided by HomeGround Canberra this year.
- 15% growth in the total number of dwellings managed by HomeGround Canberra.
- All HomeGround Canberra profit is reinvested into providing more affordable rent options and community-supportive services and events.



### HomeGround Canberra Work

- Reducing inequalities by providing affordable housing to qualified tenants.
- Organising Community Development Events to promote social and economic inclusion of all tenants, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.



#### Impact

- 45 new affordable properties were made available this year.
- Social events, courses and scholarships were provided to support tenants and strengthen the community.



# COMMUNITY DEVELOPMENT.

CHC's Community Development program continues to be a key component of delivering our mission.

Our commitment to providing outstanding tenant experience and facilitating access to supportive services, personal and professional development opportunities, social inclusion, and community engagement is highlighted by the various events, courses, and initiatives that were on offer.





## SAFEHOME PROGRAM

CHC hosted an information session on the Safehome program – an ACT Government Initiative in partnership with SupportLink, aimed at enhancing home security.

The program sees a trained assessor offer community education, the provision of home security assessments and minor modifications to eligible residences.

## STRENGTH FOR LIFE

In partnership with Council of the Aging (COTA) and the YWCA - This exercise program was designed for participants over 50 years of age, to improve strength, balance, coordination, endurance and mobility, and other benefits like



- reduced risk of falls
- preventing or managing arthritis, osteoporosis, diabetes and heart disease
- speeding up recovery from illness
- reducing lower back pain
- improved ability to undertake daily living tasks
- opportunities for social interaction
- improvement in self-esteem and mental wellbeing

## KEN HORSHAM SCHOLARSHIP

The Ken Horsham Scholarship program encourages further education amongst tenants and provides financial and other support to assist in their studies. In the past year, CHC had the privilege of recognising nine outstanding recipients. A total of eight laptops and a rental were awarded to these recipients providing financial assistance for their educational pursuits.

## SCHOOL STUDENT BROADBAND INITIATIVE

In addition to the Ken Horsham Scholarship, CHC was able to nominate 15 vulnerable households with school aged children without access to National Broadband Network (NBN), vouchers to access 12 months of free internet.

# DIGITAL LITERACY PROGRAM

The ongoing CHC Digital Literacy Program, supported by the 2023 Canberra Foundations Collaborative – Joint Grant Round, continues to empower CHC tenants by enriching their digital knowledge and skills. Modules on myGov, basic computing skills, and social media have been key components.

## MyGov

We held three sessions in collaboration with Services Australia. The myGov Modules provided step-by-step guidance, feature optimisation tips, and personalised assistance.

- Step-by-step guidance to navigate through the platform
- Tips and tricks to make the most of myGov's features
- Personalised assistance to address any queries

## Social media course

Held over 3 sessions, tenants were provided an introduction to Facebook, Instagram and LinkedIn, with a focus on;

- Social media for personal use
- How to use social media to promote businesses and hobbies

## Basic Computer course

Through obtaining a grant of \$4,800 through Hands across Canberra the Basic Computer Skills Workshop provided tenants with the skills and understanding to use common computer systems relevant to most workplaces.

Through this course they learnt how to operate;

- Windows systems
- Microsoft office suite
- Printer
- Web browsers

Through a supportive environment, the trainer guided tenants through simple computer processes in order to build confidence in navigating the computer and various Microsoft systems. The workshop was set up to be suited to people who are returning to work or starting a new role where computer skills are required.

Loan laptops were provided so that tenants could attend even if they don't have access to their own laptop or computer.

*CHC would like to thank you to Hands Across Canberra, without the grant funding, this activity would not have been possible*







## OTHER ACTIVITIES



### National Zoo and Aquarium

International Youth Day 2023  
30 children and 10 adults attended



### National Dinosaur Museum

Spring School Holidays 2023  
33 attendees



### AMF Family Bowling Night

Winter School Holidays 2023  
42 attendees



### Go Karting

International Men's Day 2023  
20 adults and children attended



### Christmas Lunch 2023

Held in December for the tenants

## 4 QUALITY EDUCATION



### CHC Work

Ken Horsham Scholarship offered to tenants.

#### Impact

- 9 scholarships awarded this year.

## 10 REDUCED INEQUALITIES



### CHC Work

Organising Community Development Events to promote social and economic inclusion of all tenants, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

#### Impact

- Social events, courses and scholarships were provided to support tenants and strengthen the community.



# TENANT STORY.

**CHC prides itself on empowering individuals and creating stronger communities. We love and live our mission statement.**

*We recently heard from Syeda, an amazing tenant who wanted to share her story and her experiences with CHC.*

**S**yeda was born Bangladesh, her family moved shortly after to New Zealand where they resided for many years. After graduating with a degree in early childhood education, Syeda and her family made another international move and headed to Sydney, Australia.

Married in 2008, Syeda and her husband moved to Canberra. When she fell pregnant, they separated, and her world started to unravel. After being left with a mortgage and a child, Syeda didn't know where to turn. She sold her house and spent the next few years jumping from one rental to the next, struggling to find balance between bills and rent. Earlier this year, a colleague (and fellow CHC Tenant) pointed her towards CHC and she found hope. 'There is so much help out there' he said, and with that she made her way to our office.

Panicked and unsure, Syeda put started applying for homes through CHC. She got a phone call from CHC staff member, Evone advising her that a suitable property was available in Harrison. While hesitant about the distance from her work and her daughter's school, Syeda went to the property to have a look. On viewing the property, she connected with the house. She took a video while walking around the space and sent it to her daughter who also felt like they'd found a home.

"Evone was amazing!" Syeda exclaimed, "she helped me so much, not only with finding a home but also finding extra support like organisations that helped with bond." With the support of CHC, Syeda was able to accept the Harrison property and start her new life.



*"What CHC has done for me and my family is just awesome"*

Having moved and settled, Syeda believes that connection to both a home and a community are vital. "A home is a place where I can relax, rewind and get my energy back" she explained, "I feel like I am part of this house. The community here is amazing, everyone looks after one another. For me, community is something that protects you and allows you to find help when you need it."

"What CHC has done for me and my family is just awesome. I value mental health and knowing that I can pay my bills, pay my rent; I am happy. Kym and the CHC Team has been extremely helpful! If I call, someone has always had an answer." She commented "Whenever there has been an issue, I have called Natalie (CHC Assets Administration Officer), and it has been dealt with so quickly. I have never seen such a quick response; it makes such a difference."

Syeda wishes she had known about us earlier and offered the following advice: "There is help out there. There are people who will guide you through the whole process" adding, "this is my story, this is how I am here. I am extremely happy with CHC! For anyone out there that is looking for help, look at CHC! **I feel safe, I feel secure, I feel happy.**"



“It was my lucky day  
when CHC accepted  
me into the community.”

- CHC Tenant





# PROJECT UPDATES.

## COMMON GROUND DICKSON

The positive outcomes for Common Ground Dickson residents has been transformative. Having a stable home and access to supportive services has enabled them to achieve personal and professional growth.

95.4% of those surveyed reported an improvement in their wellbeing since moving into Common Ground Dickson. Living standards, safety, housing and, identity and belonging being ranked the highest.

This shows that with the right support and a strong community, individuals can overcome adversity and build a better future for themselves and their families.

Common Ground Dickson's 1st birthday was celebrated by a party and BBQ held in the common area, drawing an attendance of Common Ground Dickson residents, YWCA and CHC staff.

The Stepping Stone Cafe generously contributed plates of food, complemented by dishes brought in by the tenants. The event featured an array of games and activities designed to entertain and engage children, adding to the festivities.

The Common Ground Dickson End of Year Celebration, held on December 22, 2023, was a collaborative effort between CHC, YWCA, and MGI Joyce.

MGI Joyce played a significant role by generously providing all the food, beverages, and even arranging for Santa to distribute presents to the children in attendance. Approximately 50 people gathered for this festive event, creating a joyous atmosphere that fostered a sense of community spirit as everyone came together to celebrate the conclusion of the year.

## JUSTICE HOUSING PROGRAM

The partnership between CHC, St Vincent De Paul, and ACT Justice and Corrective Services has been instrumental in the success of the Justice Housing Program, which has been under CHC's management since January 2023.

This collaborative initiative was designed to address the critical need for short-term accommodation for individuals transitioning from the Alexander Maconochie Centre. The primary focus of the program being providing individuals with stable housing as they reintegrate into the community.

Since its launch, the program has made significant strides, with numerous participants successfully moving into long-term housing solutions. These options include properties managed by ACT Housing, Havelock Housing, Amelie Housing, CHC, and various private rental opportunities.

The success of the program is also reflected in the tangible outcomes for its participants. As an example, through the combined support of St Vincent De Paul and CHC, many individuals have not only found stable housing but have also secured employment, providing financial independence and stability.

A notable achievement of the program is the recent transition of a 22-year-old male participant, who successfully moved from the Justice Housing Program into a CHC-owned affordable housing property. This transition showcases the program's impact and its role in facilitating a smoother reintegration process for individuals exiting the correctional system.

The ongoing collaboration between the organisations continues to create positive outcomes, demonstrating the effectiveness of this integrated approach to justice and housing support.



### **CHC Work**

Providing access to:

- Affordable and quality homes for people at risk of or experiencing homelessness and mid to low-income families.
- Basic services to improve tenants' quality of life.

### **Impact**

- Offering twenty social and twenty affordable homes, housing a total of seventy people of all ages.
- Forty-five residents accessed support services such as food and emergency relief, legal aid, health services and other support services.



### **CHC Work**

Facilitating access to well-being, health, and mental health-related services.

### **Impact**

Referring tenants to services, such as:

- Canberra Health Services
- Community Health
- Community Info Hub
- Community Options (NDIS support)
- Community Relations and Funding Support
- Falls and Falls Injury Prevention
- Feros Care
- Life Without Barriers (NDIS Support)
- Sexual Health & Family Planning ACT
- Warm Connections Counselling (YWCA Canberra)



### **CHC Work**

Facilitating access to education-related services.

### **Impact**

- ACT Education Directorate
- Ken Horsham Scholarship
- Nest Program (OzHarvest)



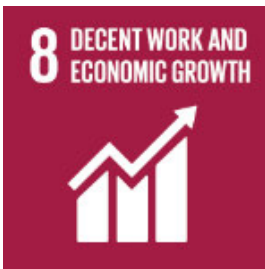


### CHC Work

- Solar panels maintenance.
- Energy efficiency assessment and insulation improvements.

### Impact

- Solar energy is available, reducing energy costs for all tenants.
- Energy Efficiency Assessment (St. Vincent de Paul Society – Canberra/Goulburn).



### CHC Work

- Access to formal training, improving chances of securing better employment opportunities.
- Workshops to support tenants' professional development and growth.

### Impact

- Ken Horsham Scholarship
- Career Development and Resume Building Workshop



### CHC Work

Providing access to:

- Affordable and quality homes.
- Basic services to improve tenants' quality of life.
- Education opportunities.
- Health-related services.
- Affordable and clean energy.

### Impact

- All the above-mentioned services.



# TENANT SURVEY.

In Q2 of 2024, all tenants from both CHC and HomeGround were sent a survey asking questions that ranged from housing services, repairs and maintenance, neighbourhood, communication and engagement, down to complaints and demographics.

The headline findings for the 2024 tenant satisfaction survey are: Tenants have shown good levels of satisfaction with most areas of their housing service.

Compared to 2022 results, we have seen improvements across most areas with the most significant area being tenant engagement. Additionally, it is worth noting that while there is a decrease of 5% in property condition, the general feedback around the assets and maintenance team has shown an improved satisfaction of 2%.



92% of our tenants are satisfied with the overall service provided by CHC.



83% of our tenants are satisfied with the maintenance service provided by CHC.



83% of our tenants reported that the maintenance service provided by CHC solved the issue.



93% of our tenants said they feel safe in their home.



94 % of our tenants are satisfied with the communication provided by CHC.



77% of our tenants reported that their quality of life has improved since living with CHC



# PORTFOLIO UPGRADE.

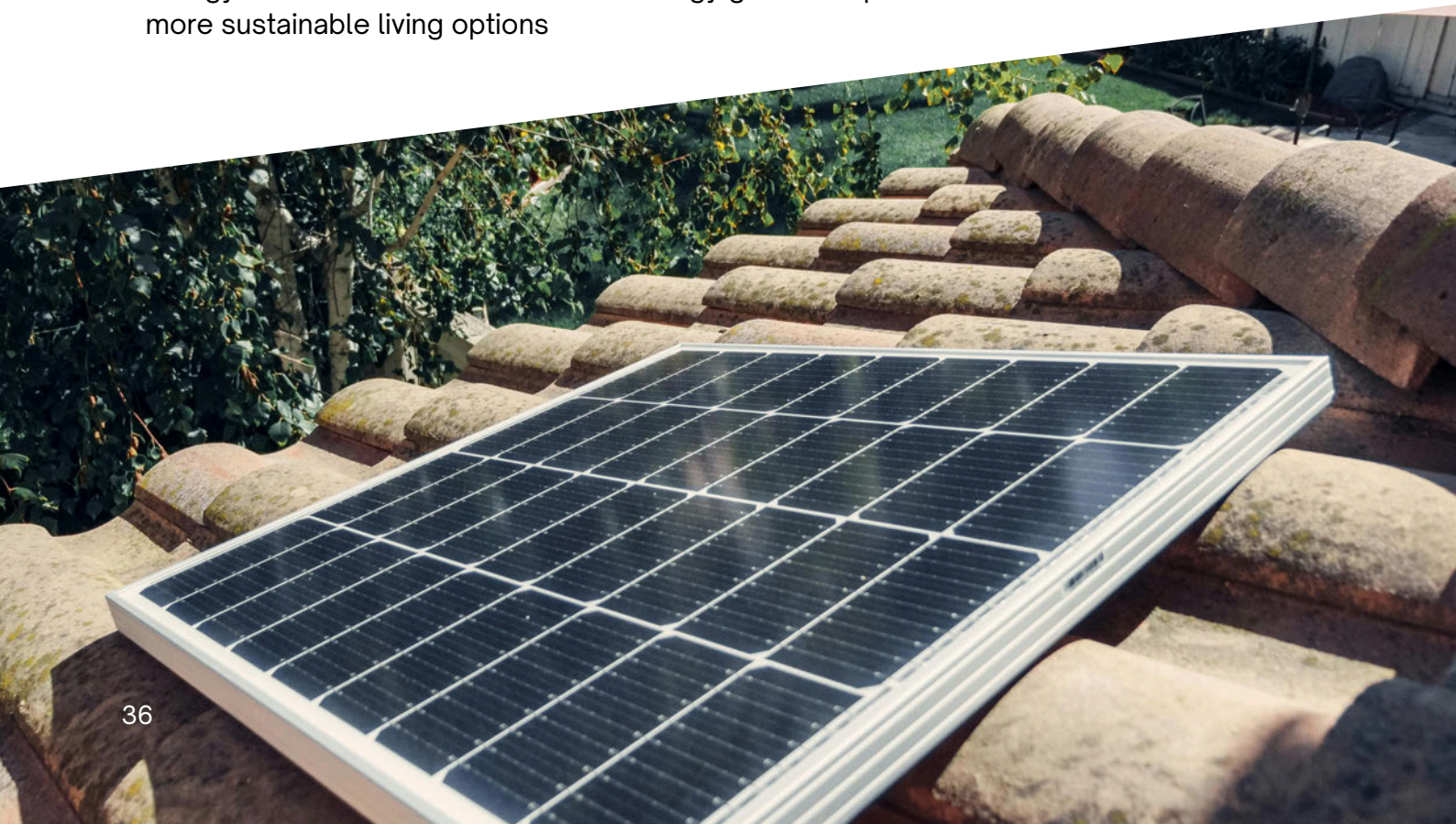
During the last financial year, the CHC Assets team collaborated closely with the Environment, Planning, and Sustainable Development Directorate (EPSDD) to enhance the energy efficiency of CHC properties. Through government funding, 63 properties were upgraded with new insulation to meet new energy standards. This initiative aims to reduce energy consumption and improve thermal comfort for residents, reflecting our commitment to sustainable living.

In addition to insulation upgrades, we successfully converted 94 gas appliances to electric across our CHC properties. This effort aligns with CHCs long term goal to phase out gas appliances by 2040.

The conversion not only enhances safety and efficiency but also significantly reduces carbon emissions. Directly benefiting 46 properties, this upgrade has made a substantial impact on our environmental footprint.

As a result of these upgrades, 26 tenants now enjoy year-round heating and cooling options. This improvement not only enhances their living conditions but also demonstrates our commitment to providing high-quality, energy efficient housing.

CHC Assets team also launched a new pilot program to install solar panels in 15 properties. This program benefited a total of 18 tenancies, including our Special Disability group share Accommodation (SDA) in Kaleen. The addition of solar energy contributes to our renewable energy goals and provides residents with more sustainable living options



# ESG REPORT.

CHC has committed to integrating Environmental, Social, and Governance (ESG) principles into its operations, ensuring sustainable practices and positive community impact.

CHC plays a crucial role in Canberra by providing affordable housing solutions to low-income families and individuals. The organisation actively engages with tenants and local communities, fostering a supportive environment and addressing community needs. Health and well-being initiatives ensure residents live in safe and healthy environments, supported by maintenance and service provisions.

This year, CHC produced its first ESG Report with a focus on the implementation of energy-efficient building designs and appliances, reducing energy consumption and contributing to lower carbon emissions. Waste management initiatives and recycling programs further enhance sustainability efforts across its housing portfolio.

Looking ahead, CHC aims to expand its renewable energy initiatives to further reduce its environmental footprint. Strengthening partnerships with community organisations aim to enhance social impact programs and support sustainable community development. By providing enhanced ESG reporting CHC wishes to provide stakeholders and investors with transparent insights into ESG efforts and outcomes of the organisation.



# OUR DEVELOPMENTS.

In the past financial year, CHC completed a 2-bedroom social housing unit in Holt. This property supports women exiting the justice system and is managed by Toora Women Inc. The development received a grant of \$100,000 from Homes for Homes.

CHC is continuously planning and working on new developments. Here is an overview of the projects that are in CHC's pipeline now.





## PHILLIP

### *Affordable build-to-rent*

CHC, in partnership with the Canberra Southern Cross Club are to develop a site in Phillip for an affordable build-to-rent apartment project. With construction due to commence in 2025, this build will see 140 apartments built. These apartments will be an even split between affordable and market value rentals showcasing one-, two- and three-bedroom options.

This development has received funding support from the ACT Government.

Supported by



**ACT**  
Government

## WANNIASSA

### *Promoting accessibility and affordability*

This project, as a response to rising needs for disability-friendly living arrangements, is a knock-down rebuild to create two dwellings. There is a three-bedroom accessible dwelling, designed and constructed to the Specialist Disability Accommodation (SDA) High Physical Support design category. A two-bedroom affordable housing dwelling was also built on the block. This project represents a step forward in making our communities more inclusive and accessible for all. Support services are being provided by Bloomfield Support Solutions.

## SCULLIN

### *Specialist disability support*

CHC is developing a block which will contain six three-bedroom SDA dwellings. These homes will be built to cater for tenants with high physical support needs. Ground was turned in May 2024 with a completion date currently set for Q2 2025.

## TAYLOR

### *Senior social housing*

CHC's commitment to providing housing for the elderly continues with the Taylor development which will see six homes built. These will consist of three three-bedroom and three two-bedroom dwellings with accessibility in mind. Residents of this block will have access to support services provided by COTA ACT. Completion is currently set for Q1 2025.

## WHITLAM

### *Sustainable living*

Sustainability is one of CHC's biggest goals for the next five years, and the Whitlam Social Housing project reflects this commitment. This social housing development will comprise two four-bedroom houses emphasising sustainability through features such as all-electric heating and cooking and solar photovoltaic. Construction is due to commence in Q3 2024 and complete in Q3 2025.

## STRATHNAIRN

### *Build-to-Rent-to-Buy*

The Women's Housing Initiative pilot program includes 22 townhouses to be developed in the Canberra suburb of Strathnairn. With Development Application now approved, construction will begin late 2024. This project is being delivered by partnerships with ACT Government and Housing Australia and is expected to be finished in Q1 2026. The project aims to help empower these women through providing a viable pathway to home ownership and a more secure and stable future.

This development has received funding support from the ACT Government and Housing Australia

Supported by



Housing Australia

## TURNER

### *Affordable Build-to-Rent and Youth Supportive Accommodation*

This exciting initiative, a collaboration with Canberra PCYC and The Snow Foundation is set to provide 45 affordable housing units. This includes 35 units for essential workers and 10 social housing units for at-risk youth, together with a social enterprise cafe. The development will see 14 one-bedroom apartments and 31 two-bedroom apartments. These apartments will be offered under the affordable rental scheme thanks to a grant from ACT Government. A development application will be lodged in coming months.

This development has received funding support from the ACT Government, Canberra PCYC and The Snow Foundation.

Supported by





### CHC Work

- Reducing inequalities by providing a range of additional social and affordable housing in the ACT.
- Promoting social and economic inclusion, including people with disabilities, elderly, and other vulnerable people.

### Impact

- Additional 2 social and affordable dwellings.



### CHC Work

- Promoting adequate, safe, and affordable housing.
- Promote positive economic and social impact.


### Impact

- 6% growth in the number of social and affordable homes managed by CHC and HomeGround.






**GUNGAHLIN [VILLAGE VUE]**



- Cost: >\$3 million
- Land: Purchased from LDA
- Impact: Total dwellings **28**  
Public housing **2**  
Retained affordable rentals **4**  
Sold on open market **22**

**GUNGAHLIN [MIRELLA APARTMENTS]**




- Cost: >\$5 million
- Land: Purchased from LDA
- Impact: Total dwellings **19**  
Sold as affordable **19**

**HOLT [FREESTYLE APARTMENTS]**




- Cost: >\$4 million
- Land: Purchased from LDA
- Subsidy: NRAS 10-Year operating subsidy (Federal)
- Impact: Total dwellings **24**  
Retained affordable rentals **24**

**FRANKLIN [EDGE]**



- Cost: >\$21 million
- Land: Purchased from LDA
- Impact: Total dwellings **104**  
Sold as affordable **62**  
Sold on open market **42**

**BONNER**



- Cost: >\$16 million
- Land: Purchased from LDA
- Subsidy: NRAS 10-year operating subsidy (Federal), Land Rent Scheme (ACT)
- Impact: Total dwellings **77**  
Retained affordable rentals **77**

2001

2004


2009

2010

2011

2012

**O'CONNOR [CITY EDGE]**



- Cost: >\$10 million
- Partner: CIC Pendon Pty Ltd (50%)
- Land: Purchased from LDA
- Impact: Total dwellings **126**  
Public housing **15**  
Retained affordable rentals **15**  
Sold on open market **96**

**HOLT**




- Cost: >\$1 million
- Land: Purchased from LDA
- Subsidy: NRAS 10-Year operating subsidy (Federal)
- Impact: Total dwellings **8**  
Retained affordable rentals **8**

**FORDE [GRACE]**



- Cost: >\$3 million
- Land: Purchased from LDA
- Subsidy: NRAS 10-Year operating subsidy (Federal)
- Impact: Total dwellings **20**  
Retained affordable rentals **20**

**HARRISON [GUNGADERRA 29]**



- Cost: >\$5 million
- Land: Purchased from LDA
- Subsidy: NRAS 10-year operating subsidy (Federal), Social Housing Nation Building Stimulus Grant \$8m (Federal), Community Services Directorate \$1m (ACT)
- Impact: Total dwellings **29**  
Retained social rentals **13**  
Retained affordable rentals **16**

**CRACE JOINT VENTURE**



- Cost: >\$15 million
- Partner: LDA, Defence Housing Authority, Tatebrook
- Land: Purchased from LDA
- Impact: Total dwellings **56**  
Retained affordable rentals **56**

KEY


- Cost
- Partner
- Land
- Subsidy
- Impact

A SUMMARY OF SMALLER-SCALE DEVELOPMENTS

<b>2006</b> Abbeyfield Disability (Curtin)	10	<b>2013</b> Jacka	14	<b>2018</b> Kambah	5	<b>2021</b> Page SDA	1
<b>2009</b> Group Homes from 2006-2009	29	<b>2013</b> Apprentice House (Lyons)	5	<b>2019</b> MacGregor SDA	3	<b>2023</b> Holt	1
<b>2010</b> Franklin	4	<b>2016</b> McKellar Disability Group Home	5	<b>2020</b> Wanniasa Group Home	5	<b>2024</b> Wanniasa	2
<b>2011</b> Braddon Joint Venture	9						



**HARRISON  
[SYMPHONY PARK – STAGE 1]**




- \$ >\$8 million
- 📍 Purchased from LDA
- 🎁 Housing Affordability Fund Capital Grant \$2m (Federal)
- 🏠 Total dwellings **32**  
Sold on open market **32**

**LAWSON**




- \$ >\$3 million
- 📍 Purchased from LDA
- 🎁 Land Rent Scheme (ACT)
- 🏠 Total dwellings **15**  
Retained affordable rentals **9**  
Sold on open market **6**

**THROSBY 10**




- \$ >\$2.5 million
- 📍 Purchased from LDA
- 🎁 Land Rent Scheme (ACT)
- 🏠 Total dwellings **10**  
Sold as affordable **10**

**KAMBAH [THE ASH]**




- \$ >\$3 million
- 📍 Purchased from LDA
- 🏠 Total dwellings **8**  
Retained social rental (SDA) tenancies **8**

**DOWNER  
[THE BRADFIELD – STAGE 2]**



- \$ >\$40 million
- 📍 Purchased from LDA
- 🏠 Total dwellings **123**  
Retained affordable rentals **10**  
Sold as affordable **6**  
Sold on open market **107**

**THROSBY [ACACIA]**



- \$ >\$9 million
- 📍 Purchased from LDA
- 🏠 Total dwellings **18**  
Sold on open market **18**

2013 2014

2016


2018

2020

2021


2022

**BRUCE [ECLIPSE]**




- \$ >\$52 million
- 📍 Purchased from LDA
- 🎁 NRAS 10-year operating subsidy (Federal), Community Services Directorate \$2.4m (ACT)
- 🏠 Total dwellings **240**  
Retained affordable rentals **20**  
Sold to third-party investors as affordable rentals **59**  
Sold as affordable **70**  
Sold on open market **91**

**HARRISON  
[SYMPHONY PARK – STAGE 2 + 3]**




- \$ >\$40 million
- 📍 Purchased from LDA
- 🎁 NRAS 10-year operating subsidy (Federal)
- 🏠 Total dwellings **190**  
Retained affordable rentals **3**  
Sold as affordable **118**  
Sold on open market **69**

**MONCRIEFF**




- \$ >\$8 million
- 📍 Purchased from LDA
- 🎁 Land Rent Scheme (ACT)
- 🏠 Total dwellings **35**  
Retained affordable rentals **1**  
Sold as affordable **33**  
Sold on open market **1**

**DOWNER  
[THE BRADFIELD – STAGE 2]**



- \$ >\$14 million
- 📍 Purchased from LDA
- 🏠 Total dwellings **37**  
Sold on open market **37**

**THROSBY 29**



- \$ >\$7 million
- 📍 Purchased from LDA
- 🎁 Land Rent Scheme (ACT)
- 🏠 Total dwellings **29**  
Retained affordable rentals **3**  
Sold as affordable **26**



# FINANCIAL STATEMENTS.

*Year Ended 30 June 2024*







**COMMUNITY HOUSING CANBERRA  
LIMITED AND CONTROLLED ENTITIES**

**ACN 081 354 752**

**FINANCIAL STATEMENTS  
2023-24**

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# Directors Report

The directors present their report on Community Housing Canberra Limited and Controlled Entities for the financial year ended 30 June 2024.

## Information on directors

Name	Qualifications	Experience	Special responsibilities
<b>Paul Green</b>	MG, BA, LLB (Hons)	Previously provides legal advice to property developers and major builders nationally and internationally on project delivery including structure, tax, acquisition, construction and financing. Retired from full time employment in January 2023 but continues to provide legal consultancy services to some clients. Previously managing partner of Meyer Vandenberg Lawyers following an initial 21-year career as an officer in the Australian Regular Army. Has previously lectured in Building and Construction Law at the University of Canberra. Board member since October 2011.	Chair  Chair (Development Committee)
<b>Cathi Moore</b>	BA (Soc Sci)	Extensive experience in public administration, both in the social policy and program management areas and has a wide range of experience in the community sector. 10 years at the Senior Executive Level managing a range of commercial and operational areas and reviewing the efficiency and effectiveness of government services in the former Commonwealth Department of Administrative Services (DAS). President Parentline ACT Inc., Audit-Commissioner in ACT Legal Aid Commission and Director in Toora Women Inc. Board member since October 2007.	Director  Member (Community Committee)  Member (Audit & Risk Committee) – till 18 June 2024
<b>Clare Wall</b>	B Ec, Dip Rec. Pl, M Pub Pol.	Previously worked as an Associate and Partner with consultancy firm, SGS Economics and Planning and as Branch Head - Housing, for the Commonwealth Government, as well as in senior housing and planning roles for the ACT Government. Has completed training in Crime Prevention through Environmental Design and is a member of the Planning Institute of Australia, and has a particular interest in housing, economic	Director  Chair (Community Committee)  Member (Development Committee) – till 18 June



		development. social planning and active recreation. Board Member since August 2015.	2024
<b>Jill Divorty</b>	B.Bus (Acctg&Fin)  MBA, FCPA, GAICD.	Has had extensive experience in both federal and state level public sector, with a focus on large scale procurement and project management, finance and accounting, and residential housing management. Jill has held senior executive level positions with Defence Housing Australia, National Blood Authority and as Head of ACT Shared Services Centre. Board Member since December 2017.	Director  Chair (Audit & Risk Committee)
<b>James Douglas</b>	AVI, Certified Practising Valuer, Licensed Real Estate, Business, Strata & Stock & Station Agent	Has an accounting background and extensive experience in all aspects of real estate. Extensive valuation experience for private, Tax, Court-related, Family Law and Superannuation Fund property valuations.  Accredited trainer and assessor (ACT and NSW Certificate of Registration and Licence qualifications). Board Member since January 2019.	Director  Member (Community Committee)
<b>Alice Tay</b>	LLB Sydney University, Graduate, Australian Institute of Company Directors, Fellow, Governance Institute of Australia	Has extensive experience in areas of Audit, Risk and Governance through participation on Audit and Risk, Finance and Governance Committees for numerous organisations, across a variety of sectors within the ACT and nationally. This work is supported by experience accumulated as a lawyer, culminating as a partner at Meyer Vandenberg specialising in corporate and commercial law. Board member since July 2021.	Director  Member (Audit & Risk Committee)
<b>Hal Pawson</b>	BSc (Hons) MPPS FCIH	Is an expert in housing management, access to housing (including homelessness), housing privatisation, urban regeneration. manager of numerous commissioned projects for the UK Government and Scottish Government.  Has held numerous relevant posts including Board Member Port of Leith HA, Edinburgh (1998-2011); Australasian Editor, <i>Housing Studies</i> (2011-2019); Managing Editor, <i>Housing Studies</i> (2019-ongoing); Convenor, Master of Urban Renewal and Housing (2016-2018). Board member since January 2023.	Director  Member (Development Committee)
<b>*Haleh Homaei</b>	GAICD	More than 30 years' experience working in the social and affordable housing space, including as a	Director

(appointed on 25 May 2024)		<p>CEO for a Victoria based Community Housing Provider. Extensive experience in operational development and quality oversight, strategic and business planning, policy development and corporate governance.</p> <p>Has held numerous Board positions relevant to the Sector including Community Housing Industry Association (CHIA) VIC, Asylum Seeker Resource Centre, Working Heritage and is currently the Chair of the Power Housing Australia Board.</p>	Member (Development Committee)
<b>*Brian Ferreira</b> (appointed on 3 June 2024)	MGovLead; FCG (CS, CGP); FGIA; GAICD; MSID	<p>More than 15 years' experience working on Boards in the not-for-profit, government and private sector. Areas of expertise include strategic business and digital transformation. Other areas of expertise include governance, risk management and audit.</p> <p>Held various Board Committee positions most recently with Music for Canberra, Venues West (Government) and Cattle Australia. Currently, Vice President of Gartner ANZ/SEA delivering board and CxO advisory with a specialist team in business, technology and digital transformation.</p>	<p>Director</p> <p>Member (Audit &amp; Risk Committee)</p>
<b>*Simon Butt</b> (appointed on 27 May 2024)	B App. Sci Bldg, Construction Management, FAIB	<p>More than 30 years' experience in building and construction as CEO of Manteena Pty Ltd both in Australia and New Zealand. Acted as President of Master Builders Australia for three years.</p> <p>Brings extensive experience of the building and construction industry in both a local and national context.</p>	<p>Director</p> <p>Member (Development Committee)</p>
<b>Paul Carmody</b> (resigned 5 December 2023)	BA Admin	<p>Has worked as senior executive in the Commonwealth Department of Health, National Capital Authority, Deputy Director General Health Infrastructure in the ACT Health Directorate and as General Manager for Hindmarsh Pty Limited. Paul has extensive experience in the ACT Construction and Property industries and has a particular interest in residential planning, building design, housing affordability and the use of renewable energy. Board member since August 2016</p>	<p>Director</p> <p>Member (Development Committee)</p>

*\*Directors were appointed in May or June 2024, subject to confirmation at the AGM in November 2024*

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

## Directors' report for the financial year ended 30 June 2024

Ms Fiona Dearden was appointed as Company Secretary on 2 February 2022. KPMG, Sydney, is the Company's Australian Charities and Not-for-profit Commission (ACNC) agent.

### Meetings of directors

During the financial year, six meetings of directors and five Audit & Risk Committee meetings were held. Attendances by each director during the year were as follows:

Directors	Date Appointed	Date Ceased	Directors		Audit & Risk	
			A	B	A	B
Mr Paul Green	30-Oct-11		6	6		
Ms Cathi Moore	30-Oct-07		5	6	5	5
Ms Clare Wall	8-Sep-15		6	6		
Mr Paul Carmody	2-Aug-16	5-Dec-23	2	3		
Ms Jill Divorty	7-Dec-17		6	6	4	5
Mr James Douglas	24-Jan-19		5	6		
Ms Alice Tay	1-Jul-21		5	6	4	5
Mr Hal Pawson	31-Jan-23		5	6		
Ms Haleh Homaei	25-May-24		0	0		
Mr Simon Butt	27-May-24		0	0		
Mr Brian Ferreira	3-Jun-24		0	0	1	1

**A** Number of meetings attended

**B** Number of meetings eligible to attend during the year



## Principal activities and significant changes in nature of activities

The principal activities of Community Housing Canberra Limited and Controlled Entities during the financial year were:

1. Provided social and affordable rental rebates to tenants.
2. Provided rental rebates to National Rental Affordability Scheme (NRAS) tenants whilst the scheme continues to exist.
3. Provided affordable and social housing through tenancy and property management agreements through the following:
  - a. Management Agreement with the ACT Government (the Territory) for the provision of tenancy and property management services over a portfolio of dwellings;
  - b. Services and License agreements with Housing ACT to provide tenancy and property management services at Common Ground Dickson on behalf of the Territory;
  - c. Tenancy and property management contracts for the Justice Housing Program, and
  - d. Tenancy management for Yeddung Mura, Focus ACT and Richmond Fellowship.
4. Continual improvement of stock through either refurbishment or maintenance.
5. Increase the supply of affordable housing properties available for rent from private landlords through HomeGround Real Estate Canberra.
6. Established two Special Purpose Vehicle (SPV) subsidiary companies. These entities did not trade in 2023-24.
  - a. CHC Phillip One Ltd to provide affordable housing through the Build-to-Rent Scheme in partnership with Canberra Southern Cross Club and with the assistance of the Territory.
  - b. CHC Strathnairn One Ltd to pilot a Build-to-Rent-to-Buy Women's Housing Initiative with the assistance of the Territory and Housing Australia in the new suburb of Strathnairn in Ginninderry.
7. Increase the supply of supported social and affordable housing properties available for rent by eligible applicants through a capital works program. In 2023-24 this included:
  - a. Completed construction of a secondary residence in Holt. This development is partially funded by The Big Issue's "Homes for Homes" grant of \$100,000 secured in 2020-21, to provide accommodation to support women's transition from the justice system to allow them to maintain secure housing, employment and community connections;
  - b. Commenced construction for six social housing units in Taylor for seniors (+55 years);
  - c. Commenced construction for a new Specialist Disability Accommodation (SDA) unit and a new affordable dwelling in Wanniasa; and
  - d. Completed site establishment works for six SDA units in Scullin, with construction expected to commence in the next financial year.
8. Responded to the Federal Government's new funding initiative, the Housing Australia Future Fund Facility (HAFFF), to increase the supply of social and affordable housing in the Territory and surrounding region.

## *Directors' report for the financial year ended 30 June 2024*

There were no significant changes in the nature of Community Housing Canberra Limited and Controlled Entities' principal activities during the financial year.

## **Strategy for achieving the objectives**

During the 2023-24 financial year, the Group adopted a new five-year Strategic Plan for 2024-2028. The updated Vision, Mission are as follows with the Values remaining the same:

**Vision:** Empowered individuals, stronger communities

**Mission:** To enable more people in the Canberra region to live in quality homes at a price that is affordable

**Values:** Customer Centric, Authentic, Collaborative, Innovative and Continuous Improvement

The following strategic goals, each with associated strategic targets were refreshed as follows:

1. **Deliver sustainable growth in social and affordable housing supply** – by adding 500 social or affordable rentals, with 350 being additive, creating 50 affordable home purchase opportunities, in line with community needs.
2. **Deliver quality homes and related services** – through the development or acquisition of new homes to meet minimum silver level accessibility and 7- star energy rating, continual renewal or maintenance of existing stock and achieving customer satisfaction levels of over 75% across all customer cohorts.
3. **Enhance business operating model to support delivery of strategic goals** – by ensuring financial sustainability and continue improvement to governance, risk and compliance management.

During the financial year, the Group worked towards understanding housing needs across the Territory as well as the neighboring regions and exploring potential partnerships to capitalise on government subsidy programs and philanthropic sources to enable and accelerate growth. The Group also focused on Round One of the Federal Government funding initiative HAFFF and expended significant effort to put forward project proposals to attract HAFFF funding. Announcements of successful proposals are expected in the coming financial year.

Continuing to pursue growth of its portfolio of third-party owned homes under management by targeting new developments, whilst continuing to ensure high levels of tenant, home purchasers and landlord.

The Group maintained positive underlying net surplus and underlying cash flow this year and maintains a robust governance and risk framework including a compliance program that helps provide assurance with respect to compliance with the requirements of a Charity and Public Benevolent Institution, and other legislation and regulations relevant to the Group's Business activities.

## Directors' report for the financial year ended 30 June 2024

### Performance measures

The Group's primary performance measure reflects its mission to provide affordable homes, principally for rent, to individuals and families. During the 2023-24 financial year, a total of 804 (2022-23: 757) tenancies were supported, of which 370 (2022-23: 369) tenancies were supported directly by the Group and 434 (2022-23: 388) tenancies were from properties under management through HomeGround Real Estate Canberra and through contracts with the Territory and other fee-for-service (FFS) agreements. A total direct rental subsidy of \$2.7 million (2022-23: \$2.8 million) was provided by the Group. The 2022-23 figures have been revised to remove 45 full market rental tenable areas, which had previously been included as rebated or affordable rental under HomeGround.

The Group continues to provide both a Rebated Rent model (25% of household income plus Commonwealth Rental Assistance) and an Affordable Rent model (74.9% of market rent). In respect of the latter, the Group continued to support its affordable property portfolio by accessing the ACT Government's Land Rent Scheme and the Commonwealth Government's National Rental Affordability Scheme. Rebates were provided during 2023-24 as follows:

Tenancy Model	2023-24 \$	2023-24 Tenable areas	2022-23 \$	2022-23 Tenable areas \$
Rebated Rental Rebate	854,844	87	894,507	86
Affordable Rental Rebate	1,795,941	283	1,883,541	283
Rebated or Affordable Rental HomeGround	N/A	253	-	208
Rebated or Affordable Rental - Other managed properties	N/A	181	-	180
<b>Total</b>	<b>2,650,785</b>	<b>804</b>	<b>2,778,048</b>	<b>757</b>

The Group is committed to long-term financial viability and the development of appropriate risk management and asset management processes.

### Members' guarantee

Community Housing Canberra Limited and Controlled Entities are companies limited by guarantee. In the event of, and for the purpose of winding up of any of the companies, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$100 for members that are corporations and \$100 for all other members, subject to the provisions of the constitution of each company in the Group.

At 30 June 2024 the total amount members are liable to contribute for the Company would be \$120 (2022-23: \$150) and \$10 (2022-23: \$Nil) for each of the SPVs.



## ***Directors' report for the financial year ended 30 June 2024***

### **Environmental regulations**

The Group's development and asset management activities are subject to environmental regulations under both Commonwealth and Territory regulations. The Group aims to achieve a high standard in environmental matters. The Directors have not received notification nor are they aware of any breaches of environmental laws by the Group.

### **Review of operations**

The surplus of the Group after providing for income tax, if applicable, amounted to \$1,846,044 (2022-23: \$1,363,224).

### **Events after the reporting date**

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

### **Indemnification and insurance of officers and auditors**

Since the end of the previous financial year, the Group has paid insurance premiums of \$23,545 (2023: \$22,000) in respect of Directors' and officers' liability and legal expenses insurance contracts for current and former Directors and officers, including senior executives of the Group.

The insurance premiums relate to:

- costs and expenses that may be incurred by the relevant officers in defending proceedings whether civil or criminal brought against them in their capacity as officers of the Group and whatever the outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving willful breach of duty or improper use of information or position to gain a personal advantage.

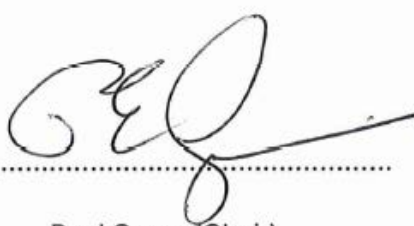
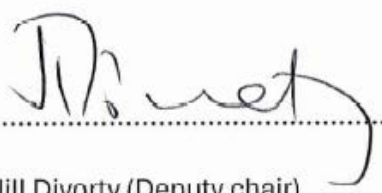
The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and officers' liability and legal expenses insurance contracts; as such disclosure is prohibited under the terms of the contract, confidentiality clause 12.14.

*Directors' report for the financial year ended 30 June 2024*

**Auditor's Independence Declaration**

The auditor's independence declaration in accordance with section 60-40 of the of the Australian Charities and Not-for-profits Commission Act 2012 is set out on page 12 and forms part of the Directors' report for the financial year ended 30 June 2024.

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

 Director: .....	 Director: .....
Paul Green (Chair)	Jill Divorty (Deputy chair)

Dated this **1<sup>st</sup> day of November 2024**

## Auditor's Independence Declaration

### **Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Community Housing Canberra Limited and Controlled Entities**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2024, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

  
**PKF Canberra**

  
**Ross Di Bartolo**  
**Registered Company Auditor – No. 405**  
**Senior Partner**

**Dated: 1 November 2024**

#### **Community Housing Canberra Limited and Controlled Entities**

PKF Canberra is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.



# Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	5	<b>11,998,834</b>	10,919,642
Cost of developments sold		-	(233,984)
Employee benefits expense	6	<b>(3,490,191)</b>	(3,031,403)
Depreciation and amortisation expense	6	<b>(2,612,812)</b>	(2,747,378)
Assets Management expenses		<b>(2,387,414)</b>	(2,265,189)
Loss on disposal of assets		<b>(36,537)</b>	(4,669)
Bad and doubtful debts		<b>(32,002)</b>	(82,755)
Administrative expenses	6	<b>(1,510,352)</b>	(1,374,305)
Finance expenses		<b>(83,482)</b>	(80,796)
<b>Profit before income tax</b>		<b>1,846,044</b>	1,099,163
Income tax expense		-	-
<b>Profit from continuing operations</b>		<b>1,846,044</b>	1,099,163
<b>Profit for the year</b>		<b>1,846,044</b>	1,099,163
<b>Other comprehensive income, net of income tax</b>			
Share of gain/(loss) on property revaluation of the Group		<b>17,023,898</b>	(76,490)
<b>Other comprehensive income for the year, net of tax</b>		<b>17,023,898</b>	(76,490)
<b>Total comprehensive income for the year</b>		<b>18,869,942</b>	1,022,673

The accompanying notes form part of these financial statements.

# Statement of Financial Position

As at of 30 June 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	13,780,953	15,812,937
Trade and other receivables	8	389,503	250,049
Other financial assets	9	24,690,491	22,564,384
Prepayments and accrued income		763,562	902,272
<b>TOTAL CURRENT ASSETS</b>		<b>39,624,509</b>	<b>39,529,642</b>
<b>NON-CURRENT ASSETS</b>			
Inventories	10	3,474,875	-
Other financial assets	9	3,009,661	3,049,111
Property, plant and equipment	11	202,855,635	186,227,059
Intangible assets	12	12,691	176,197
Right-of-use assets	13	5,487,840	5,164,505
<b>TOTAL NON-CURRENT ASSETS</b>		<b>214,840,702</b>	<b>194,616,872</b>
<b>TOTAL ASSETS</b>		<b>254,465,211</b>	<b>234,146,514</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	1,846,149	520,160
Lease liabilities	13	201,696	195,097
Short-term provisions	15	81,593	23,606
Employee benefits	17	495,137	498,882
Other financial liabilities	16	151,696	210,481
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,776,271</b>	<b>1,448,226</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	13	3,908,294	3,787,584
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,908,294</b>	<b>3,787,584</b>
<b>TOTAL LIABILITIES</b>		<b>6,684,565</b>	<b>5,235,810</b>
<b>NET ASSETS</b>		<b>247,780,646</b>	<b>228,910,704</b>
<b>EQUITY</b>			
Retained earnings		247,780,646	228,910,704
<b>TOTAL EQUITY</b>		<b>247,780,646</b>	<b>228,910,704</b>

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity

For the Year Ended 30 June 2024

## 2024

	Retained Earnings \$	Asset Revaluation Surplus \$	Total \$
<b>Balance at 1 July 2023</b>	<b>105,252,386</b>	<b>123,658,318</b>	<b>228,910,704</b>
Net Surplus for the period	1,846,044	-	1,846,044
Increase in revaluation reserve	-	17,023,898	17,023,898
Transfer of revaluation increment for assets disposed	1,144,064	(1,144,064)	-
<b>Balance at 30 June 2024</b>	<b>108,242,494</b>	<b>139,538,152</b>	<b>247,780,646</b>

## 2023

	Retained Earnings \$	Asset Revaluation Surplus \$	Total \$
<b>Balance at 1 July 2022</b>	<b>83,799,745</b>	<b>144,088,286</b>	<b>227,888,031</b>
Net Surplus for the period	1,099,163	-	1,099,163
Impairment loss on leasehold land and buildings	-	(76,490)	(76,490)
Transfer of revaluation increment for assets disposed	20,353,478	(20,353,478)	-
<b>Balance at 30 June 2023</b>	<b>105,252,386</b>	<b>123,658,318</b>	<b>228,910,704</b>

The accompanying notes form part of these financial statements.



# Statement of Cash Flows

For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	8,228,900	9,575,616
Payments to suppliers and employees	(9,661,313)	(6,575,275)
Interest received	639,055	492,340
Interest and lease interest paid	(83,482)	(171,556)
Grant Funding	62,091	31,554
Net cash provided by/(used in) operating activities	<u>(\$814,749)</u>	<u>3,352,679</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment income received	1,168,002	714,219
Payments for other financial assets	-	(24,926,834)
Proceeds from sale of property, plant and equipment	1,192,144	-
Payments for property, plant and equipment	(3,372,135)	(1,830,781)
Payment for intangible asset	(7,157)	-
Net cash provided by/(used in) investing activities	<u>(1,019,146)</u>	<u>(26,043,396)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Lease liabilities principal paid	(198,089)	(194,557)
Repayment of loans	-	(1,042,000)
Net cash provided by/(used in) financing activities	<u>(198,089)</u>	<u>(1,236,557)</u>
Net increase/(decrease) in cash and cash equivalents held	<b>(2,031,984)</b>	(23,927,274)
Cash and cash equivalents at beginning of year	<u>15,812,937</u>	<u>39,740,211</u>
Cash and cash equivalents at end of financial year	7 <u>13,780,953</u>	<u>15,812,937</u>

The accompanying notes form part of these financial statements.

# Notes to the Financial Statements

## For the Year Ended 30 June 2024

The financial report covers Community Housing Canberra Limited and Controlled Entities as a group entity. Community Housing Canberra Limited and Controlled Entities is a not-for-profit Group, registered and domiciled in Australia.

The functional and presentation currency of Community Housing Canberra Limited and Controlled Entities is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

### Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Community Housing Canberra Ltd (as the parent entity) at the end of the reporting period. A controlled entity is an entity over which Community Housing Canberra Ltd has the power to govern the financial and operating policies so as to obtain benefits from its activities.

The controlled entities included in the consolidated financial statements are:

- CHC Strathnairn One Limited - 100% Subsidiary of the Parent Entity and
- CHC Phillip One Limited - 100% Subsidiary of the Parent Entity.

The controlled entities have minimal transactions during the financial year.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information relating to the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

## Notes to the Financial Statements for the Year Ended 30 June 2024

### Historical cost Convention

The financial statements are prepared on the basis of historical costs except for the following:

- ◆ Leasehold land and buildings are measured at fair value less accumulated depreciation on buildings and any impairment losses;
- ◆ Other financial assets are measured at fair value through the statement of income and expenditure;
- ◆ Right-of-use assets are measured at an amount equal to the remaining lease liabilities, less any impairment losses; and
- ◆ Lease liabilities related to the right-of-use assets, are measured at the present value of remaining lease payments over the remaining term of the lease.

The method used to measure the fair value of leasehold land and buildings, and other financial assets are discussed in Note 3. The financial statements have been prepared on a going concern basis.

## 2 Material Accounting Policy Information

### (a) Basis for consolidation

The financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

All controlled entities have the same financial year end as the parent.

### (b) Revenue and other income

The revenue is recognised in accordance with *AASB 15 Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of *AASB 1058 Income of Not-for-Profit Entities*.

#### Rental revenue

Rental revenue comprises the revenue earned from the provision of community and affordable housing to entities outside the Group. Rental revenue is recognised when the fee in respect of services falls due, which is typically on a weekly basis, in advance of the provision of housing. Each rental/tenancy agreement is an enforceable contract where the provision of housing is a performance obligation which is satisfied over time and where the customer has control of the performance obligation at the commencement of the contract when they are given access to the property. The Group's right to the rental payments is unconditional and is recognised

### Rental revenue - continued

as receivable. No contract liability is recognised for advance payment as the performance obligation has been satisfied on commencement of the contract and only the passage of time is required for revenue recognition.

### Development sales revenue

Development sales revenue comprises the revenue from the sale of leasehold land and buildings arising from development activities, is recognised on the date of settlement, net of any rebates or discounts. Each sale contract is an enforceable contract, and the performance obligation related to the customer taking control of the property is satisfied when settlement occurs, where the consideration is paid concurrently.

### Property management fees

Property management fees are recognised when the fee in respect of services falls due. Each management agreement is an enforceable contract where the provision of property management services is a performance obligation which is satisfied over time and where the customer has control of the performance obligation at the commencement of the contract, in that they are given the authority to instruct their property manager as required in managing their property. The Group's right to the management fee payments is unconditional and is recognised as a receivable. No contract liability is recognised in advance payment as the performance obligation has been satisfied on commencement of the contract and only the passage of time is required for revenue recognition.

### Grants and contributions

Grants and contributions are recognised in conjunction with *AASB 1058 Income of Not-for-Profit Entities*, where an asset or service is received for significantly less than fair value, the grant revenue is recognised immediately on receipt of the asset/services in the statement of comprehensive income, for the excess of the initial carrying amount of an asset over related amounts which may be recognised as the following:

- contributions by owners;
- revenue or contract liability arising from a contract with a customer;
- a lease liability;
- a financial instrument; or
- a provision.



## Notes to the Financial Statements for the Year Ended 30 June 2024

### Grants and contributions - continued

In respect of capital grants that meet the following conditions:

- the contract is enforceable;
- the financial assets are to be used to acquire or construct a non-financial asset which will be recognised on the Group's books, and
- the asset is not required to be transferred to any other party

A contract liability is recognised on receipt of funds and grant revenue is recognised as the asset is constructed or acquired. A contract asset is recognised if funds have been received in arrears.

A contract liability is the Group's obligation to transfer goods or services to a customer for which the consideration has been received (or an amount of consideration is due) from the customers.

A contract asset is the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer, which are subject to the fulfillment of other performance obligations and shall be assessed for impairment in accordance with *AASB 9 Financial Instruments*.

### (c) Income tax

The Group is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

### (d) Capital work in progress

Capital works in progress are projects that have been designated for retention by the Group on completion. The cost of self-constructed assets includes the cost of materials, direct costs for consultants, where relevant, the costs of dismantling and removing items and restoring the site on which they are located, and statutory costs applicable in the asset being fit for use.

The Group capitalises borrowing costs incurred on acquiring, constructing, or producing its capital works in progress.

Costs of capital works in progress are capitalized when it is probable that the future economic benefits embodied within the project will flow to the Group.

## Notes to the Financial Statements for the Year Ended 30 June 2024

### (e) Finance income and finance expenses

Finance income comprises interest income which is recorded in the statement of comprehensive income using the effective interest rate method. Dividend income is recorded in the statement of comprehensive income when the Group's right to receive payment is established.

Finance expenses comprise interest expense on borrowings, which is recorded in the statement of comprehensive income using the effective interest method.

### (f) Inventories

Inventory relates to costs of developments in progress that will be sold on completion to external parties. These costs include land and construction costs and borrowing costs associated with the developments. The Group capitalizes borrowing costs incurred on acquiring, constructing, or producing its inventory.

Inventory is measured at the lower cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. Transfers out of inventory for sale of development is recognised in the statement of comprehensive income as cost of developments sold.

Works in progress costs for inventory projects are recognised when it is probable that the future economic benefits embodied within the project will flow to the Group. Inventory is classified as a current asset when it is expected to be sold within one year and is differentiated between work in progress (under construction) and available for sale.

### (g) Property, plant and equipment

Each class of property, plant and equipment including Improvements, are initially measured at cost. After initial recognition plant and equipment is measured at historical cost less accumulated depreciation and accumulated impairment losses, while leasehold land and buildings are measured at fair value less accumulated depreciation and accumulated impairment losses.

Any property, plant and equipment donated to the Group or acquired for nominal cost is recorded at fair value at the date the Group obtains control of the assets.

Land purchased for development (which is not intended to be sold) is carried at cost under capital works in progress until completion of the capital works development.

Property, plant and equipment with a minimum value of \$1,000 is capitalised.

### Revaluation of leasehold land and building

Following initial recognition at cost, leasehold land and buildings are carried at a revalued amount which is the fair value at the date of revaluation less any subsequent accumulated depreciation on buildings and any subsequent accumulated impairment losses.

Fair value is measured using the market approach valuation technique. This approach uses prices and other relevant information generated by market transactions involving identical or similar assets.

The Group has adopted a policy of external independent revaluation of its housing portfolio every two years. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Leasehold land and buildings are treated as a class of assets. When the carrying amount of this class of assets is increased as a result of a revaluation, the increase is credited directly to the asset revaluation surplus, except where it reverses a revaluation decrement previously recognised in the statement of comprehensive income. When there is a reversal of a previous revaluation decrement through the statement of comprehensive income, the amount is credited to the statement of comprehensive Income. When the carrying amount of leasehold land and buildings is decreased as a result of a revaluation, the decrease is recognised against the available asset revaluation surplus. Where no asset revaluation surplus exists, the decrease is recognised in the statement of comprehensive income.

### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Years</b>
Buildings	20-43
Furniture, Fixtures and Fittings	10
Motor Vehicles	5-6
Computer Equipment	3
Office fit out	10
Equipment	5

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

### **Amortisation**

Amortisation is based on the cost of an intangible asset less its residual value. Amortisation is recorded in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, as this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Amortisation rates, methods and useful lives are reviewed at each reporting date and adjusted if appropriate. The useful life of intangible assets has been assessed for 2023-24 as 4 years (2022-23: 4 years).

### **Derecognition and disposal**

An item of property, plant and equipment is derecognized upon disposal, when the item is no longer used in the operations of the Group or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognized. Any part of the asset revaluation surplus attributable to the asset disposed of or derecognized is transferred to retained earnings at the date of disposal.

## **(h) Financial instruments**

### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification*

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through income or expenditure – FVTIE

#### *Amortised cost*

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

#### *Fair value through income or expenditure*

These investments are carried at fair value with changes in fair value recognised in the statement of comprehensive income.



**Financial assets (including receivables)**

A financial asset not carried at fair value through income or expenditure is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recorded as an expense in the statement of comprehensive income. When a subsequent event causes the amount of impairment loss to decrease, the decrease in the impairment loss is recorded in the statement of comprehensive income.

In assessing impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

**Other financial assets**

Other financial assets are measured at fair value through the statement of comprehensive income.

**Non-financial assets**

The Group, at each reporting date, assesses whether there is an indication that its non-financial assets (property, plant and equipment, intangible assets and capital works in progress) are impaired, with recoverable amounts being estimates when events or changes in circumstances indicate that the carrying value may be impaired, where the carrying amount of an asset exceeds its estimated recoverable amount.

An asset's 'value in use' is its depreciated replacement cost, where the asset would be replaced if the Group was deprived of it. The recoverable amount is the greater of the fair value less costs to sell and value in use.

For plant and equipment, intangible assets and capital works in progress, an impairment loss is recorded in the statement of comprehensive income. However, as leasehold land and buildings are measured at fair value, impairment losses are recorded directly to the asset revaluation reserve. Where the impairment loss exceeds the balance of the asset revaluation reserve for that class of assets, the difference is recognised as an expense in the Statement of Comprehensive Income.

### Non-financial assets - continued

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Non-financial assets that have been impaired are reviewed for possible reversal of impairment at each reporting date.

### Financial liabilities

Loans and borrowings represent financial liabilities incurred by the Group, which are initially recognised as fair value and subsequently measured at amortized cost.

#### (i) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is evidence of an impairment indicator for non-financial assets, where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

#### (j) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured in cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, Initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land Rent Lease as part of housing stock - Not applicable
- Land Rent Lease as part of development stock - Not applicable
- Office Equipment - 4 years

## Notes to the Financial Statements for the Year Ended 30 June 2024

### Right-of-us assets - continued

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

### Adoption of short term leases or low value asset exception

#### *Exceptions to lease accounting*

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less than any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments include the exercise price of a purchase option if it is reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the subsequent carrying amount of lease liabilities is reassessed if there is a modification, a change in the lease term, a change in the lease payments from changes to future payments resulting from a change in an index or rate used to determine such lease payments or a change in the assessment of an option to purchase the underlying asset.

### Sub-leases

Sub-leases in which do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in the statement of comprehensive income.

**(k) Employee benefits**

Employee benefits comprise wages and salaries, annual and long service leave, and contributions to superannuation.

**Short term benefits**

Liabilities for employee entitlements to wages, salaries, superannuation and annual leave that are expected to be settled wholly within 12 months of the reporting date are measured at undiscounted amounts based on remuneration rates the Group expects to pay when the obligation is settled.

**Long term benefits**

The Group's obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to estimate its present value.

Provisions for employee benefits payable after 12 months from the reporting date are estimated based on future wage and salary levels, experience of employee departures, and periods of service, as disclosed in Note 17.

Long service leave: the long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of seven years of qualifying service and employees who have reached 5-7 years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave. Long service leave benefits are recognised as either current or non-current liabilities based on whether they are payable within or after 12 months from the reporting date.

**Superannuation**

Employees are subject to the Superannuation Choice arrangements. The Group's default fund is Australian Super. Employees who choose to join Australian Super or other eligible funds have a superannuation guarantee contribution paid into their nominated funds. Contributions are recognised as an expense in the statement of comprehensive income when they are due.

**(l) Provisions**

A Provision is recognised if, because of a past event, the Group has a present (legal or constructive) obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected cash flows that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.



## Notes to the Financial Statements for the Year Ended 30 June 2024

### (l) Provisions - continued

Provisions are recognised in relation to construction projects where the Group is contractually allowed to withhold part of the payment of construction costs, up to a pre-agreed amount, as recourse in the event of unsatisfactory completion of works. Upon satisfactory completion of works, payment is made, and the provisions are reversed.

### 3 Fair Value Measurement

A number of the Group's accounting policies and disclosures require the determination of fair value, for financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the methods described below and reflect 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. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

#### (a) Financial assets

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	represents fair value measurements that reflect unadjusted quoted market prices in active markets.
Level 2	represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The Group has only the following financial assets measured at fair value based on Level 1:

	2024	2023
	\$	\$
Other financial assets - Current	24,690,491	22,564,384
Other financial assets - Non- Current	3,009,661	3,049,111

#### (b) Non-financial assets - property, plant and equipment

The fair value of property (leasehold land and buildings) is measured using the market approach valuation technique. This approach uses prices and other relevant information generated by market transactions involving identical or similar assets.

**(b) Non-financial assets - property, plant and equipment - continued**

In accordance with Group policy, a revaluation of the entire class of leasehold land and buildings occurs every two years. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Valuations are conducted by an external independent qualified valuer. The last valuation was conducted effective at 30 June 2024.

The following table discloses non-financial assets measured at fair value:

	<b>2024</b>	2023
	\$	\$
Property, plant and equipment		
Net fair value of leasehold land and buildings	<b>197,661,694</b>	183,656,802

**4 Critical Accounting Estimates and Judgments**

Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

**Key estimates - impairment of property, plant and equipment**

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

**Key estimates - fair value of financial instruments**

The Group has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

## Notes to the Financial Statements for the Year Ended 30 June 2024

### Key estimates - revenue recognition - long term contracts

The Group undertakes long-term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

### Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

### Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

## 5 Revenue and Other Income

### (a) Revenue from continuing operations

	2024	2023
	\$	\$
- Development sales revenue	-	295,318
- Property Management fees	1,587,009	1,296,476
- Investment income	1,318,407	922,255
- Rental revenue	7,595,847	7,335,858
- Finance income	639,055	492,340
- Grant income	62,091	55,188
- Other income	136,272	63,642
- Other investment income	660,153	458,565
<b>Total Revenue</b>	<b>11,998,834</b>	<b>10,919,642</b>

### (b) Revenue - Notes

1. Rental revenue from tenants include annual National Affordable Scheme (NRAS) subsidies provided by the Australian Government through the Department of Social Services (DSS) and SDA payments through the National Disability Insurance Scheme (NDIS).

**(b) Revenue - Notes - continued**

2. Property management fees relate to fee-for-service revenue earned from the tenancy and property management of third-party properties. This includes fees derived from the Group's HomeGround Real Estate Canberra business, which includes strata services, the Management Agreement with the Territory to manage properties transferred to fully extinguish the Group's ACT Government loans and from the Common Ground Dickson (CGD) Agreements to manage the site. CGD fees are net of contracted expenses paid in the provision of services as part of the contract price.

**6 Expenses**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Administrative expenses</b>		
Audit and accounting fees	<b>65,010</b>	70,830
Director's fees	<b>101,679</b>	97,926
Information technology	<b>289,303</b>	256,363
Professional services	<b>328,343</b>	197,256
Other administrative expenses	<b>726,018</b>	751,930
	<b>1,510,353</b>	1,374,305
<b>Employee benefit expenses</b>		
Salaries and Wages	<b>2,674,306</b>	2,301,151
Superannuation contributions	<b>324,987</b>	259,846
Provision for annual and long service leave	<b>302,998</b>	314,649
Other employee expenses	<b>187,900</b>	155,757
	<b>3,490,191</b>	3,031,403
<b>Depreciation and amortisation</b>		
Depreciation	<b>2,439,475</b>	2,471,375
Depreciation of right -of-use assets	<b>2,674</b>	4,333
Amortisation	<b>170,663</b>	271,670
	<b>2,612,812</b>	2,747,378

As at 30 June 2024, the Group has 36 staff (2022-23: 30). This included 2 staff hired specifically to provide Tenancy and Property Management Services to Common Ground Dickson. The increase in employee expenses is due to an increase in the number of employees during the current year and also due to a slower rate of wage capitalisation to projects and the Group's annual increments as defined by the CHC Enterprise Agreement.



## Notes to the Financial Statements for the Year Ended 30 June 2024

### Expenses - Notes

Asset Management expenses relate to property expenses and repairs and maintenance work undertaken on affordable and rebated rental properties throughout the year

Professional service expenses relate to professional legal, consulting and accounting Fees incurred in relation to development projects, financial reponing and operational processes.

Other administration expenses relate to office expenses and other operating expenses like insurance, repair and maintenance and travel related expenses.

### 7 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash on hand	500	500
Bank balances	13,474,607	15,130,136
Short-term deposits*	305,846	682,301
	<u>13,780,953</u>	<u>15,812,937</u>

\*Relates to the cash accounts held with external fund managers of the Group's managed investment portfolios.

### 8 Trade and Other Receivables

#### CURRENT

Trade receivables	364,651	309,692
Provision for impairment	(80,000)	(80,000)
	<u>284,651</u>	<u>229,692</u>
GST receivable	77,565	2,244
Other receivables	27,287	18,113
	<u>389,503</u>	<u>250,049</u>

Trade debtors are comprised of rent and non-rent charges from tenants of \$364,651 (2022-23: \$309,692) of which \$107,081 (2022-23: \$177,660) is considered overdue (30 days+).

## Notes to the Financial Statements for the Year Ended 30 June 2024

### 9 Other Financial Assets

	2024	2023
	\$	\$
<b>CURRENT</b>		
Other financial asset - at fair value	<b>24,690,491</b>	22,564,384
	<b>24,690,491</b>	22,564,384
<b>NON-CURRENT</b>		
Other financial asset - at fair value	<b>3,009,661</b>	3,049,111
	<b>3,009,661</b>	3,049,111
<b>TOTAL OTHER FINANCIAL ASSETS</b>	<b>27,700,152</b>	25,613,495

These relate to the Group's funds that are not required in the short-term but will be required for future development or partnership opportunities, invested in 2 managed investment portfolios, with a mix of fixed interest securities, Australian shares, international shares and other managed funds. All investment income derived from these assets are used to further the Group's mission to provide affordable housing.

### 10 Inventories

#### CURRENT

Property under construction for sale - Strathnairn	<b>3,474,875</b>	-
	<b>3,474,875</b>	-

### 11 Property, Plant and Equipment

<b>Leasehold Land and Buildings</b>		
Fair value	<b>197,668,416</b>	185,827,725
Accumulated depreciation	<b>(6,722)</b>	(2,170,923)
	<b>197,661,694</b>	183,656,802
<b>Capital works in progress</b>		
Developments - land and construction costs	<b>3,874,920</b>	1,546,291
IT system upgrade	-	99,301
	<b>3,874,920</b>	1,645,592
<b>Plant and equipment</b>		
At cost	<b>3,076,693</b>	2,434,421
Accumulated depreciation	<b>(1,757,672)</b>	(1,509,756)
	<b>1,319,021</b>	924,665
<b>Total property, plant and equipment</b>	<b>202,855,635</b>	186,227,059

## Notes to the Financial Statements for the Year Ended 30 June 2024

### (a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	<b>Capital Works in Progress</b>	<b>Leasehold Land and Buildings at fair value</b>	<b>Plant and Equipment at cost</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Year ended 30 June 2024</b>				
Balance at the beginning of year	1,645,593	183,656,802	924,664	186,227,059
Additions	2,624,743	395,416	648,091	3,668,250
Transferred to Land & Buildings	(395,416)			(395,416)
Disposals	-	(1,240,000)	(5,818)	(1,245,818)
Depreciation expense	-	(2,189,309)	(250,166)	(2,439,475)
Revaluation increase	-	17,023,898	-	17,023,898
Write back of accumulated depreciation on disposals	-	14,887	2,250	17,137
<b>Balance at the end of the year</b>	<b>3,874,920</b>	<b>197,661,694</b>	<b>1,319,021</b>	<b>202,855,635</b>

### (b) Property, plant and equipment - Notes

Capital work in progress relates to development projects for supported housing in Scullin, Taylor, Stirling, Wanniasa and Whitlam for 2023-24. These will be retained as part of the Group's affordable rental portfolio.

All Leasehold Land and Buildings are located in the Australian Capital Territory. The land is held under a renewable 99-year crown lease.

## 12 Intangible Assets

	2024	2023
	\$	\$
<b>Computer software</b>		
Cost	1,315,911	1,308,754
Accumulated amortisation and impairment	(1,309,471)	(1,163,606)
	<u>6,440</u>	<u>145,148</u>
<b>Website</b>		
Cost	99,193	99,193
Accumulated amortisation and impairment	(92,942)	(68,144)
	<u>6,251</u>	<u>31,049</u>
<b>Total Intangible assets</b>	<u><u>12,691</u></u>	<u><u>176,197</u></u>

## Notes to the Financial Statements for the Year Ended 30 June 2024

### Movements in carrying amounts of intangible assets

	Website \$	Computer software \$	Total \$
<b>Year ended 30 June 2024</b>			
Balance at the beginning of the year	31,049	145,148	176,197
Additions	-	7,157	7,157
Amortisation	(24,798)	(145,865)	(170,663)
<b>Closing value at 30 June 2024</b>	<b>6,251</b>	<b>6,440</b>	<b>12,691</b>

### 13 Leases

The Group has the following leases with the respective lease terms:

- Land Rent Lease under the ACT Land Rent Scheme held as part of housing stock (LRHS)- Lease term 90-95 years
- Office Equipment - 4 years

The Group has elected to measure the right of use assets arising from the concessionary leases at cost which is based on the associated lease liability.

#### Right-of-use assets

	LRHS \$	Office Equipment \$	Total \$
<b>Year ended 30 June 2024</b>			
Balance at beginning of year	5,164,505	-	5,164,505
Lease remeasurement adjustment	309,966	-	309,966
Additions to right-of-use assets	-	16,043	16,043
Impairment of right-of-use assets	-	(2,674)	(2,674)
<b>Balance at end of year</b>	<b>5,474,471</b>	<b>13,369</b>	<b>5,487,840</b>



## Notes to the Financial Statements for the Year Ended 30 June 2024

### Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	> 5 years \$	Lease liabilities included in this Statement Of Financial Position \$
<b>2024</b>				
Lease liabilities	201,696	1,189,115	2,719,179	4,109,990
<b>2023</b>				
Lease liabilities	195,097	1,158,903	2,628,681	3,982,681

### Statement of Comprehensive Income

The amounts recognised in the statement of comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2024 \$	2023 \$
Depreciation of right to use asset	2,674	4,333
Interest on lease liabilities	83,482	80,796
	<u>86,156</u>	<u>85,129</u>

## 14 Trade and Other Payables

### CURRENT

Trade payables	668,672	136,493
Sundry payables	56,327	44,333
Accrued expense	1,121,150	339,334
	<u>1,846,149</u>	<u>520,160</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Accrued expenses largely relates to accrued construction costs and audit fees for the PKF Canberra for the audit of the financial statements.

## Notes to the Financial Statements for the Year Ended 30 June 2024

### 15 Provisions

	2024	2023
	\$	\$
CURRENT		
Project retention provision	81,593	23,606
	<u>81,593</u>	<u>23,606</u>

Provisions made and used during the year relate to funds retained by the Group against individual construction invoices, calculated as a percentage of total contract price on construction projects, which are held as recourse in the event of unsatisfactory completion of works. These funds are paid to the construction contractor upon reaching specified milestones following completion of the project, (see Note 2(l)).

### 16 Other Financial Liabilities

#### CURRENT

Amounts received in advance	151,696	210,481
	<u>151,696</u>	<u>210,481</u>

Income received in advance relates to advance payments by tenants.

### 17 Employee Benefits

Current liabilities		
Long service leave	240,235	211,097
Annual leave	254,902	287,785
	<u>495,137</u>	<u>498,882</u>

No provision is made for employees with less than minimum period of qualifying service per Note 2(k) and the probability that these employees will reach the minimum period is considered to be Nil (2023: Nil) and for employees who have reached 5- 7 years, probability is considered to be 97% (2023: 97%).

## Notes to the Financial Statements for the Year Ended 30 June 2024

### 18 Financial Risk Management

	2024	2023
	\$	\$
<b>Financial assets</b>		
Held at amortised cost		
Cash and cash equivalents	13,780,953	15,812,937
Trade and other receivables	389,503	250,049
Other Financial assets	27,700,152	25,613,495
<b>Total financial assets</b>	<u>41,870,608</u>	41,676,481
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	1,846,149	520,160
<b>Total financial liabilities</b>	<u>1,846,149</u>	520,160

### 19 Members' Guarantee

The Group companies are registered with the *Australian Charities and Not-for-profits Commission Act 2012* and limited by guarantee. If the companies in the Group are wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Group. On 30 June 2024 the number of members was 14 (2023: 15).

### 20 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Group is **\$1,031,050** (2023: \$847,466).

Key Management personnel executives are as follows:

Mr. Andrew Hannan	Chief Executive Officer
Ms. Vicki Williams	Chief Commercial Officer (Appointed on 6 October 2023)
Ms. Megan Ward	Chief Operating Officer (Resigned from 31 July 2024)
Ms. Fiona Dearden	Head of people/Company Secretary
Mr. Michael Montelibano	Chief Financial Officer (Resigned 6 October 2023)

### 21 Auditors' Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor – ACT Audit Office	-	70,830
Remuneration of the auditor – PKF Canberra - auditing or reviewing the financial statements	55,000	-
<b>Total</b>	<u>55,000</u>	<u>70,830</u>

## Notes to the Financial Statements for the Year Ended 30 June 2024

### 22 Commitments and Contingencies

In the opinion of Directors, the Group did not have any contingencies on 30 June 2024 (30 June 2023: None). The Group has the following capital expenditure commitments totaling \$1,532,434 (2023: \$192,967) on 30 June 2024. These commitments relate to:

Project	Cost Type	2024	2023
		\$	\$
Holt Secondary Residence	Construction	-	192,967
Taylor - Multi Unit Development	Construction	<b>1,376,374</b>	-
Wanniassa - Dual Occupancy Development	Construction	<b>156,060</b>	-
<b>Total Capital Expenditure Commitments</b>		<b>1,532,434</b>	<b>192,967</b>

**(a) The Group's main related parties are as follows:**

The Key management personnel include Non-executive directors and Executives.

Key management personnel for Executives - refer to Note 20.

**(b) Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to other parties unless otherwise stated.

The following transactions occurred with Non-executive directors

	2024	2023
	\$	\$
Mr. Paul Green	<b>30,000</b>	33,150
Ms. Cathi Moore	<b>10,000</b>	11,050
Ms. Clare Wall	<b>10,000</b>	11,050
Mr. Paul Carmody (Resigned on 5/12/2023)	<b>5,000</b>	11,050
Ms. Jill Divorty	<b>10,000</b>	11,150
Mr. James Douglas	<b>10,000</b>	11,050
Ms. Alice Tay	<b>10,000</b>	11,050
Mr Hal Pawson	<b>10,000</b>	5,525
Mr. Calvin Robinson	<b>2,090</b>	-
Ms. Maria Edwards	<b>2,090</b>	-
Mr. Simon Butt (Appointed on 27/5/2024)	<b>833</b>	-
Ms. Haleh Homaei (Appointed on 25/5/2024)	<b>833</b>	-
Mr. Brian Ferreira (Appointed on 3/6/2024)	<b>833</b>	-
	<b>101,679</b>	104,975



### **Lexmerca Lawyers**

Mr Paul Green joined Lexmerca Lawyers in 2019 and was employed as a consultant but retired in January 2023. Legal services provided during the year is \$Nil (2023: \$115,820).

### **Community Housing Industry Association (CHIA)**

Megan Ward, the Company's Chief Operating Officer, was appointed to be the ACT Chair of the CHIA from November 2022 until July 2024.

CHIA is the peak organization for Community Housing Providers across Australia and lobbies State and Federal governments with respect to affordable housing outcomes for those most vulnerable in Australian society.

### **Real Mastery Consulting**

Mr. James Douglas is the spouse of the director of Real Mastery Consulting who provides consultancy services to the company in relation to its Home Ground Real Estate Canberra business and since his appointment during the year, Real Mastery Consulting has provided services totaling \$1,240 (2023: \$Nil). The director was not involved with the procurement process. Real Mastery Consulting was contracted to provide services prior to the appointment of the director.

## **24 Events After the End of the Reporting Period**

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

## **25 Statutory Information**

The registered office and principal place of business of the Group is:

Community Housing Canberra Limited  
224/29 Braybrooke Street  
Bruce, ACT 2617

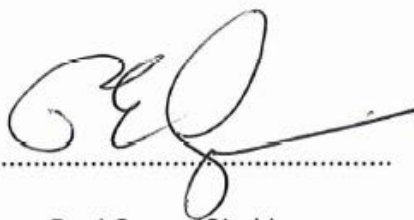
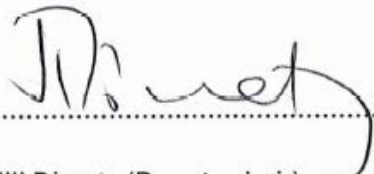
# Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and

the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

 Director: .....	 Director: .....
Paul Green (Chair)	Jill Divorty (Deputy chair)

Dated this **1<sup>st</sup> day of November 2024**

# Independent Audit Report

## Independent Auditor's Report to the members of Community Housing Canberra Limited and Controlled Entities

### Opinion

We have audited the financial report of Community Housing Canberra Limited and Controlled Entities (the registered entity), which comprises the statement of financial position as at 30 June 2024, 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 statements, including a summary of material accounting policy information, and the responsible persons' declaration.

In our opinion, the accompanying financial report of Community Housing Canberra Limited and Controlled Entities 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 2024 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

### 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 (including Independence Standards)* (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.

### Information other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

### Community Housing Canberra Limited and Controlled Entities

PKF Canberra is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

Our opinion on the financial report does not cover the other information and accordingly, the auditor does not and will not express an audit opinion or 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 the Directors for the Financial Report**

The directors are the responsible persons of the registered entity and are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* the ACNC Act and for such internal control as the directors 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, the directors 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 directors either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

### **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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of



expressing an opinion on the effectiveness of the registered entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
PKF Canberra

  
**Ross Di Bartolo**  
Registered Company Auditor No. - 405  
Senior Partner

**Dated: 1 November 2024**





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