

# Aboriginal Housing Victoria

# ANNUAL REPORT 2015-2016



Aboriginal Housing Victoria



*Commissioned by former Aboriginal Housing Board CEO, Bev Murray in 1995.*

## **Lyn Thorpe - The design and symbolic meanings to complimentary artwork 2**

---

The sunrays represent nurturing and cultivating the appropriate strengths and cultural practices that are needed to enable sustainable quality housing to flourish and grow for Aboriginal people in Victoria.

The houses, the trees, the mountains and the rivers that flow, are all symbols of our ongoing connection to our Country and Ancestors, to our past, present and future generations yet to come. The tracks that connect these houses reflect many Aboriginal families' interconnection to each other and to their respective communities.

Cover photos: AHV tenants (from top) Alma Thorpe, (middle) Christine Carmody\*, (bottom) Margaret McNally

*\* Photo given to AHV with permission from ABC online.*



# Vision

---

That Aboriginal Victorians secure appropriate, affordable housing as a pathway to better lives and stronger communities.

# Values

---

- Respect and support for Aboriginal identity and culture, and for our tenants and stakeholders.
- Striving for excellence through our leadership in Aboriginal housing and best practice service delivery
- Integrity, trust and honesty in all our business activities
- Collaborative relationships with our community, tenants, government and stakeholders
- Kindness, compassion, courtesy and dignity in our relationships with our clients, stakeholders and each other.

The right to housing is recognised in a number of international human rights statutes because it is integral to achieving an adequate standard of living. Appropriate, secure and affordable housing is fundamental to people's ability to better their lives and strengthen their communities.

Without stable, secure and appropriate housing it is difficult for children to participate in education, for people to find and retain work, to live a healthy life and to avoid negative contact with the criminal justice system. Serious social issues such as child neglect and abuse and family violence are almost impossible to address in the absence of adequate housing. Family reunification, particularly where children are in out of home care is dependent on secure, appropriate housing.



# Contents

---

Vision	3
Values	3
Chairperson's Report	6
CEO's Report	7
About Us	8
Organisation Chart	9
35 years towards self determination	10
Progress towards our Strategic Priorities	12
Our Year in a Snapshot	20
Our portfolio and waitlist	21
Our performance	24
Our staff	25
Governance	26
Financial Report for the Year Ended 30 June 2016	30
Our Supporters	50

# Chairperson's Report

---

It is with pride I present to you the 2015-16 Aboriginal Housing Victoria (AHV) Annual Report.

In my previous report I welcomed the Andrews Government's election commitment to work with AHV to achieve our long held aspiration of owning the 1,448 Department of Health and Human Services (DHHS) properties that we manage.

Over the past year we have worked closely with the Government and the Registrar of Housing to achieve our goal.

In December 2015 the Registrar confirmed that AHV meets the criteria for a Housing Association and that formal registration would take place after the asset transfer is finalised with DHHS. This is a major milestone in AHV's long journey to self determination. We have successfully demonstrated that we have the capacity, policies, processes, financial management and aptitude to manage and own a large portfolio of properties. What's more we have met these standards while holding on to our cultural values and the things that are dear to the heart of an Aboriginal organisation.

I am proud that in July 2016 AHV signed a Deed of Agreement with DHHS commencing the transfer of ownership of the first tranche of 511 metropolitan properties to our ownership. The second and third tranches of properties will transfer over the following two years.

We have clear plans for management and renewal of the houses that we own and over time we will be doing a far better job of providing housing that meets the needs of the community.

However the under-supply of social housing across Victoria remains a concern. The Victorian Aboriginal population is the second fastest growing in Australia, experiences profound disadvantage and AHV's waiting list continues to grow. At least a third of new applicants are experiencing family violence or homelessness. Their needs go beyond housing and AHV is now providing a more comprehensive set of supports for our most needy tenants. We know that a lot more needs to be done.

So 2015-16 has been a big step toward self determination for AHV, and we thank the Andrews Government's for their commitment to self determination for Victoria's Aboriginal people. The Minister for Aboriginal Affairs, Natalie Hutchins MP and Minister for Housing, Martin Foley MP, have been accessible to us and provided their support.

A special acknowledgement must go to the former Housing Registrar, Anthony Hardy, whose untimely passing is a great loss to the housing sector. Anthony had a deep understanding of the impact that colonialization had on our people and worked hard for reconciliation and self determination.

I would like to thank my fellow Board members Ian Hamm, Karen Milward, Owen Donald, Mark Lipson and Rob Leslie, and Alan Herrman, specialist assets management adviser to the Finance and Risk Committee for their constructive support. Jacki Turfrey resigned from the Board this year after nine years service and the AHV Board thanks Jacki for her service.

The Board and I are especially grateful to the CEO, Jenny Samms, the executive team and staff for their tireless work in improving services, working with the stakeholders and achieving both the transfer of housing stock and AHV's elevation to the ranks of Housing Association.

Lastly and most importantly I wish to express my appreciation for the support, advice and engagement of our tenants and community. You are the reason why AHV is here.



**Tim Chatfield**  
Chair

# CEO's Report

---

This year has been one of major achievement.

We are proud that we have met the criteria to become a Housing Association and we are looking forward to the opportunities that arise from ownership of the Government properties we have been managing. The challenges in the coming year are great but we are well equipped to meet them.

As part of our application to become a Housing Association this year we reviewed all of our policies and prepared plans for management of our assets. We have established a Strategic Assets Unit which will lead the management of the property portfolio, including development, acquisition and disposal of housing units. Jefa Greenaway, Victoria's first registered Aboriginal architect has led community consultation on the design principles which will be incorporated into our future property developments. The number of houses in our portfolio will also gradually increase and the size and design of houses will be better aligned with community need.

When we own our properties we will be better able to develop pathways to home ownership for those of our tenants who have the financial capacity and aspiration to purchase a house. We will also be able to undertake new property developments that meet special needs such as properties for elders or the provision of affordable housing.

However, many of our tenants experience complex and multiple disadvantages. Homelessness, family violence, mental health issues and substance abuse are far more prevalent in the Aboriginal community and Aboriginal people seeking housing are in turn far more likely to experience these problems. There is more to a successful tenancy than provision of a house. People must have a way of tackling the issues that they are confronting and this means that support services must be available from the very start of the tenancy.

Housing is the basis for strong families and strong communities. Provision of 'wrap around' support for people at risk, who are either starting a tenancy or are struggling to maintain their tenancy is one of the best investments that can be made.

This year we introduced our Life Skills program in metropolitan Melbourne. Our two Life Skills workers work intensively with tenants to link them up with services and provide them with the support they need to manage their tenancies. We have funded this program from internal resources but at this stage we do not have the funds to extend it statewide.

The Royal Commission into Family Violence also recognised that a range of services are needed to assist with housing stability and financial security and in response the Victorian Government has made an initial investment in Flexible Support Packages for family violence victims. This is a good start and we are pleased that we are working in partnership with the government to ensure that the design of services is culturally appropriate and client centred.

AHV is proud of its achievements and we look forward to working together with our community to build an even better partnership into the future.

In finishing I would like to thank the Board for their leadership, staff for their hard work, the executive group for their dedication and courage and other Aboriginal organisations for working together to achieve better outcomes for all of the community.

The former Housing Registrar, Anthony Hardy provided guidance and support to us this past year and his untimely passing has left us all the poorer. I would like to provide special thanks to his office for continuing their work with us through this very sad time.

I would also like to thank the Minister for Housing and the Minister for Aboriginal Affairs for their interest and active support, and the Andrews' Government for its commitment to self determination for Victoria's Aboriginal people.



**Jenny Samms**  
CEO



# About Us

---

## Who we are:

AHV is proud of the history and culture of the Aboriginal people of Victoria it serves.

We are a not-for-profit registered Housing Agency and the largest non-government Aboriginal housing organisation in Australia.

Our 1,520 housing units provide affordable housing to over 4,000 low income Aboriginal and Torres Strait Islander Victorians across the state. Our housing services are targeted to those most in need of support. Through the provision of secure housing by an Aboriginal landlord, AHV helps strengthen and maintain Aboriginal communities and cultural ties.

## What we do:

We aim to help strengthen Aboriginal communities and cultural ties by creating, maintaining and sustaining tenancies to stem the cycle of poverty and disadvantage. Our clients are at the heart of our business. Acting as a responsible and innovative property owner and landlord, we deliver culturally safe services to the Victorian Aboriginal community. We work in partnership with other agencies where our tenants need special social supports. A high percentage – 90.5% – of our tenancies are maintained, which is exceptional given the unique and complex disadvantage experienced by many of our tenants.

## How we do it:

- AHV provides high quality, one stop shop service delivery to our tenants. A single point of contact takes clients directly to a person who is trained across tenancy, housing application and maintenance issues.
- We listen to our tenants. AHV continues to hold community meetings and participate in community events, so that we can hear first hand from our tenants about ways we can work to continuously improve our services and provide the support our tenants need.
- We partner with service providers across the sector to ensure our tenants are linked into the services they need to manage their affairs.

- We ensure our employees receive regular training in culturally appropriate practice and support functions so that they can meet the distinctive needs of our tenants, their families and the community.

## Our Staff:

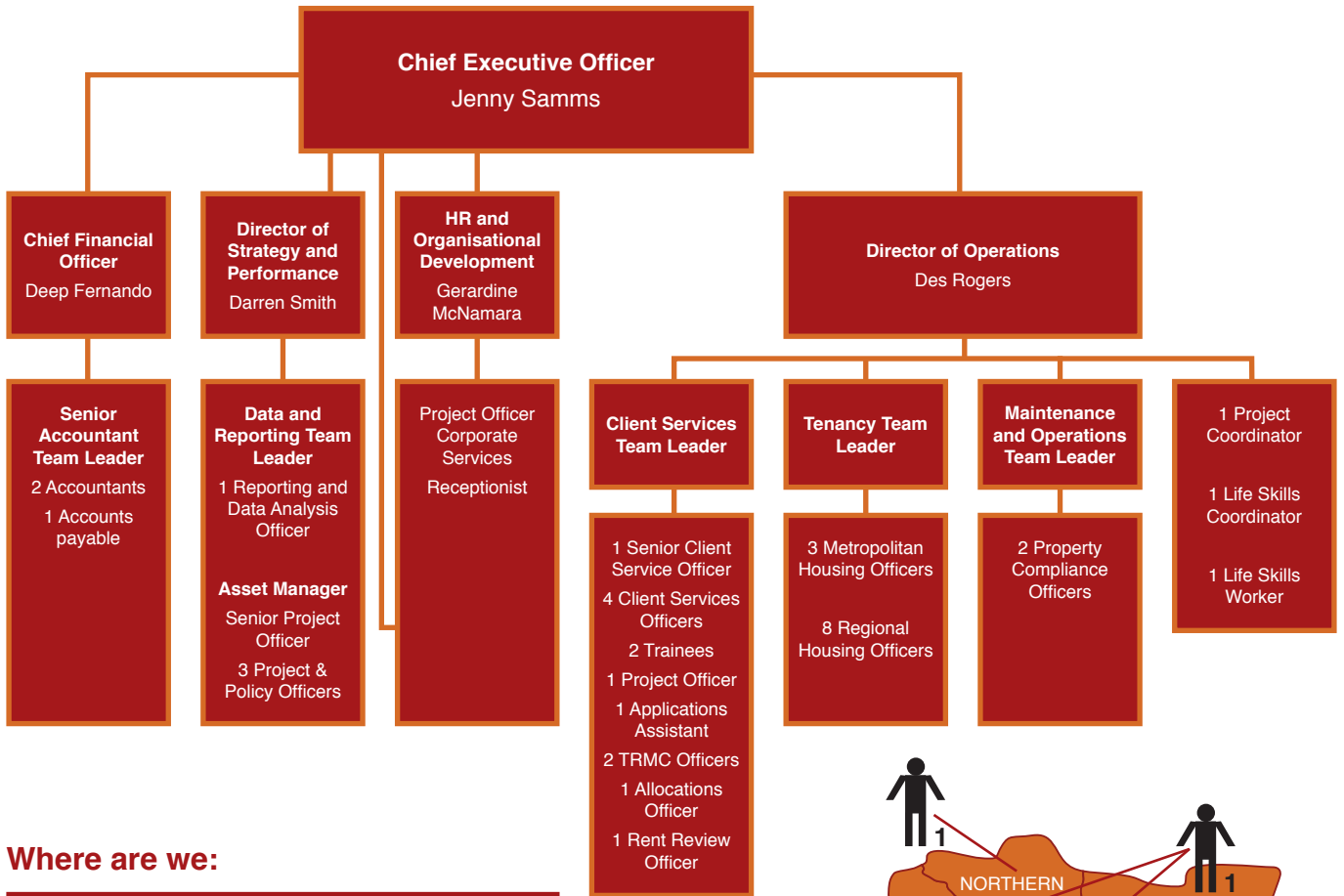
AHV's organisation structure reflects our commitment to provide:

- culturally appropriate, consistent client centred service delivery which seeks to sustain tenancies;
- management of assets in a way which supports the long term sustainability of the housing portfolio and ensures housing assets remain relevant to the needs of Aboriginal Victoria;
- policy leadership and advocacy on Aboriginal housing issues in Victoria;
- good governance with a systematic approach to financial management and integration of risk management into all aspects of the organisation's operations.

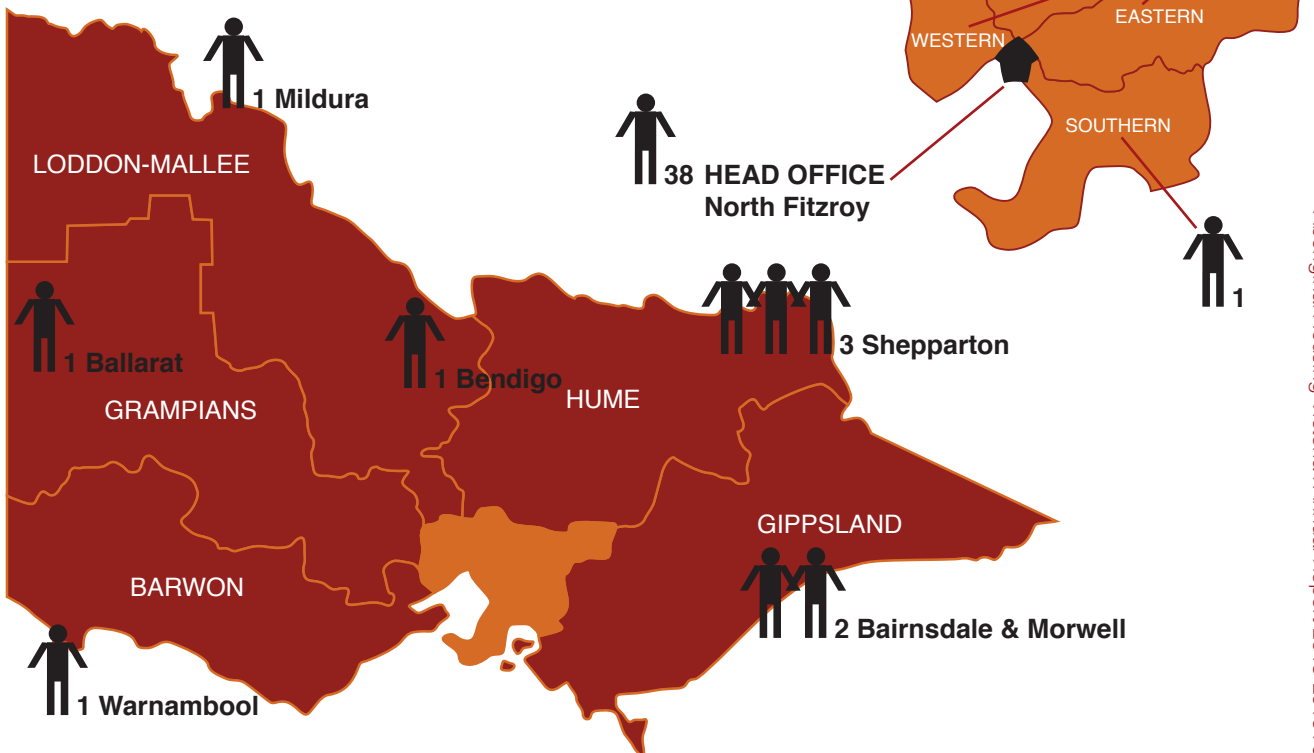
The structure is comprised of the operations team, the strategy and performance team, the finance team and corporate services. Operations includes client services, tenancy and maintenance which provide the front line services to our tenants. The majority of AHV staff are employed in operations and are located in Melbourne with a number of staff located in regional offices across Victoria. The strategy and performance team ensure we meet our reporting and compliance obligations, manage our assets strategically, lead policy and strategy development, business planning and manage the advocacy function. The finance team focuses on governance, managing the budget and finances and the risk management strategies. Corporate services provides a range of support services and includes the Human Resources and Organisational Development function. Aboriginal staff are 52% of all staff in AHV reflecting a focus on ensuring we recruit staff who fit with AHV values and better position AHV to deliver on its commitment to provide culturally safe services.



# Organisation Chart



## Where are we:



# 35 years towards self determination

A home is more than a house. A house provides physical shelter and a place to eat and sleep. A home is a place of safety and security. A place where dreams are nurtured, success is bred and set free on the wider world.

The founding elders of Aboriginal Housing Victoria understood the importance of self determination.

Victorian Aboriginal leaders knew all too well the discrimination endured by Aboriginal people and that too many were denied the right to adequate housing. Aboriginal families fortunate enough to secure public housing encountered difficulties in maintaining their housing, living with poor maintenance and the constant threat of rental arrears and eviction. Aboriginal leaders pursued the Ministry of Housing advocating for change, for better access and better treatment of Aboriginal tenants in public housing. At the same time they had the foresight to look to the future. As Auntie Patricia Ockwell recounted

*Aboriginal community members from around the state came together as a team and met over a two-year period to establish an organisation that not only manage housing, but would eventually obtain ownership of that housing<sup>1</sup>.*

The founding Elders understood that access to housing was not only a short term measure to ameliorate poverty but the means to escape it. They also understood that this vision would never be achieved until Aboriginal people owned the properties and controlled how housing services are delivered. Only then can discrimination be overcome and Aboriginal tenants receive culturally appropriate housing services.

Our vision is that Aboriginal Victorians secure appropriate, affordable housing as a pathway to better lives and stronger communities. We are loyal today to the belief that housing and self determination will create better lives for Aboriginal people.

<sup>1</sup> Speech to commemorate AHBV's 20th anniversary cited in Cahir, S. 2005, *More Bees with Honey: A History of The Aboriginal Housing Board of Victoria 1981 – 2004*, Aboriginal Housing Board Victoria, Fitzroy, pg 11.



June  
**1978**

First State Aboriginal Housing meeting held in Collingwood Steering Committee established

April  
**1981**

Inaugural meeting of the Aboriginal Housing Board of Victoria in Melbourne

June  
**1981**

Aboriginal Housing Board of Victoria (AHBV) established an office in Smith Street, Collingwood

September  
**1982**

First Annual General Meeting held in Northcote

First Annual Report produced and circulated

February  
**1987**

AHBV office moves to Gertrude Street, Fitzroy

November  
**1988**

Feasibility study on Future Ownership of the Aboriginal Housing Program endorsed in Mildura

# Progress towards our priorities

Our effort in the past year has focused on working to the plan to achieve ownership of the Director of Housing properties we manage. The Strategic Plan sets out our priorities as follows:

**Priority 1** Growing our housing supply through acquisitions, disposals and development of our asset base to ensure AHV has a viable, growing social housing portfolio that increases in value and quantity

**Priority 2** Strengthening governance, probity and viability to manage the more complex business of a Housing Association and property owner

**Priority 3** Improving organisational capability to manage and maintain a viable growing social housing portfolio

**Priority 4** Improving the quality of services delivered by Aboriginal Housing Victoria and operational responsiveness to strategic issues

**Priority 5** Building better relationships with our Aboriginal clients and Victorian Aboriginal communities

**Priority 6** Strengthening partnerships with government, the housing and community sector and corporate bodies



August  
**1993**

AHVB receives ownership of 4 rental properties purchased out of ATSIC funds

February  
**1995**

Board transfers to new office premises at Scotchmer Street, North Fitzroy

**2008 - 2010**

Aboriginal Housing Victoria (AHV) becomes landlord (tenancy agreement with the Director of Housing) for Aboriginal public tenants who choose to transfer

June  
**2009**

Aboriginal Housing Victoria registered as a Housing Provider

July  
**2016**

Housing Registrar registers AHV as a Housing Association

Transfer of title to AHV formalised and begins with transfer of ownership of first 511 properties



## Strategic Priority 1

# We are taking the steps now so that we can grow AHV's housing portfolio in the future



*Growing our housing supply through acquisitions, disposals and development of our asset base to ensure AHV has a viable, growing social housing portfolio that increases in value and quantity.*

Aboriginal demand for social housing will continue to grow as Aboriginal population growth in Victoria continues to outstrip the general population. AHV is only able to increase housing supply to meet future demand if AHV owns the properties. AHV devoted significant time throughout the year to progressing negotiations to transfer ownership to AHV of Director of Housing owned properties managed by AHV. Agreement to transfer 1,448 properties to AHV was formalised in July 2016.

Ownership of the properties requires asset management to maintain existing houses and build new houses. During this year AHV developed an Asset Management Strategy and a Long Term Asset Management Plan setting out the framework for asset decision making, planning and delivery. It sets out how we plan

## CASE STUDY

### Cultural Design Principle workshops

Jefa Greenaway, Victoria's first registered Aboriginal architect led a series of cultural design principle workshops for AHV across the state, in both metropolitan and regional locations. This one was held at the Aboriginal Advancement League to consult with metropolitan tenants. The diagram shows the 7 guiding design principles that were the most important factors in housing for Aboriginal tenants. The AHV Board also included disability standards as a key consideration.

and deliver repairs, maintenance and renewal of existing properties, disposal and redevelopment of old and tired properties and acquisition and development of new properties. We want our houses to be culturally responsive and to meet our tenant needs. We consulted with tenants and community members to develop design principles that will inform how we build new houses. We commenced our development program by buying land and new houses in the outer north and western suburbs of Melbourne where demand is high.

More housing means reduced waiting times and less time living in inappropriate or unaffordable conditions. Providing increased diversity of housing types will assist AHV to meet the many and varied needs of Aboriginal people and their families in Victoria.





---

## We demonstrated strong governance and long term financial viability which is an essential pre-condition to transfer of title

---

### *Strengthening governance, probity and visibility to manage the more complex business of a Housing Association and property owner.*

We are committed to achieving AHV's long term aspiration of self determination through ownership and control over the properties we manage.

The Director of Housing and the Housing Registrar both agreed that before title transfer can proceed it is essential that AHV is registered as a housing association. Ownership of a portfolio of over 1520 properties requires more complex and risky business activities than management of a similar size portfolio. Under Victoria's regulatory scheme for housing agencies, under the *Housing Act 1983*, housing associations undertake more complex and greater scale business activities than housing providers.

We invested significant effort through the year to becoming a housing association. We prepared and submitted an application seeking registration as a housing association. The application addressed the Housing Registrar's primary concern whether AHV could remain financially viable given the maintenance liabilities of the Director's ageing and deteriorating properties. We developed a strategic asset management approach based on asset recycling. Predictive renewal modelling techniques were adopted to produce maintenance and capital expenditure forecasts which were incorporated in long term financial projections.

We also engaged the Australian Institute of Company Directors to review our Board governance and processes. The results confirmed that our governance is strong and provided us with solid feedback to inform our process of development and improvement.

---

AHV tenant Cheryl Calgaret is happy living in her property and appreciates the support that she gets from AHV to help her and her family to sustain their tenancy with AHV.

---

We rigorously reviewed and updated AHV's existing policies, systems and practices demonstrating that we have strong governance, management and financial capability and meet performance standards expected of a housing association.

We were granted registration as a Housing Association by the Housing Registrar subject to title transfer proceeding.

---

AHV Chair, Tim Chatfield, with the former Housing Registrar, the late Anthony Hardy and Fiona Williams, the Director of Property and Asset Services from Department of Health & Human Services cutting the cake to celebrate AHV becoming the first Aboriginal Housing Association in Victoria.

---



### Strategic Priority 3

---

## We are building our capability to manage and grow a large portfolio of our own properties

---

### *Improving organisational capability to manage and maintain a viable growing social housing portfolio.*

Establishing the asset management function is critical to managing and growing our property portfolio. We have been responsible for repairing properties. As ownership of the Director of Housing's properties transfers to us we will take on responsibility for planning and managing the property portfolio. We recruited specialist asset staff, an asset manager and senior project officer, who have been establishing asset planning processes and formulating our programs to maintain and upgrade existing properties, sell and redevelop old and tired properties and acquire and build new properties. Over the last year we have established systems and processes to assess the condition of properties, collect and store the information and use the information to produce long range maintenance and renewal forecasts. With the assistance of tenants who have given access to our inspectors we were able to undertake condition assessments of the majority of the 527 metropolitan houses. This information will be invaluable as we begin to deliver our capital expenditure programs.

We have also more generally focused on improving our organisational capability. We have focused on improving collection, analysis and reporting of performance data so that the Board has better oversight of organisational performance. We have focused on improving staff capability. We continue to invest in improving our staff performance, development, planning process and induction programs and have undertaken preliminary work to develop an organisational development framework. We also recognise the importance of addressing family violence in the workplace and have commenced the White Ribbon accreditation process.



---

This year AHV undertook 401 Property Condition Assessments to assess the condition of properties and to enable AHV to budget and plan for maintenance for future years as part of the Asset Management Strategy.

---

---

Tim Chatfield, AHV Chair speaking with consultants and contractors about the internal redesign and fit out of a property requiring significant repairs.

---



## Strategic Priority 4

# We are working to improve services for tenants

*Improving the quality of services delivered by Aboriginal Housing Victoria and operational responsiveness to strategic issues.*

We strive to meet best practice and to improve our housing services. Our aim is to sustain tenancies. While many of our tenants require little assistance there are those who are vulnerable and have multiple and complex needs.

We established the Life Skills program in metropolitan Melbourne to intervene earlier and better support vulnerable tenants. The Life Skills program works intensively with tenants at risk to understand their needs and build skills to sustain their tenancies and effectively manage their households.

We have put a spotlight on tenant behaviours that create risks to tenancies. Rental arrears, tenant damage to properties and neighbourhood disputes can all lead to enforcement action and ultimately eviction. We have worked through how we identify problems earlier, respond and work with tenants to attempt to resolve issues before they escalate.

We reviewed our tenancy services against best practice and have been working with Housing Officers to continue to improve tenancy practice. We have been working to better understand tenants needs and Housing Officers in particular have been working to strengthen service partnerships. We have provided staff training to improve understanding of how to work within a human rights framework and respond to family violence and child safety concerns.

We understand there is more to be done and have secured funding for projects to better understand tenants needs and investigate intensive service coordination approaches to better meet tenants' needs and aspirations.

Charlie King spoke to AHV staff about the No More campaign, an initiative to end family violence.

## CASE STUDY

### Responding to Family Violence

The focus of the Royal Commission into Family Violence has put the spotlight on the urgent need for immediate responses for victims of family violence, early intervention and prevention programs, along with support programs and behaviour change programs for perpetrators of family violence.

This year AHV have been working towards White Ribbon accreditation and we have focussed our efforts on how we respond and how we can prevent family violence in the workplace, but more broadly with our clients and in the wider community.

AHV is committed to preventing family violence and promoting gender equality. AHV made a submission to the Victorian Government's Gender Equality Strategy in March 2016, outlining the double disadvantage that Aboriginal women face and making recommendations for change.

AHV put forward an application to the Department of Health and Human Services Rapid Housing Response Fund and has received funding for eight housing units in nominated locations for family violence victims.

AHV's CEO is a member of the Ministerial Family Violence Housing Assistance Implementation Taskforce that meets regularly. Housing and homelessness are two key pillars in the family violence responses and the need for immediate wrap around services is widely acknowledged. Immediate tasks are to develop an implementation framework and assessment of housing needs.

AHV joined the 1 Million Stars to End Violence Project on White Ribbon Day on 25 November, 2015 and committed to weave 10,000 stars in the Aboriginal and Torres Strait Islander colours, to raise awareness and have conversations about family violence.



## Strategic Priority 5

# We maintain strong connections with community to better meet the housing needs of Aboriginal Victorians



Wayaya Wuurk shared cultural performances at the AHV NAIDOC Family Day.

### *Building better relationships with our Aboriginal clients and Victorian Aboriginal communities.*

We will become the custodians of housing for the Aboriginal community as ownership of the Director of Housing's properties transfers to us. As custodians, our responsibility will be not only to provide quality housing services that meet the needs of today's tenants but to manage the portfolio of properties to meet the future needs of the Aboriginal community. To do this we must maintain strong relationships with our tenants, our applicants, Aboriginal community organisations and Victoria's Aboriginal communities.

The basis of strong relationships is clear communication. We have continued to focus on how we can communicate more clearly with tenants, clients and community members through our newsletter, website, social media and brochures and pamphlets.

Engagement with the Aboriginal community is the responsibility of all of AHV. We finalised a Community Engagement Strategy based on feedback from community consultations to outline the principles of our engagement and provide guidance on how we together can strengthen our engagement in the future. We aim through our engagement to give our clients the opportunity to tell us how they feel about our services, where we can improve and how we can become more responsive to their needs. Through our engagement we can also educate tenants about their rights and responsibilities. It is also the opportunity for tenants and the Aboriginal community to work with us in setting our future directions. We see community engagement as core business but the most important way to do this is through the commitment to hold local meetings, led by our Housing Officers, in 8 regional areas and 4 metropolitan areas.



We continue to listen to our tenants and the Aboriginal community to respond to their needs. This year we held 12 Community Meetings across metropolitan and regional locations in November/ December 2016 with 140 people attending plus 20 AHV staff.

Once again we held our NAIDOC event at Collingwood Children's Farm in July 2015 and there was a great celebration of Songlines, Aboriginal and Torres Strait Islander culture, footy and a genuine spirit of community connectedness. Over 1000 people attended and the event was reported on NITV news and the Marngrook Footy Show and radio station 3KND recorded live on the day. We had great community support to run this event and show bags, raffle prizes and lucky door prizes were given out on the day. Melbourne Football players ran a football clinic, the Wayaya Wuurrk dance group and Indigenous Hip Hop Project performed, there were cultural activities and lots of kid's activities.

Uncle Herb Patten teaching children how to play the gum leaf at the farm.



Melbourne Football Club players Jeff Garlett and Neville Jetta led a sports clinic for the kids with Mernda Football Club player James Scerri

---

## Community meeting locations

### Eastern Melbourne

Healesville and Ringwood

### Northern Melbourne

Epping, Reservoir and Thornbury

### Southern Melbourne

Dandenong and Frankston

### Western Melbourne

Meadow Heights, Sunshine and Werribee

### Central Gippsland

Morwell and Sale

### East Gippsland

Bairnsdale, Lakes Entrance and Orbost

### Barwon South West

Warrnambool and Portland

### Geelong

Geelong

### Grampians

Ballarat

### Hume

Shepparton and Wodonga

### Northern Loddon Mallee

Mildura, Robinvale and Swan Hill

### Southern Loddon Mallee

Bendigo and Echuca

---



## Spreading Christmas joy

Over 250 children received presents at Christmas time through our Toy Drive thanks to the generous support from the local community



---

## Strategic partnerships with other agencies add value to housing services for Aboriginal tenants

---



---

AHV tenant and Teleyarn volunteer Tanya Kindred on the phone having a yarn with one of our tenants.

---

*Strengthening partnerships with government the housing and community sector and corporate bodies.*

The housing services we provide can contribute to changing lives. But safe, secure and stable housing should not be the end itself. It should be the beginning of the journey. It should be the starting point to build pathways to improved lives. The pathway becomes possible if tenants receive the right services, support and access to opportunity and have the capacity to manage their households. Our aim through our strategic partnerships is to better connect our tenants to pathways that lead to improved outcomes.

We value partnerships that permit us to influence the development and delivery of policy. We argue that housing's role is vital in contributing to improved outcomes for Aboriginal people. Senior management are active members of Ministerial and policy committees influencing family violence and Aboriginal Affairs policy and service delivery. We contributed to policy development through policy submissions on gender equality and Victorian infrastructure needs with the Victorian Aboriginal Community Controlled Health Organisation. We have strong relationships with other Victorian statewide and peak organisations and work together to provide a united voice on Aboriginal policy issues to government.

### CASE STUDY TELEYARN

Having a Teleyarn with tenants

Tanya Kindred, Teleyarn volunteer having a regular phone chat with one of AHV tenants.

Our Teleyarn program was launched in April 2016. Run by volunteers, Teleyarn brings people together to provide social and cultural connections for community members living alone. Along with establishing a positive relationship between the volunteer and tenant, the weekly phone call helps to build the client's independence and makes them feel comfortable, confident and safe at home. Teleyarn fosters a sense of community and it also provides a wellbeing and safety check for our tenants.

*"It's great to feel connected and be able to do what I can to help out."*  
- Tanya Kindred, Teleyarn volunteer.



We have developed practical partnerships which seek to address service gaps and improve social and economic outcomes for tenants. Our partnership with AFL Sportsready seeks to increase tenants' labour force participation by assisting them find a job, prepare for work and provide mentoring and support once they start work. We have a partnership with Red Cross to address social isolation, particularly for elderly tenants. We partnered with the Victorian Aboriginal Legal Service, Department of Justice and Department of Health and Human Services to develop transitional housing for prisoners leaving prison.

An MOU has been signed with the Department of Justice and Aboriginal Housing Victoria to outline the scope for the placement of offenders to undertake community work hours as mandated on their court and parole orders to undertake certain tasks for AHV. We also signed an MOU with Community Corrections South East Metropolitan Region to provide community work placement offenders in various duties in vacant properties.

---

AFL SportsReady trainees Nakitah Charles, Anthony Vizzari and Rebecca Holt with AHV Deputy Chair Ian Hamm and AFL SportsReady Chair and former Premier of Victoria, Steve Bracks at the signing of the partnership agreement.

---

## CASE STUDY

### AFL SportsReady

This year AHV took on three new trainees through the AFL SportsReady program. Guided by mentors from AFL SportsReady, like Kyle Vander-Kuyp, trainees are provided with practical on the job training by AHV staff and given time to study for their Certificate 3 in Business.

AHV signed an MOU with AFL SportsReady recently to strengthen our partnership and create more opportunities for Aboriginal Victorians.

AFL SportsReady Chair and former Premier of Victoria Steve Bracks AC said the collaboration was a natural progression for AFL SportsReady. 'Together, we will work to provide not only housing assistance, but also employment and education programs to kick start careers. We are incredibly excited about our new partnership and the assistance we will be providing.'

AHV will continue to look at ways to create more opportunities for employment pathways.



# Our Year in a Snapshot

---

Our most significant achievements in the past year relate to progress made on our journey to self determination. We are extremely proud in July 2016 to formalise the staged transfer of all 1,448 properties to AHV's ownership.

## **SP1 We are taking the steps now so that we can grow AHV's housing portfolio in the future**

- We developed our Asset Management Strategy and Long term Asset Management Plan.
- We developed design principles to inform houses we build in the future. The principles are based on the views of tenants and Aboriginal community members.

## **SP2 We demonstrated strong governance and long term financial viability which is an essential pre-condition to transfer of title.**

- The AICD reviewed our governance and we have a program to continue to strengthen our governance processes and capability.
- We submitted a successful application to the Housing Registrar to become a registered Housing Association.

## **SP3 We are building our capability to manage and grow a large portfolio of our own properties.**

- We established an asset management team, commencing development of asset management processes and programs.
- We undertook 401 property condition assessments.

## **SP4 We are working to improve services for tenants.**

- We continue to develop our Housing Officers capacity to provide higher quality services to the 1,460 tenancies we managed.
- 63 vulnerable clients with high needs were supported by our Life Skills Team.
- Our focus on sustaining tenancies paid off and we reduced the number of evictions.
- Our Client Services Team are the first point of contact and they are sensitive to people's needs and work hard to provide a timely and responsive service.

- Our Maintenance team and Client Services Team worked respectfully with Aboriginal tenants raising 6,020 work orders last year to maintain houses.

## **SP5 We maintain strong connections with community to better meet the housing needs of Aboriginal Victorians**

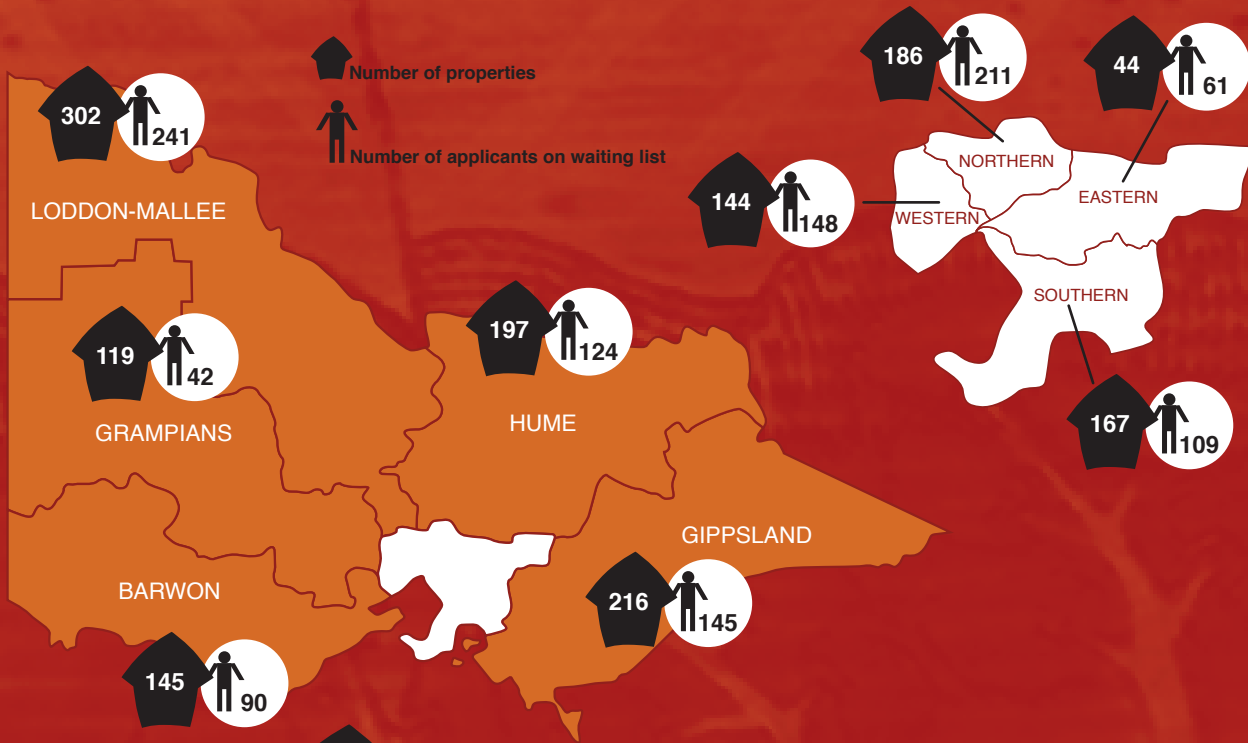
- We finalised our Community Engagement Strategy and this year held 36 community engagement events, including 12 AHV community meetings involving 140 tenants
- AHV continued to improve our profile in the community with AHV being present in print, radio and television media nine times through this year.
- AHV has also been active on social media platform Facebook, we have increased our audience by 59% to 1,744 friends. Our most popular posts have reached 41,000 people.
- We distributed 5 editions of our newsletter Mia Mia to over 11,000 people, keeping AHV tenants, stakeholders and the Aboriginal community up to date with news and events.
- Over 1,000 people attended our NAIDOC Family Day to celebrate Aboriginal and Torres Strait Islander culture at Collingwood Children's farm.

## **SP6 Strategic partnerships with other agencies add value to housing services for Aboriginal tenants**

- We advocated for the needs of Aboriginal people and influenced the development of family violence policy through our CEO's membership of the Minister for Housing's Taskforce on Family Violence Housing Assistance Implementation Taskforce.
- We advocated for the interests of Aboriginal applicants through the Department's leadership and policy committees developing the Victorian Housing Register.
- We submitted policy submissions on gender equality and Victorian infrastructure needs to the Victorian Government.
- We developed partnerships to support socially isolated tenants, including 22 elders supported by Teleyarn, and to assist tenants into employment.



# Our portfolio and waitlist



1,520

## Our portfolio

AHV is the largest Aboriginal housing organisation in Victoria. Unlike most Victorian community housing agencies, AHV provides housing services throughout metropolitan and regional Victoria.

One third of our properties are in metropolitan Melbourne and two thirds in regional Victoria.

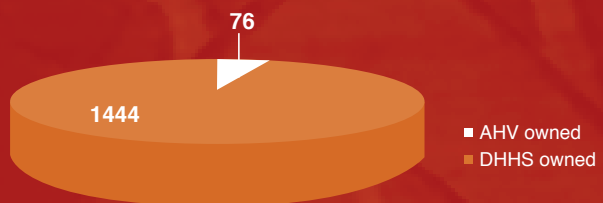
### Mismatch of supply to demand

- most AHV properties are 3 bedroom houses but our biggest demand is for 1 and 2 bedrooms
- most of our properties are in rural regions but the ration of applicants to properties is generally higher in metropolitan Melbourne regions.

### Increasing supply and stock type

- We are increasing the size of our portfolio, with spot purchase of an East Gippsland property and 3 redevelopments underway, including two single unit builds in the northern suburbs and a 3 unit redevelopment in the western suburbs.

## Number of properties in Portfolio



## Our wait list

1,171

As at 30 June, 2016, 1,171 applicants were waiting for housing, including 317 priority applicants.

With current housing stock numbers, AHV cannot meet the demand from people on the waiting list. AHV's low vacancy rates also contribute to the growing demand for housing. The number of tenancy exits in 2015-16 was 104.

The Aboriginal population in Victoria is young and growing at a fast rate so demand for housing is anticipated to continue to rise.

1,520

## Our portfolio

AHV predominantly provides larger family housing, which reflects the kinship nature of the Aboriginal community resulting in larger households.

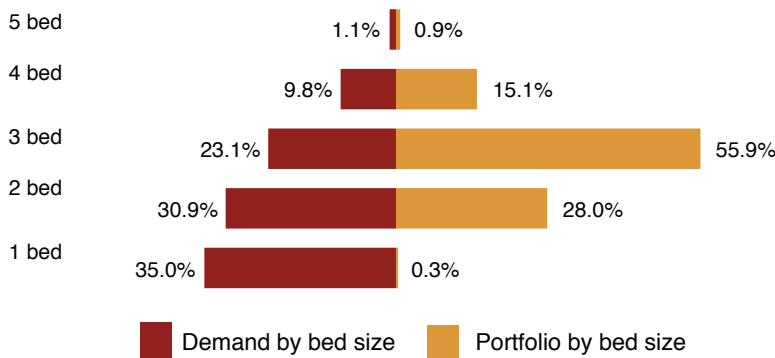


## Our wait list

Recent waiting list trends are indicating an increased demand for smaller units.

Today many applications for housing are received from single people or small families.

### Demand and Portfolio

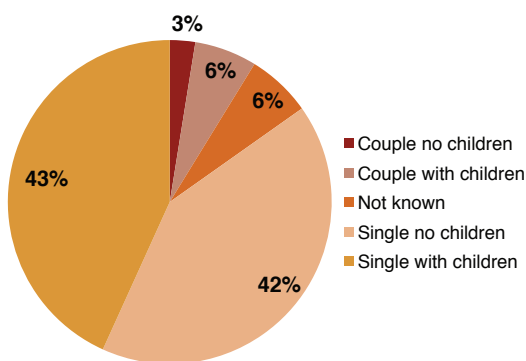


Most of our properties are 3 bedroom houses which does not match the current demand. The high demand for 1 bedroom properties represents a significant mismatch compared to the limited availability of 1 bedroom properties within AHV's current portfolio.

1,460

## Who are our tenants?

Current tenants by family type



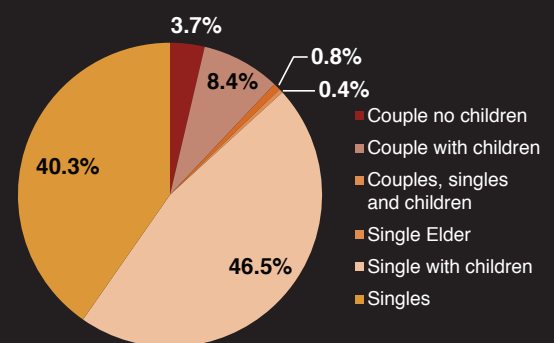
Of the 'Not known' category, the majority are paying market rent or earning wages.

Above family types are based on Commonwealth Rent Assistance (CRA) categories



## Who is seeking housing?

Wait list by family type



Generally the profile of households on our waiting lists reflects current tenant household types, with high proportions of singles and single-parent families with children.

1,460

### Our tenants

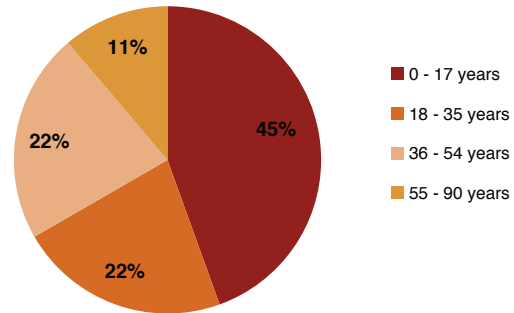
AHV's housing services are targeted to those in need of support who have been unable to secure appropriate and affordable housing through the private market. The majority of our tenants are single with no children, or single with children. The age range of people living in our houses is mixed, with a high proportion (45%) being children/young people.

3,747

### Our residents

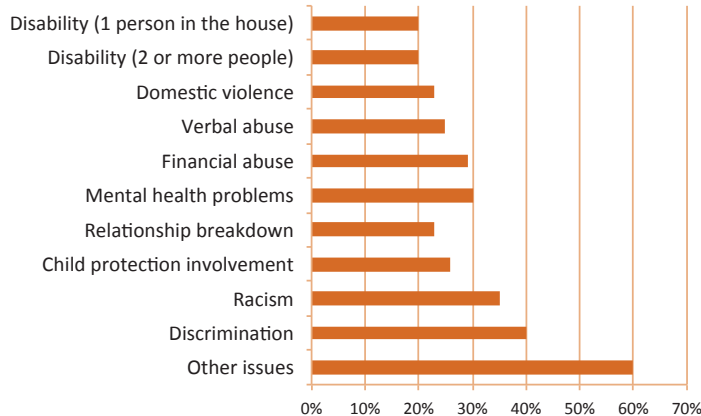
AHV's mix of residents encompasses all age groups and family types, including young singles and older people and families with children.

#### How old are our residents?



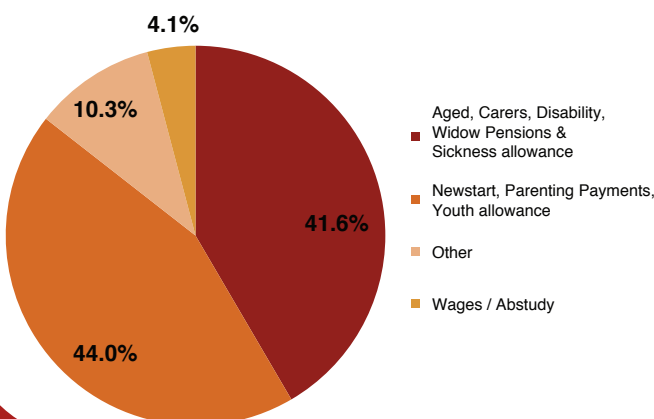
1,460

### Issues impacting on our tenants' ability to sustain their tenancies:



\*330 tenants responded to the question in the Tenant Survey "Have you or a member of your household experienced issues that impact on your tenancy while being a tenant?"

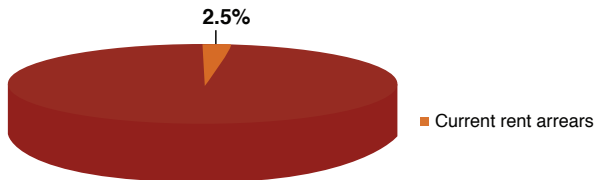
### Current tenants income



The vast majority of AHV tenants are partly or wholly dependant on income payments from Centrelink. Many are experiencing significant and chronic financial stress, together with other issues such as poor mental and/or physical health and exposure to violence. Without appropriate support, these tenants may struggle to maintain their tenancies and will have limited opportunities to improve their life outcomes.

# Our performance

## Rental arrears



### Rental Arrears

Our current rental arrears is only 2.5% of rent charged at 30 June, 2016. AHV works with tenants to sustain their tenancies.

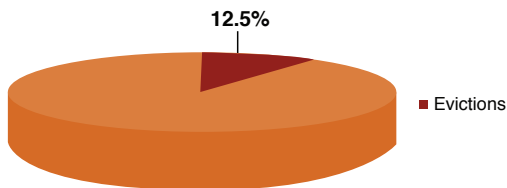
Rental arrears have been reducing over time and remain well within the required sector performance benchmarks.

## Sustaining tenancies and new tenancies

90.5% of tenancies were sustained during 2015-16.

134 new tenancies were created in 2015-16.

## Percentage of Evictions



### Evictions

AHV significantly reduced the number of evictions in 2015-16, reflecting AHV's commitment to sustaining tenancies. The number of evictions during 2015-16 was only 13 or 12.5% of the 104 tenancy exits (not including transfers or swaps).

We anticipate that this proportion will continue to reduce over time, as we work with our tenants to assist them to access the supports and services they require to maintain their tenancies.

## Maintenance activity

**6,020** Maintenance Orders requested

**5,864** Orders Completed

**Total Cost \$2,047,974**

You will notice not all work orders raised during the year, have been completed. The difference being that when an order is raised, AHV must wait for the invoice to be received, checked and then entered onto the SDM database to close the order.

## Rental collection

2015/16 Total Rent Charged  
**\$14,698,245**

Current Rental Arrears end of year  
**\$367,769**

Average amount tenants are in arrears **\$882**



# Our Staff

---



# Our Executive team

---



Jenny Samms, Chief Executive Officer; Deep Fernando, Chief Financial Officer; Des Rogers, Director of Operations; Darren Smith, Director of Strategy and Performance.

# Governance

## AHV Board Charter and Company Directors

### Board structure



This Charter provides an overview of AHV's strategic outlook and reflects the corporate governance policy of AHV. It defines the roles, responsibilities, obligations and authorities of the AHV Board of Directors (Board), both individually and collectively.

It supplements the AHV Constitution (Constitution) and the governing legislation and is designed to ensure the Board provides strategic direction and effective oversight of the management of AHV, and facilitates accountability as a registered housing agency to the Housing Registrar and to its stakeholders.

It supports the Constitution and In the event of any inconsistency, the Constitution takes precedence.

### Responsibilities of the Board of Directors

It is the Board's responsibility to provide strategic guidance and effective oversight of the management of AHV. The Board has delegated the responsibility of day to day management, operation and administration to its executive management team, with whom it meets regularly to discuss current and future business needs.

### Incorporation and Governance

AHV is a not-for-profit public company, limited by guarantee registered under the Corporations Act 2001 (Commonwealth). A company limited by guarantee is a specialised public company designed for not-for-profit organisations which are formed for purposes beneficial to the community. AHV was formed to provide affordable housing and residential accommodation options for Aboriginal people in Victoria. This form of company is required to be managed by a constitution and is subject to relatively high standards of governance including financial audit and reporting requirements.

As a reflection of the high standards of governance Directors are required to comply with the same legal duties and obligations as Directors of a commercial company. Directors are prohibited from receiving dividends and under this structure any surplus is required to be reinvested into the beneficial purpose the company was established to achieve.

AHV is also a registered housing agency under the Housing Act 1983 (Vic); and a public benevolent institution, entitled to tax concessions under the Income Tax Assessment Act 1997 (Commonwealth).

### Board Structure and Meetings

#### Number of Directors

The Board comprises no less than 5 and no more than 7 Directors.

#### Board skills and diversity

The Board will comprise individuals who have the skills and experience relevant to the pursuit of the AHV objectives in all or any of the areas of business, social housing, governance, law, accounting and communications.

All Directors must live in Victoria and a majority must be Aboriginal.

## Appointment of Directors

The appointment of a Director must be approved by the Board and comprise a term of approximately 3 years commencing at the end of the annual general meeting at which they were appointed and expiring at the end of the third annual general meeting after their election, at which time they will retire.

A retiring Director is eligible for re-election, but may only serve a maximum of 3 consecutive terms without a break in service of at least 3 years.

The Board may also appoint a replacement Director to any casual vacancy arising in the office of a Director. Any Director so appointed will hold office until the end of the next Annual General Meeting.

## Meeting frequency

The Board must hold at least 6 meetings a year and such additional meetings as the Directors agree in order to perform its duties.

## Quorum

No business may be transacted at a Board or Committee meeting unless a quorum is present at the time the business is considered. Unless otherwise determined by the Board, a quorum for meetings of the Board is half of the Directors plus one of the Directors, or if the number of Directors is not a multiple of 2, then the odd number nearest to and greater than half of the Directors.

## Voting at meetings

The Board generally operates by consensus but where a consensus cannot be reached decisions are made using the voting provisions of the Constitution. Under the Constitution decisions are decided by the majority of votes, where each Director present is entitled to one vote.

## Agenda and Board papers

The Chair in conjunction with the CEO will settle agendas for Board meetings. The CEO will arrange meetings; distribute agendas and supporting papers to directors at least 7 days before the relevant meeting; keep and distribute minutes of each meeting; and ensure that minutes and reports are provided to the Board.

The proceedings and resolutions of meetings of directors are formally recorded as minutes of a company within one month of a meeting.

## Role of Individual Directors

Individual Directors bring specific skills and experience that add value to the Board and they are ultimately responsible for the overall successful operations of AHV. They must act in the best interest of AHV and have a duty to question, request information, raise any issue and fully canvas all aspects of any issue confronting AHV before exercising independent and reasoned judgement.

The Governance Committee regularly reviews the diversity of skills, experience, gender, age, and personal attributes of the Board to ensure an appropriate balance is maintained to increase the Boards effectiveness.

## Director's Code of Conduct

AHV's Directors are bound by their fiduciary duty to act in good faith and in the best interest of AHV, the Aboriginal Community and its tenants. They must fulfil all of their legal obligations and provide leadership in respect to AHV's culture and values.

The Board has adopted a Code of Conduct consistent with the principles of the Australian Institute of Company Directors published Code of Conduct and which reflects AHV's culture and values.

## Performance and Teamwork

In performing their role Directors aspire to high governance standards which include principles derived from the AXS's Corporate Governance Council Principles of Good Governance. These principles include the requirement that Directors work as a team and meet on a regular basis.

The Board considers the ongoing development and improvement of its own performance as a critical aspect of effective governance. To this end the Board undertakes an annual evaluation of the performance of the Board, its Committees and Chair with results discussed at the Annual General Meeting.





### Confidentiality

The proceedings, papers and minutes of the Board are confidential and may not be disclosed without approval of the Board except where required to be disclosed by law. Any regular and ad hoc release of information is subject to the policies and procedures as outlined within the AHV Communication Strategy and is a regular consideration of the Board.

### Networking

Developing networks and working to promote the reputation of AHV are recognised as important components of a Director's role. Directors are encouraged to act as ambassadors and to develop and maintain connections for the benefit of AHV.

### The role of the Chair

The Chair is responsible for leading the Board, ensuring that Directors are properly briefed in all matters relevant to their roles and responsibilities, facilitating Board discussions and managing the Board's relationship with management.

### Election of the chair

At the first meeting of the Board after the Annual General Meeting, the Directors appoint from among their number a Chair who holds office until the end of the next of the next annual general meeting, but who is eligible for re-election.

### The role of the Chief Executive Officer

The CEO reports directly to the Board and is responsible for achieving AHV's objectives and vision for the future, in accordance with the strategies, budget and policies recommended and approved by the Board.

### The role of the Company Secretary

The Company Secretary is responsible to the Board through the Chairperson and is appointed and dismissed by the Board. The Company Secretary's duties and authorities are determined by the Directors and include all company secretariat requirements under the Act and the constitution. The Company Secretary also provides secretariat and support services to the Board and its sub-committees, manages the preparation of the AHV annual report, and organises the Annual General Meeting of the Company.

### Board Committees

The Board has established two standing committees to support its deliberations and decision making, the Governance Committee and the Finance Audit and Risk Committee (FAR). These committees are independent of but accountable to the Board and comprise appropriately qualified Directors, Executive Directors and expert advisors/attendees as required.

The Board reserves the right to appoint other committees from time to time as deemed necessary. Each committee has its own Terms of Reference outlining its purpose and powers as delegated by the Board.

### Governance Committee

The role of the Committee is to assist and advise the Board on matters that seek to ensure high standards of governance are maintained. The scope of the Committee's role includes but is not limited to Board recruitment and training, performance and remuneration.

### Finance Audit and Risk Committee

The role of the FAR Committee is to assist the Board to meet its responsibilities in relation to AHV financial reporting, compliance with legal and regulatory requirements, internal control structures, risk management systems and external audit functions.



## Risk Management

### External audit

In accordance with the Corporations Act 2001 (Act) AHV's Board is responsible for selecting, appointing and removing a qualified external auditor, subject to the Boards approval at its Annual General Meeting. AHV's FAR committee makes recommendations to the Board on the effectiveness and appointment an external auditor.

The Auditor is entitled:

- to attend any General Meeting;
- to receive all notices of and other communications relating to any General Meeting which a Member is entitled to receive, and
- to be heard at any General Meeting which the Auditor attends on any part of the business of the meeting which concerns the Auditor in that capacity and is entitled to be heard, despite the fact that the Auditor retires at that meeting or a resolution to remove the Auditor or the agent from office is passed at that meeting.

### Delegations of Authority

AHV's Board has reserved all powers for itself and delegated authority to management as outlined in its Delegation of Authority. Where a delegation is not specified, the Board retains the authority and approval to act must be sought from the Board.

### Director Protection

AHV's Directors are expected to exercise considered and independent judgement on the matters before them. To discharge this expectation, a Director may from time to time need to seek independent professional advice. In such circumstances AHV will consider the payment of reasonable professional fees subject to the approval of the Board.

### Directors and Officers insurance

As a registered Victorian community housing agency, AHV's Director's are insured for Director and Officers liability under the Victorian Managed Insurance Authority (VMIA).

## Code of Conduct

The Directors and Staff of AHV are bound by the AHV Code of Conduct (Attachment 1). In this respect all Directors must adhere to their overriding fiduciary duty to act in good faith and in the best interest of AHV, as well as their legal obligations.

### Conflict of Interest

AHV's Directors have duties under the Corporations Act, the general law and a range of performance standards in relation to conflict of interest. They are bound by AHV's Conflict of Interest policies as outlined in its Governance Policy and are required to disclose any actual or potential conflicts of interest which may exist or might reasonably be thought to exist.

### Director Remuneration

The Board receives and considers advice on relevant market trends regarding remuneration and in conjunction with the CEO and Director of Organisational Development reviews and makes recommendations regarding the remuneration framework of the Directors, CEO and executive. Directors receive payment on a daily and half daily basis for meetings they are directly involved in.

### Stakeholder Interests and Communication

AHV respects the rights of all stakeholders, including tenants, applicants, employees, Directors and Partners and strives to facilitate the effective exercise of those rights. The Board seeks to ensure that all tenants, clients, including those on the waiting list, and stakeholders have ready access to understandable and balanced information necessary to assess the performance of AHV.

The Board is committed to ensuring that AHV actively engages with tenants, clients and stakeholders and is responsive to community needs.

In addition to the Annual Report AHV utilises print and electronic communication facilities to provide effective and regular communication.

# Financial Report

## for the year ended 30 June 2016

### Directors' Report

Aboriginal Housing Victoria Limited ('Aboriginal Housing Victoria') presents its Report together with the financial statements of the entity for the year ended 30 June 2016 and the Independent Auditor's Report thereon.

### Company details

The following persons were Directors of Aboriginal Housing Victoria during or since the end of the financial year.



#### Tim Chatfield

##### Chairperson

Grad Diploma Governance (AICD)

A wide range of positions within the Aboriginal community including:

CEO of Budja Budja Aboriginal Cooperative

Current Member Aboriginal

Cultural Heritage Council Victoria

Current Shareholder/Member Framlingham Aboriginal Trust

Former Tumbukka Chairperson

ATSIC and former Ministerially appointed Taskforce member

Current Chairperson Martang Pty Ltd



#### Ian Hamm

##### Deputy Chairperson

Fellow – Institute of Public Administration Australia

Career public servant for Commonwealth and State governments

Connecting Home (Chair)

Koori Heritage Trust (Chair)

First Nations Foundation (Chair)

Economic Inclusion – DEDJTR (Victorian Government)

National Trust - Chair Aboriginal Advisory Committee

Swinburne University – Chair Aboriginal Reconciliation Advisory Steering Group

Member:

Camps Committee – Sport and Recreation Victoria

Former President and Board member – Western Region Football League

Defence Reserves Support Council

Red Cross Advisory Board



#### Jacquelyn Turfrey (Resigned 26 April 2016)

##### Director

LLB (Hons.), Grad Dip EOA, CSA.

Barrister at the Victorian Bar  
Director, Koori Justice Unit,  
Department of Justice &  
Regulation

Admitted to practice as a legal

practitioner in 2000

Extensive experience as both a Company Secretary and in multiple Directorship roles

Has worked in Federal Government agencies, private law firms, banking industry and Aboriginal not-for-profit organisations



#### Dr Owen Donald

##### Director, Chair of Governance Committee

BA (Hons 1), Monash University 1974

PhD, Australian National University 1977

Graduate of Australian Institute of Company Directors, 2011

Expertise and experience

in developing and advising on housing policy and housing services, as well as in influencing government policy on Indigenous housing and increasing the role of regulated community based housing providers

Over 20 years of governance experience in a wide variety of organisations

Self employed consultant on policy & management (since 2008)

Non-Executive Director of Housing Choices Australia Limited

Chairman of the Commonwealth Government's National Housing Supply Council (2008-2013)

Member, Ministerial Advisory Committee on Social Housing and Homelessness (2011-2013)

Director of Housing, and Executive-Director Housing & Community Building, for State of Victoria (2004-2008)

CEO, Australian Housing & Urban Research Institute (AHURI) Limited (2000-2004)

Executive roles in Commonwealth Departments of Finance and Social Security (1983-1997)

## Directors' Report



### **Robert Leslie**

#### **Director**

Bachelor of Veterinary Science (Hons), Melbourne University  
Churchill Fellow  
Chief Executive Officer at Yarra Community Housing 2000 - 2015  
Extensive community housing and development experience within the

Victorian housing sector

GAICD ( Graduate Australian Institute of Company Directors )

Member of the Refugee Council of Australia

Member of Oxfam

### **Mark Lipson**

**Director, Chair of Finance, Audit and Risk Committee**

B.Bus, B. Edu, FCA

Forensic Accountant with over 25 years of expertise in professional accounting practice and family law matters,

Member, Institute of Chartered Accountants in Australia

Member, Institute of Chartered Accountants in Australia

Professional Conduct Tribunal

Member, CPA Australia

Member, Forensic Accountants

Special Interest Group

Associate Member, Institute of Arbitrators and Mediators in Australia



### **Karen Milward**

#### **Director**

Karen owns and operates Karen Milward Consulting Services specialising in policy and program development for Aboriginal and Torres Strait Islander communities.  
Extensive experience in social research, community services, education and training around

Aboriginal issues

Chairperson, Mullum Mullum Indigenous Gathering Place, EMR, Victoria

Chairperson, Boorndawan William Aboriginal Healing Service, EMR, Victoria

Chairperson, Kinaway – Victorian Aboriginal Chamber of Commerce

Co-Chairperson, Indigenous Community Volunteers – National

Co-Chairperson, Victorian Aboriginal Economic Board  
Deputy Chairperson, First Nations Foundation – National

Director, Ganbina Ltd

#### **Principal activities**

The principal activity of the company during the financial year was the provision of affordable social housing to the Aboriginal community in Victoria.

The company's short-term objectives are to move to the next stage of transition and take over the asset management and maintenance of the properties currently being managed by the Office of Housing.

The company's long-term objective is to achieve full independence from the Office of Housing with the transfer of ownership of all rental properties.

The Registrar of Housing advised AHV in December 2015 that it had achieved Housing Association status, subject to the formal transfer of properties by the Director of Housing (which took effect in July 2016).



## Directors' Report

During the financial year eight board meetings were held as well as meetings for several board committees and sub-committees. Board members sit on the Finance Audit and Risk Committee (FAR) and the Governance Committee (Gov). In addition to the committee meetings the board members also attended other meetings.

The meetings that each Director was eligible to attend during the year were:

	Board	FAR	Gov	Total
<b>Total planned</b>	<b>8</b>	<b>10</b>	<b>3</b>	<b>21</b>
Tim Chatfield	8	10	3	21
Ian Hamm	8	10	-	18
Jacquelyn Turfrey*	8	10	3	21
Mark Lipson	8	10	-	18
Owen Donald	8	10	3	21
Karen Milward	8	10	-	18
Robert Leslie	8	10	-	18

\* Resigned – 26 April, 2016

The meetings that each Director actually attended during the year were:

	Board	FAR	Gov	Other	Total
Tim Chatfield	8	9	3	3	23
Ian Hamm	8	1		2	11
Owen Donald	7	8	3	3	21
Mark Lipson	7	8			15
Karen Milward	3	7			10
Rob Leslie	7	8		3	18
Jacki Turfrey*	4	2	1	2	9

\* Resigned – 26 April, 2016

### Contribution in winding up

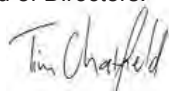
The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the company. At 30 June 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$300 (2015: \$350).

### Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 6 of the financial report.

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

Director



\_\_\_\_\_  
Tim Chatfield

Dated 29 September 2016

## AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ABORIGINAL HOUSING VICTORIA LIMITED

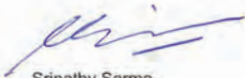
### AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ABORIGINAL HOUSING VICTORIA LIMITED

In accordance with the requirements of section 60-40 of the *Australian Charities and Not for Profits Commission Act 2012* for the audit of Aboriginal Housing Victoria Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit



LBW Chartered Accountants



Sripathy Sarma  
Principal

29 September 2016



**GEELONG**  
35-37 Gordon Avenue  
Geelong West 3218  
T: 5221 6111  
F: 5223 1966

**MELBOURNE**  
Level 3,  
365 Lt Collins Street  
Melbourne 3000  
T: 9670 4444  
F: 5223 1966

**COLAC**  
7 Bromfield Street  
Colac 3250  
T: 5231 5999  
F: 5223 1966

**EMAIL**  
[lbw@lbwca.com.au](mailto:lbw@lbwca.com.au)  
**WEB**  
[www.lbwca.com.au](http://www.lbwca.com.au)

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
<b>Revenue</b>			
Rental revenue	2	14,698,245	14,542,318
Other revenue	2	1,167,281	1,375,467
<b>Total revenue</b>		<b>15,865,526</b>	<b>15,917,785</b>
<b>Expenses</b>			
Depreciation and amortisation expenses		294,398	288,522
Employee benefit expenses		4,006,276	3,960,373
Housing program expenses		8,505,714	7,924,083
Administration expenses		1,299,470	1,220,570
Other expenses		603,790	406,707
<b>Total expenses</b>		<b>14,709,648</b>	<b>13,800,255</b>
<b>Surplus before income tax</b>		<b>1,155,878</b>	<b>2,117,530</b>
Income tax expense	1h	-	-
<b>Surplus for the year</b>	<b>3</b>	<b>1,155,878</b>	<b>2,117,530</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Net gain on revaluation of non-current assets	7	434,361	6,726,588
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met</b>			
Fair value gains on available-for-sale financial assets, net of tax		-	-
<b>Total other comprehensive income for the year</b>		<b>434,361</b>	<b>6,726,588</b>
<b>Total comprehensive income for the year</b>		<b>1,590,239</b>	<b>8,844,118</b>

The accompanying notes form part of these financial statements.



## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	2,794,657	1,827,697
Term deposits	4	7,888,472	7,262,298
Trade and other receivables	5	385,544	2,157,008
Other current assets	6	494,454	108,247
<b>Total current assets</b>		<b>11,563,127</b>	<b>11,355,250</b>
<b>Non-current assets</b>			
Office property	7	2,498,592	2,136,804
Rental properties	7	24,228,855	22,922,500
Office furniture and equipment	7	429,638	528,147
<b>Total non-current assets (property, plant &amp; equipment)</b>		<b>27,157,085</b>	<b>25,587,451</b>
<b>Total assets</b>		<b>38,720,212</b>	<b>36,942,701</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	8	1,783,855	1,975,853
Short-term provisions	9	365,035	328,028
Deferred grant income	10	346,029	12,000
<b>Total current liabilities</b>		<b>2,494,919</b>	<b>2,315,881</b>
<b>Non-current liabilities</b>			
Long-term provisions	9	25,766	17,532
<b>Total non-current liabilities</b>		<b>25,766</b>	<b>17,532</b>
<b>Total liabilities</b>		<b>2,520,685</b>	<b>2,333,413</b>
<b>Net assets</b>		<b>36,199,527</b>	<b>34,609,288</b>
<b>EQUITY</b>			
Retained earnings		27,324,280	26,168,402
Reserves	16	8,875,247	8,440,886
<b>Total equity</b>		<b>36,199,527</b>	<b>34,609,288</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Retained earnings	Revaluation surplus	Total
	\$	\$	\$
<b>Balance at 1 July 2014</b>	24,050,872	1,714,298	25,765,170
Surplus attributable to the company	2,117,530	6,726,588	8,844,118
<b>Balance at 30 June 2015</b>	<b>26,168,402</b>	<b>8,440,886</b>	<b>34,609,288</b>
Surplus attributable to the company	1,155,878	434,361	1,590,239
<b>Balance at 30 June 2016</b>	<b>27,324,280</b>	<b>8,875,247</b>	<b>36,199,527</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
<b>Cash flow from operating activities</b>			
Rentals received		14,666,907	14,520,842
Grants received		481,930	176,341
Other receipts		62,734	2,252
Payments to suppliers and employees		(13,282,941)	(15,026,552)
Interest received		191,538	225,410
Net cash generated from operating activities	15b	2,120,168	(101,707)
<b>Cash flow from investing activities</b>			
Proceeds from sale of property, plant and equipment		257,127	1,680,712
Payments into term deposits		(626,174)	(4,179,513)
Payment for property, plant and equipment		(784,161)	(76,110)
Net cash used in investing activities		(1,153,208)	(2,574,911)
<b>Cash flow from financing activities</b>			
Net cash used in financing activities		-	-
<b>Net increase in cash held</b>		<b>966,960</b>	<b>(2,676,618)</b>
Cash and cash equivalents at beginning of the financial year		1,827,697	4,504,315
<b>Cash and cash equivalents at the end of the financial year</b>	<b>15a</b>	<b>2,794,657</b>	<b>1,827,697</b>

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

The financial statements are for Aboriginal Housing Victoria Limited as an individual entity, incorporated and domiciled in Australia. Aboriginal Housing Victoria Limited is a company limited by guarantee.

### Note 1. Summary of significant accounting policies

#### Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the requirements of the *Australian Charities and Not for Profits Commission Act 2012*.

The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

The financial statements were authorised for issue on 29 September 2016 by the directors of the company.

#### Accounting policies

##### a. Revenue

Grant revenue is recognised in the statement of comprehensive income when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Aboriginal Housing Victoria Limited receives reciprocal and non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. Depending on the nature of the contribution received, these assets may be recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial asset.

Rent revenue is recognised when the right to receive the revenue has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Other revenue is recognised when the right to receive the revenue has been established

All revenue is stated net of the amount of goods and services tax (GST).

##### b. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

#### Office property

Freehold office properties are shown at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold properties are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of office properties are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets are recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of comprehensive income.

Freehold office properties that have been contributed at no cost or for nominal cost (if any) are valued and recognised at the fair value of the asset at the date it is acquired.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

---

### Rental property

Freehold rental property is measured on the cost basis less depreciation and impairment losses.

Freehold rental properties that have been contributed by non government entities at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired. Freehold rental properties that have been contributed by government agencies at no cost, or for nominal cost are taken at the Valuer-General certified book value at the time of transfer.

### Office furniture and equipment

Office furniture and equipment is measured on the cost basis less depreciation and impairment losses.

### Depreciation

The depreciable amount of fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation Rate
Office buildings	1.5%
Rental buildings	1.5%
Office furniture and equipment	7.5 – 33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

### c. Leases

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

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

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

### d. Impairment of assets

The company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

---

Where it is not possible to estimate the recoverable amount of an asset's class, the company estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

### e. Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

### f. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, deposits held by trust, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts (if any) are shown within short-term borrowings in current liabilities on the statement of financial position.

### g. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

### h. Income tax

Aboriginal Housing Victoria Limited is an income tax exempt charitable entity under subdivision 50-B of the *Income Tax Assessment Act 1997*. AHV is also endorsed by the Australian Taxation Office as a Deductible Gift Recipient under subdivision 30-BA of the aforementioned Act.

### i. Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### j. Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

### k. Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<b>Note 2. Revenue</b>		
<b>Rental revenue</b>		
<i>Operating activities</i>		
<b>Rental revenue</b>	<b>14,698,245</b>	<b>14,542,318</b>
<b>Other revenue</b>		
Interest income	201,912	227,173
Profit/(loss) on sale of property, plant and equipment	(2,365)	1,146,042
Revenue from contributed rental property assets	905,000	-
Other revenue	62,734	2,252
<b>Total other revenue</b>	<b>1,167,281</b>	<b>1,375,467</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<b>Note 3. Surplus for the year</b>		
<b>Expenses</b>		
Depreciation and amortisation		
Office buildings	11,940	12,639
Rental buildings	173,430	157,383
Office furniture and equipment	109,028	118,500
Total depreciation and amortisation	294,398	288,522
Impairments to rental properties held-for-sale	-	-
Bad and doubtful debts expense	125,891	121,494
Rental expense on operating leases		
Housing Provider Framework	5,061,010	4,691,502
Office equipment and motor vehicles	138,055	160,975
Auditor remuneration		
Audit services	25,000	25,000
Other services – FBT compliance & other services	9,852	12,550
Total auditor remuneration	34,852	37,550
 <b>Note 4. Cash and cash equivalents</b>		
Cash at bank and in hand	2,794,657	1,827,697
Short-term term deposits	7,888,472	7,262,298
<b>Total cash and cash equivalents</b>	<b>10,683,129</b>	<b>9,089,995</b>
 <b>Note 5. Trade and other receivables</b>		
Rental receivables	500,143	450,893
Provision for impairment	(291,006)	(278,649)
	209,137	172,244
Other receivables	176,407	1,984,764
<b>Total current trade and other receivables</b>	<b>385,544</b>	<b>2,157,008</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<b>Note 6. Other current assets</b>		
Prepayments	441,519	65,685
Accrued income	20,671	10,298
Deposits paid for properties	-	-
Assets under construction	32,264	32,264
<b>Total other current assets</b>	<b>494,454</b>	<b>108,247</b>
<b>Note 7. Property, plant and equipment</b>		
<b>Office property</b>		
Freehold land at fair value		
Independent valuation at 30 April 2016	2,130,000	1,585,000
Buildings at fair value		
Independent valuation at 30 April 2016	370,000	615,000
Less accumulated depreciation	(1,408)	(63,196)
Total buildings	368,592	551,804
<b>Total office property</b>	<b>2,498,592</b>	<b>2,136,804</b>
<b>Rental properties</b>		
Freehold land		
At fair value	14,006,729	12,822,000
Buildings		
At fair value	10,395,413	10,100,500
Less accumulated depreciation	(173,287)	-
Total buildings	10,222,126	10,100,500
<b>Total rental properties</b>	<b>24,228,855</b>	<b>22,922,500</b>
<b>Office furniture and equipment</b>		
Office furniture and equipment		
At cost	799,574	789,054
Less accumulated depreciation	(369,936)	(260,907)
<b>Total office furniture and equipment</b>	<b>429,638</b>	<b>528,147</b>
<b>Total property, plant and equipment</b>	<b>27,157,085</b>	<b>25,587,451</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### Note 7. Property, plant and equipment

#### 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:

	Office property	Rental properties	Office furniture and equipment	Total
	\$	\$	\$	\$
<b>2015</b>				
Carrying amount at 1 July 2014	2,149,443	16,872,716	111,993	19,134,152
Additions at cost	-	15,249	534,654	549,903
Disposals	-	(534,670)	-	(534,670)
Depreciation expense	(12,639)	(157,383)	(118,500)	(288,522)
Revaluation	-	6,726,588	-	6,726,588
<b>Carrying amount at 30 June 2015</b>	<b>2,136,804</b>	<b>22,922,500</b>	<b>528,147</b>	<b>25,587,451</b>
<b>2016</b>				
Carrying amount at 1 July 2015	2,136,804	22,922,500	528,147	25,587,451
Additions at cost	-	1,678,643	10,519	1,689,162
Disposals	-	(259,491)	-	(259,491)
Depreciation expense	(11,940)	(173,430)	(109,028)	(294,398)
Revaluation	373,728	60,633	-	434,361
<b>Carrying amount at 30 June 2016</b>	<b>2,498,592</b>	<b>24,228,855</b>	<b>429,638</b>	<b>27,157,085</b>

#### Asset revaluations

The office property was independently valued at 30 April 2016 by WBP Property Group. The valuation was based on the fair value. The valuation resulted in a revaluation increment of \$373,728 being recognised in the revaluation surplus for the year ended 30 June 2016.

The rental properties were independently valued at 30 June 2015 by WBP Property Group. The valuation was based on the fair value. The valuation resulted in a revaluation increment of \$6,726,588 being recognised in the revaluation surplus for the year ended 30 June 2015.

#### Interests on properties

Aboriginal Affairs Victoria holds a mortgage of \$710,000 secured on the office property at Scotchmer Street, North Fitzroy. Repayment of the mortgage can only be demanded upon the sale of the property or in the event of the winding up of Aboriginal Housing Victoria Limited.

The Director of Housing has a registered interest in the title of the rental properties that are contributed by the Director of Housing (DOH) or acquired by utilising DOH grant funds. Aboriginal Housing Victoria Limited cannot dispose of, use as security for borrowings, or otherwise transact using these rental properties without the prior consent of the Director of Housing.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<b>Note 8. Trade and other payables</b>		
Trade payables	257,256	595,167
Rental payments in advance	722,632	558,052
Other current payables	774,960	796,273
Employee benefits	29,007	26,361
<b>Total trade and other payables</b>	<b>1,783,855</b>	<b>1,975,853</b>

### Note 9. Provisions

#### Analysis of total provisions

Current	365,035	328,028
Non-current	25,766	17,532
<b>Total provisions</b>	<b>390,801</b>	<b>345,560</b>

#### Provision for long-term employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

### Note 10. Deferred grant income

NAIDOC Funding	7,915	12,000
Research and care management funding	200,000	-
NPARIH 2 funding	101,750	-
NAB Community Service funding	36,364	-
<b>Total deferred grant income</b>	<b>346,029</b>	<b>12,000</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
<b>Note 11. Capital and leasing commitments</b>	<b>\$</b>	<b>\$</b>
<b>Operating lease commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
Minimum lease payments for office, motor vehicles and office equipment, payable:		
within one year	143,924	112,424
between one and five years	210,440	66,361
after five years	-	-
	354,364	178,785

The office lease commitments are non-cancellable operating leases contracted up to two years. The motor vehicle lease commitments are non-cancellable operating leases contracted up to three years. The office equipment lease commitments are non-cancellable operating leases contracted for a five year term. No capital commitments exist in regards to the lease commitments at the 30 June 2016.

Minimum lease payments under the Housing Provider Framework, payable:

within one year	393,145	5,053,129
between one and five years	-	-
after five years	-	-
	393,145	5,053,129

The Housing Provider Framework Lease expires on 30 June 2016.

### Note 12. Events after the reporting period

The Registrar of Housing advised AHV in December 2015 that it had achieved Housing Association status, subject to the formal transfer of properties by the Director of Housing (which took effect in July 2016).

There were no other significant events after the reporting date which requires disclosure in the financial statements at 30 June 2016.

### Note 13. Contingent liabilities and assets

The Australian Taxation Office is currently conducting a review and audit of taxable supplies in relation to a transaction which occurred during the 2014/15 financial year. The contingent liability as at the reporting date has been settled in full by Aboriginal Housing Victoria, through a voluntary payment made in August 2016, pending completion of the review.

At the reporting date, there were no other contingent liabilities.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

2016	2015
\$	\$

**Note 14. Related party transactions**

The Entity's related parties include its key management personnel as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

**Note 14.1 Transactions with key management personnel**

Key management of the entity are the executive members of the Aboriginal Housing Victoria Board. Key Personnel remuneration includes the following expenses:

Short term employee benefits	61,242	79,982
Long term employee benefits	-	-
	<u>61,242</u>	<u>79,982</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<b>Note 15. Cash flow information</b>		
<b>a. Reconciliation of cash</b>		
Cash at bank and in hand	2,794,657	1,827,697
<b>b. Surplus after income tax</b>	1,155,878	2,117,530
Non cash flows		
Depreciation and amortisation	294,398	288,522
Surplus on sale of held-for-sale properties	-	(1,146,042)
Contributed assets	(905,000)	-
Loss on sale of Property, plant and equipment	2,365	-
Changes in assets and liabilities		
(Increase) / Decrease in receivables	1,771,464	(1,861,665)
(Increase) / Decrease in prepayments and accrued income	(386,208)	(5,690)
Increase / (Decrease) in payables	(191,999)	492,980
Increase / (Decrease) in deferred provisions	45,241	8,658
Increase / (Decrease) in grants carried forward	334,029	4,000
<b>Cash flow from operating activities</b>	<b>2,120,168</b>	<b>(101,707)</b>

### Note 16. Reserves

The revaluation surplus records the revaluation of the office property. At 30 April 2016 the office property was revalued to its fair value of \$2,500,000 giving rise to a revaluation increment of \$373,728.

The revaluation surplus records the revaluation of the rental property. At 30 June 2015 the rental properties were revalued to its fair value of \$22,922,500 giving rise to a revaluation increment of \$6,726,588. This along with prior year revaluations has resulted in the current revaluation surplus of \$8,875,247.

### Note 17. Company details

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

Aboriginal Housing Victoria Limited

125-127 Scotchmer Street

North Fitzroy VIC 3068

## RESPONSIBLE PERSONS' DECLARATION

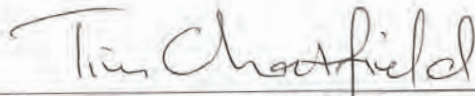
---

### Aboriginal Housing Victoria Limited

#### RESPONSIBLE PERSONS' DECLARATION

1. The financial statements and notes, as set out on pages 7 to 20, are in accordance with the *Australian Charities and Not for Profits Commission Act 2012*, including:
  - a. Giving a true and fair view of its financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
  - b. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not for Profits Commission Regulation 2013*; and
2. There are reasonable grounds to believe that Aboriginal Housing Victoria Limited will be able to pay its debts as and when they become due and payable.

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



Tim Chatfield (Director)

Dated 29 September 2016



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABORIGINAL HOUSING VICTORIA LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABORIGINAL HOUSING VICTORIA LIMITED

#### Report on the Financial Report

We have audited the accompanying financial report of Aboriginal Housing Victoria Limited which comprises the statement of financial position as at 30 June 2016, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial report are appropriate to meet the requirements of the *Australian Charities and Not for Profits Commission Act 2012* and are appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* and any applicable code of professional conduct in relation to the audit.

#### Opinion

In our opinion the financial report of Aboriginal Housing Victoria Limited is in accordance with Division 60 of the *Australian Charities and Not for Profits Commission Act 2012*, including:

- giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Australian Charities and Not for Profits Commission Regulation 2013*.



  
LBW Chartered Accountants

Sripathy Sarma  
Principal  
29 September 2016

GEELONG  
35-37 Gordon Avenue  
Geelong West 3218  
T: 5221 6111  
F: 5223 1966

MELBOURNE  
Level 3,  
365 Lt Collins Street  
Melbourne 3000  
T: 9670 4444  
F: 5223 1966

COLAC  
7 Bromfield Street  
Colac 3250  
T: 5231 5999  
F: 5223 1966

EMAIL  
lbw@lbwca.com.au  
WEB  
www.lbwca.com.au

# Our Supporters

---

We would like to thank all of the generous supporters and sponsors that have contributed to our work this year. We could not have provided the services to our clients without your support. We were particularly heartened with the generosity shown to us from the residents and businesses in North Fitzroy during our inaugural Christmas Toy Appeal in December 2015.

*"For people who have experienced ongoing disadvantage and discrimination, to have some generosity like this makes an enormous difference."* - Jenny Samms, CEO.

- Abstar Productions
- AFL Sportsready
- Angela Clark Boutique Beads
- AON
- Blackheart and Sparrows
- Bunnings – Brunswick, Collingwood, Shepparton stores
- Capra Coffee Store
- Chemist Warehouse
- Clifton Hill Pharmacy
- City of Yarra
- Collingwood Children's Farm
- Curves Fitness
- Dench Bakers
- Francis Maurice Design
- Family Violence Prevention and Legal Service
- Good Shepherd Australia New Zealand
- Good Shepherd Microfinance
- Healthy Planet
- Hoochie Coochie
- Holden Street Neighbourhood House
- Joel Harris Stationers
- KMART – Barkly Square
- Life Without Barriers
- Little Toy Shop
- Manad Plus
- Margaret Mueller jeweller
- Marngrook Footy Show
- Mediterranean Wholesalers in Brunswick
- Nestle
- North Fitzroy Chicken Shop
- North Fitzroy Post Office
- North Fitzroy Primary School
- Officeworks – Collingwood
- On the Move
- Pet Art
- Piedimonte's Supermarket
- Readings Bookstore
- SNAICC
- Telstra Corporation
- The Best Street Store
- The Holos Group
- The Snake Pit
- 3KND
- U3A Banyule
- Village Cinemas
- Woolworths – Collingwood







**Aboriginal Housing Victoria**

Narrandjeri House  
125-127 Scotchmer Street  
North Fitzroy  
VIC 3068

**Telephone:** (03) 9403 2100

**Fax:** (03) 9403 2122

**Email:** [info@ahvic.org.au](mailto:info@ahvic.org.au)

**More information including our tenancy policies and procedures can be found on our website [www.ahvic.org.au](http://www.ahvic.org.au)**