



Aboriginal Housing Victoria

ANNUAL REPORT

2022-23





Design

Reanna Bono, *Wiradjuri* and *Wemba Wemba* – Yakuwa Designs

Photography

Thank you to the community members and staff who volunteered and gave permission for their photographs to be published.

Acknowledgement

Aboriginal Housing Victoria (AHV) would like to acknowledge and pay respect to the Traditional Custodians of the lands throughout Victoria. We pay our respect to the Elders past and present, for they hold the memories, the traditions, the culture and hopes of Aboriginal Australia. We acknowledge that Aboriginal and/or Torres Strait Islander Peoples continue to live in spiritual and sacred relationships with this country. Throughout this document, the term 'Aboriginal' is used to refer to both Aboriginal and/or Torres Strait Islander people.

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CHAIRPERSON'S REPORT



It is an honour to present the Aboriginal Housing Victoria (AHV) Annual Report for 2022-23, in my last full year as Chair.

I am both proud and deeply humbled by the breadth and scale of the change AHV has achieved during my terms of office as AHV Chair over the past two decades – two decades of incredible growth of our organisation and by the Aboriginal community.

In 2009, AHV became a registered housing provider and then a housing association in 2016. We were the first Aboriginal housing organisation to achieve this. In 2023, we are the largest registered Aboriginal housing association in Australia.

From the outset, the Aboriginal Housing Board of Victoria had a vision of self-determination and that one day the organisation would own and manage social housing that would meet the needs of the Aboriginal community. During my time as Chair, AHV accomplished our long-held aspiration of owning, on behalf of the Victorian Aboriginal community, 1,448 Director of Housing properties that we had previously managed on behalf of the State Government.

As a person living on Country in regional Victoria, I am pleased that AHV has retained its statewide perspective and our commitment to supporting local Communities, as we continue to grow and improve our property portfolio and housing services across the State.

Our portfolio has continued to expand. We have seen significant growth in our housing stock since title transfer from the State, providing important opportunities for more Aboriginal Victorians to access safe, secure and affordable housing. We now own and manage more than 1600 properties across metropolitan and regional Victoria.

Historically, we have held 3-bedroom, detached dwellings, but now our portfolio includes medium density properties and offers greater housing options to suit the needs of the Victorian Aboriginal community. We have also focused on property upgrades to improve quality, amenity and safety for our renters.

A good example of this work includes the \$34 million Aboriginal Rapid Housing Response Program. The program was designed and delivered in collaboration with 17 Aboriginal community-controlled organisations across Victoria, for the maintenance and upgrade of their properties.

The trust shown by the Victorian Government, in supporting our consortia bid for this challenging but important collaborative project has proved to be well placed. The program is well advanced with the majority of works delivered or being delivered by the end of 2022-23, despite the ongoing volatility of the housing construction sector.

Continuing in the spirit of the founding Elders of the Aboriginal Housing Board of Victoria, AHV remains a strong and vocal advocate for improved housing outcomes for Aboriginal Victorians. I am thrilled that AHV leads and supports the Aboriginal Housing and Homelessness Forum. The Forum is the key stakeholder group for driving and implementing the policy framework, *Mana-na woorn tyeen maar-takoort: Every Aboriginal Person Has a Home*.

During the last 20 years, I have been incredibly fortunate to work with, and be supported by a range of highly experienced and committed Board Directors, and the members of the current Board are no exception.

Thank you to AHV staff, and our renters, for your trust in me.

I know I am leaving the organisation in highly capable hands as it enters the next phase of its growth and development.

Tim Chatfield, Chairperson

CEO'S REPORT

The last year has been another incredibly busy year for AHV. We focused on improving our services and engagement with renters, transforming our systems to improve efficiency, growing and diversifying our housing stock and continued advocating for improved housing outcomes for Aboriginal people.

The wellbeing of AHV renters is at the forefront of everything we do. In 2022-23, our Housing Services and Wellbeing teams provided support for new renters to establish their homes and referred renters to AHV programs which included 125 referrals to the Life Skills and Life Coaching programs.

These teams guided our renters through difficult economic times and supported them to sustain tenancies, achieve their goals and reduce their arrears. In the context of the cost-of-living crisis, supporting renters to avoid debt pressure is essential to secure housing and maintaining their wellbeing.

2022-23 also ushered in significant systems transformation across the organisation, including the transition to a new IT platform and service provider to mitigate cyber security threats, minimise disruptions and ensure our IT system is efficient. We also progressed the implementation of a Quality Management System to enhance our quality, risk and compliance capabilities.

We upgraded, expanded and diversified our housing stock, tackling the ongoing housing crisis in real time by placing people in our housing swiftly. In 2022-23, we completed our first medium density development and progressed development projects to respond to demand for a greater range of housing options. In addition to preparing multiple submissions into the Big Housing Build Social Housing Growth Fund, we created 54 tenancies, translating to 54 homes for Aboriginal households.

We strengthened our advocacy at local, state and federal levels. We travelled to Canberra to speak with Ministers and politicians to push for a standalone national Aboriginal housing and homelessness plan. We amplified the call for 10% of federal government funding for affordable housing initiatives to be allocated to Aboriginal people to address rising demand and escalating homelessness.

In August 2022, AHV hosted the second Aboriginal Housing and Homelessness Summit. The Summit brought together 150 representatives from Aboriginal Community Controlled Organisations, housing and homelessness providers, government departments, and Aboriginal renters from all over Victoria working to discuss key housing and homelessness issues and shape future action. Recommendations from the Summit inform the Five-Year Implementation Plan and Sector Development and Capacity Plan of *Mana-na woorn-tyeen maar-takoort: Every Aboriginal Person Has a Home.*



Finally, the return of NAIDOC Family Day at the Farm in 2023 was a vital step in reconnecting with our renters and celebrating Aboriginal culture, traditions and families. I am grateful to the Collingwood Children's Farm for hosting our special family day for more than two decades and supporting us to welcome more than 2000 attendees through their gates once more.

Our first priority will be to continue to advance the health and wellbeing of our renters and Aboriginal community members through housing, service provision and advocacy.

Darren Smith, CEO

About Us

Our Vision

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

Our Values

Respect and support for Aboriginal identity and culture, and for our renters 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, renters, government and stakeholders.

Kindness, compassion, courtesy and dignity in our relationships with our clients, stakeholders and each other.

Who we are

AHV is a not-for-profit registered Housing Association and the largest non-government Aboriginal housing organisation in Australia.

We are an independent Aboriginal community organisation that provides culturally safe, affordable and secure housing to over 4,000 low income Aboriginal Victorians in 1,575 housing units (as at 30 June 2023), across the State.

AHV is a proud agency: proud of the history and culture of the Aboriginal peoples of Victoria, proud of the Aboriginal people of Victoria who we serve and proud of our unique identity and heritage.

What we do

Through the provision of secure housing by an Aboriginal rental provider, AHV helps strengthen Aboriginal communities and cultural ties and aims to maintain and sustain tenancies to break the cycle of poverty and disadvantage.

Renters and residents are at the heart of our business. We are a responsible and innovative property owner and rental provider, delivering culturally safe services to the Victorian Aboriginal community. We work in partnership with other agencies to assist vulnerable AHV renters; ensuring they are linked into the services they need. This is reflected in the continued high percentage of tenancies maintained; an exceptional outcome given the complex disadvantage experienced by many AHV renters.

AHV is also the lead agency for Victoria's Aboriginal housing and homelessness policy, *Mana-na worn-tyeen maar-takoort* - Every Aboriginal Person has a Home. We work in partnership with the Government to secure the resources and reforms to implement the policy, while we support sector development to empower Victoria's Aboriginal community to determine its chosen housing future.

Our Board

The challenges of managing and growing a large housing portfolio requires strong governance and a capable Board. Our Board is comprised of directors with a diverse mix of skills, knowledge and expertise. It is important that a majority of the Board are Aboriginal Victorians who know, understand and are connected to the Aboriginal community. It is also important that the Board has directors with the financial, legal, development and community housing knowledge, skills and expertise to provide strategic leadership and effective oversight.



Tim Chatfield Director and Chairperson

Tim Chatfield has extensive experience as an executive and non-executive Director and Chairperson within the Aboriginal community housing sector. He holds the positions of CEO of Budja Budja Aboriginal Cooperative and Chairperson of Martang Pty Ltd. Tim is also an independent Director of First Super and a shareholder of the Framlingham Aboriginal Trust. Tim has held a range of membership positions and roles including membership of the Aboriginal Cultural Heritage Council Victoria, Chairperson of Tumbukka, ATSIC membership, Victorian Indigenous Family Violence Strategy, and membership of the Premier's Aboriginal Advisory Council.

Tim is currently serving his final term in 2023.



Daphne Yarram Director, Deputy Chairperson and Chair of Governance Committee

Daphne has championed the cause of the Victorian Aboriginal community in voluntary, government and private sector roles for over 30 years. Daphne was instrumental in establishing Ramahyuck District Aboriginal Corporation and, more recently, the Yoowinna Wurnalung Aboriginal Healing Service. Daphne was a member of the National Congress of Australia's First Peoples Board, Binjirru Chairperson, Chair of the Aboriginal Family Violence Taskforce and Fellow for the Fellowship for Indigenous Leaders. She is a Respected Person on the Koorie Magistrates Court and Gippsland Regional Aboriginal Justice Advisory Committee, and the Dhelk Dja Family Violence Partnership Forum.

Daphne is a continuing Board Director who was re-appointed in 2021.



Janice Morris Director and Chair Finance, Audit and Risk Committee

Janice is passionate about creating a capital system where people and nature flourish, resulting in viable economies that deliver financial returns. She has more than 20 years of global infrastructure and investment management experience. Janice is the Fund Executive Director at Impact Investment Partners where our goal is to bring the unique ability to combine positive social impact and economic objectives for stronger and more sustainable futures with First Nations Peoples. Prior to Impact IP, she was an Executive Director at IFM Investors, a global institutional fund manager and a Partner at Deloitte (financial advisory). Janice was appointed to the AHV Board in 2022.



Alan Herrman Director and Chair Asset Committee

Alan has extensive experience in property asset and investment management. He is currently a Partner in the Real Estate Advisory team at PwC. Alan has long been a passionate advocate of finding sustainable ways to secure appropriate and affordable housing for all members of the community. Previously a member of both the Property Council of Australia and UDIA's Victorian infrastructure advisory committees, Alan joined Aboriginal Housing Victoria's Finance and Risk Committee as a specialist Asset Management Advisor in November 2015.

Alan is a continuing Board Director who was re-appointed to the AHV Board in October 2021.



Damein Bell Director

Damein Bell is a Gunditjmarra man from southwest Victoria, Australia. Damein is an Atlantic Fellow for Social Equity through the University of Melbourne and a Fellow with the Royal Society of Victoria. Damein worked with his community in achieving the UNESCO World Heritage Listing for the Budj Bim Cultural Landscape in 2019 and continues to work for the First Nations cultural rights, caring for country and Indigenous nation building.

Damein was appointed to the AHV Board in 2022.



Robert Leslie Director

Rob was Chief Executive Officer of Yarra Community Housing (now Unison Housing) from 2000-2015 and has extensive experience within the Victorian community housing sector. He has a particular interest in the design and development of new social housing projects. Rob is a Director of several other not-for-profit organisations and currently works as a consultant in the area of social housing.

Rob is a continuing Board Director who was reappointed in October 2021.



Bevan Mailman Director

Bevan Mailman is a corporate lawyer with expertise in commercial transactions, corporate advisory, corporate structuring and business development having held positions with leading law firms and companies. He is the Director of Mailman Law. Bevan has considerable experience in the not-for-profit/charities sector, having held several directorships. Previous peak professional bodies include the Law Council of Australia and the Law Institute of Victoria advising on numerous issues including native title, sentencing, constitutional recognition, the Northern Territory's "National Emergency Response" and the United Nations Declaration on the Rights of Indigenous Peoples.

Bevan is a continuing Board Director who was reappointed in 2020.

Our staff

AHV's organisational structure is designed to deliver on our strategic priorities and objectives.

CEO

Strategy and Performance

focuses on ensuring high quality internal governance, policy development and sector leadership. The primary role is to drive AHV's corporate governance by driving strategy and strategic alignment, supporting external and internal leadership, ensuring that AHV is meeting compliance and performance standards, and providing the highest standard of executive support to the Board.

Assets and Development's

core role is to lead the development and implementation of asset management strategies that align with AHV's strategic directions. The division is responsible for planning and delivering maintenance of our houses and management of development projects to build new housing.

Aboriginal Housing Services

provides front line tenancy management services and client support through our Wellbeing programs. Several of our Aboriginal Housing Services staff are based in regional Victoria in Ballarat, Bairnsdale, Bendigo, Mildura, Morwell and Shepparton in addition to our team of staff in North Fitzroy.

Finance

takes a rigorous, systematic and strategic approach to financial management, which is integrated into all aspects of the organisation's operations and supports business plan activity. Finance is responsible for managing the budget and financial reporting as well as Treasury, payroll and internal audit. Corporate Services leads the delivery of technology and corporate support services across AHV.

Our Human Resources and Organisational Development Team

ensures we have the people capability to meet our objectives, by leading and coordinating our recruitment, professional development and maintenance of a positive, culturally safe organisational culture.

AHV Strategic Plan 2014-2025

The AHV Strategic Plan 2014-2025 sets the course for us to provide diverse, high quality and financially sustainable housing services to Aboriginal Victorians over the decade. Our Strategic Plan articulates the following priorities:

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.

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.

2022-23 highlights:

- Providing homes to more than 4,000 Aboriginal Victorians in 1614 properties.
- Diversifying our housing portfolio through innovative projects to provide a range of housing options to suit the needs of the Aboriginal Community.
- Delivering over 75% of works to upgrade housing for Aboriginal renters in Aboriginal community housing through the Aboriginal Rapid Housing Response Program.
- Maximising opportunities to grow our housing portfolio through the Victorian Government's Big Housing Build initiatives.

We continued to focus on growth and diversification of our housing portfolio to provide much needed housing which suits the needs of Aboriginal Victorians. We have been building our capability to deliver more complex projects, identifying opportunities and establishing strategic partnerships to produce a project pipeline to deliver a range of housing options through the Big Housing Build initiatives and beyond.

The growing demand in recent years for one and two-bedroom homes, along with demand for larger homes, is recognised in our *Development Pipeline Strategic Framework* which has informed multiple proposals AHV has submitted under funding rounds of the Big Housing Build initiatives.

We made significant progress delivering projects funded by the Social Housing Growth Fund. In April 2023, a development to provide 14 units was completed and another providing 10 units is expected to be completed in October 2023. The medium density projects in northern and southeastern suburbs of Melbourne are the first of their kind to be undertaken by AHV. Culturally appropriate design to foster a sense of community and connection to Country are central to the developments which have been featured in *Australian Design Review*.

Priority 1



ARHRP successes in 2022-23

Aboriginal student accommodation, Lady Gladys Nicholls Hostel, was one of the thousands of properties to benefit from upgrades in 2022-23.

Andrew is a hostel parent with his wife Cara. "It's good to have the building transformed back into a home for students" he said. "It's a hostel we call home".

"We appreciate the support from AHV. It's never happened before for ACCOs, and we're happy they took the initiative to work with us to bring this project together."

In 2022-23, there were eight First Nations students from around the country, living at the hostel.



Before Geraldine* had solar panels installed on her roof through the ARHRP, the hot water wouldn't last five minutes. Now she struggles to get her grandson out of the warm shower.

Geraldine is an AHV renter. Her home is one of hundreds across the state to receive a facelift in the form of solar power, upgraded hot water systems, air conditioning and ceiling fans.

Geraldine's daughter says the solar panels help them to feel "like everyone else" on their street.

**Name changed for privacy*

Credit: Bernard Wright Photography

AHV x Kids Under Cover

AHV was featured on NITV in February 2023, celebrating one of the 28 studios built through our partnership with Kids Under Cover and the Victorian Government, to house young Aboriginal Victorians through the ARHRP.

Housing Minister Colin Brooks visited one of the studios in Boronia. Jasmine lives in the studio in the backyard of the three bedroom home where her mother, Samantha and her three siblings reside.

"It gives me a bit of understanding of how to live on my own, but at the same time I still have family and community right here," Jasmine told NITV. "It's giving me that little glimpse of what it's like to be an adult, which is really inspiring."

Samantha agreed that it's helped Jasmine find her independence. "It's an amazing thing!"

Priority 2

Strengthening governance, probity and viability to manage the more complex business of a housing association and property owner.

2022-23 highlights:

- Effective succession planning for the AHV Board.
- Board Directors focused on their ongoing knowledge and skills development.
- A review of the AHV Strategic Plan was endorsed by the AHV Board during 2022-23.

AHV's succession planning is based on governance good practice of renewing and refreshing Boards by retiring long serving directors and recruiting new directors, while maintaining the right mix of experienced and skilled Board Directors. The terms of service of two long term, experienced Directors Ian Hamm and Mark Lipson, ended at the AHV Annual General Meeting (AGM) in November 2022. AHV successfully attracted and recruited two new highly qualified Directors, Damein Bell and Janice Morris. They are welcome additions to the Board; complementing skills of existing Directors and adding fresh perspectives to Board deliberations. Renewal of the Board continues at the 2023 AGM with AHV's long standing Chair reaching the end of his term.

Board Directors focussed on their ongoing knowledge and skills development during 2022-23; participating in two courses identified as priorities through the Board's independent governance review - the Strategic Board, and Cyber Security. The courses were designed and delivered by the Australian Institute of Company Directors and tailored to reflect AHV's business and governance arrangements.

A review of the AHV Strategic Plan 2014 – 2025 was initiated by the Board in 2022-23 in recognition of significant changes in the social and affordable housing landscape. Over the last eight years, the Board has delivered on key aspirations of the existing Strategic Plan, with AHV achieving housing association registration and the transfer of ownership of 1,448 houses from the Director of Housing. More recently, the housing crisis has reinvigorated Commonwealth policy leadership and national action, including funding for social and affordable housing growth. Our revised Strategic Plan will better reflect our key objectives for the next five to ten years, and will help to position AHV to maximise opportunities for further growth and service improvements.

A message from the Board

The Board wishes to express its deep gratitude to our outgoing Chairperson, Tim Chatfield, for his inspiring leadership and unwavering commitment to improving housing outcomes for Aboriginal Victorians, throughout his 20-year tenure at the helm of AHV.

Tim has effectively guided AHV through significant and positive change, not only for the organisation but for the Victorian Aboriginal community more broadly.

Under Tim's guidance and leadership, AHV became the first Aboriginal organisation to achieve registration as a housing provider in 2009, and the first to achieve registration as a housing association in 2016.

Tim has worked tirelessly to pursue the vision of the founding Elders of the Aboriginal Housing Board of Victoria in striving for Aboriginal self-determination in housing. Tim's leadership culminated in the transfer ownership to AHV of the 1,448 properties previously owned by the Director of Housing and managed by AHV. The title transfer is the single largest financial commitment to Aboriginal Affairs in Victoria's history and represents one of the most significant acts of self determination in this State. A decision of this magnitude would never have been reached by government, without full confidence in AHV's financial, governance and organisational capabilities. Tim's recognised leadership and extensive experience as AHV Chair was an important factor in demonstrating AHV's capacity.



Tim Chatfield and former Director of Housing Nick Foa at the formal handover of properties to AHV.

Since achieving title transfer, Tim has overseen AHV's role as the lead agency for Victoria's Aboriginal Housing and Homelessness policy framework, *Mana-na woom-tyeen maar-takoort*; the continued expansion of AHV's property development program, and the creation of wellbeing services to support Aboriginal people to sustain their tenancies and improve life outcomes.

The AHV Board of Directors and Staff appreciate Tim's significant contribution to the legacy of AHV. We wish him the very best for a happy and healthy life beyond AHV as he pursues his diverse interests and passions.

Priority 3

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

2022-23 highlights:

- Transforming our systems to improve efficiencies and enhance data security.
- Embedding culturally safe service delivery while increasing organisational capacity building.
- Prioritising staff health safety, wellbeing, learning and development.
- Ongoing, adaptive policy reviews to ensure legislative compliance, continuous workplace improvement and cultural strengthening.

In 2022-23, we saw significant systems transformations across the organisation. We continued to progress the implementation of our Quality Management System (QMS). The QMS enhances AHV's ability to monitor our quality, risk and compliance capabilities.

We implemented a new IT platform that improves internal efficiencies, and includes enhanced security features to mitigate the ever-present risk of cyber threats. Other systems improvements included a new payroll system and the development of a new finance system, to go live in early 2023-24.

AHV is embedding culturally safe service delivery while increasing organisational capacity building. In 2022-23, the Victorian Government's Aboriginal Workforce Fund enabled AHV to provide further employment opportunities to Aboriginal Victorians. We also supported the professional development of our staff with particular focus on skills development for front line workers. Courses included effective renter engagement; trauma-informed tenancy practices; preventing debt and recovering arrears; and writing, and project management courses.



Dylan works in the Housing Services team as an Administration Officer. His position was funded by the Victorian Government's Aboriginal Workforce Fund. He says it's important for roles like his to exist because they provide pathways for Aboriginal people to gain experience in the housing sector – a sector that supports many Aboriginal families across Victoria.

“Without a role like this I may not have explored housing as a career choice due to other relevant roles requiring previous housing experience,” Dylan says.

“It's also an opportunity to gain administration skills that are transferrable across multiple sectors. This is ultimately why I think the creation and funding of such roles can help create a feasible way to build a stronger Aboriginal work force.”

Dylan says in the 10 months he has been in his role, he has learnt about many of the complexities of Aboriginal community housing, including the challenges of property demand, culturally appropriate and suitable property allocation, and understanding the Victorian Housing Register wait list.

“I've also learned to provide the most relevant information to prospective renters - advising of local support services if required - or assisting applicants to apply for housing”.

AHV is committed to ensuring its workforce reflects the communities we support. We are challenged by the sector-wide skills shortages, and competition for suitably skilled and experienced candidates for job vacancies. While we continue to attract high-quality candidates and retain our Aboriginal staff numbers, we recognise that targeted and innovative approaches to recruit and retain Aboriginal staff are required going forward.

Looking after the health, safety and wellbeing of AHV staff remains an important organisational priority. AHV has a Health and Wellbeing Consultative Committee comprised of management and staff representatives, to ensure occupational health and safety practices are compliant and contemporary. AHV staff have access to a culturally appropriate Employee Assistance Program offered through the Victorian Aboriginal Health Service to support staff to work through challenges, facilitate healing, and build resilience.

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

2022-23 highlights:

- The AHV Wellbeing Team collectively supported 125 renters through its Life Skills and Life Coaching programs in 2022-23.
- The Housing Services team is on target to visit all AHV renters and their homes by the end of 2023.
- The development of an online renter portal to provide additional means of communication for renters and improve our responsiveness.

AHV's Wellbeing Team works to support renters to sustain their tenancies, build resilience and break cycles of disadvantage. In 2022-23, these support services were delivered through the Life Skills and Life Coaching programs.

Life Skills staff made early contact with new renters to address any immediate needs to help them establish their homes and to provide emergency relief and referrals to support services, if required. The Life Coaching staff supported our renters to achieve their goals, hopes and aspirations. Throughout 2022-23, Life Skills and Life Coaching supported 77 and 48 renters respectively.

The Wellbeing Team travelled to Wathaurong and Ballarat and Districts Aboriginal Cooperative to hold community information sessions on the Life Coaching program. They also participated in the Darebin Aboriginal Renter Forum; hosted by AHV in Partnership with Darebin City Council, to promote the Wellbeing programs.



The AHV Wellbeing Team at a Life Coaching Community Day at Wathaurong Aboriginal Co-operative.

Improving renter satisfaction

Every two years, AHV receives valuable feedback from our renters in the form of a Renter Satisfaction Survey which helps us to understand what we are doing well as a housing provider, and where we need to do better.

We are proud to serve the Victorian Aboriginal community because we know that only Aboriginal organisations can truly understand the complex vulnerabilities and disadvantages our renters face. 87% of renters surveyed told us it was important to them that an Aboriginal organisation was delivering their housing services.

We also saw a slight increase in satisfaction with AHV's complaints process, and in the overall handling of complaints. We have changed the way we manage complaints and are determined to continue this positive trend.

Renters felt their quality of life had improved since living in AHV housing, although adequate support to sustain tenancy marginally decreased. To provide culturally safe and appropriate support, and to support our renters to stay in their homes, AHV believes funding for state-wide wellbeing programs is vital.

The survey conveyed the strong message that we have work to do to improve our connection to renters and our maintenance service delivery. Our new Community Engagement Manager will be commencing in August 2023 and we are committed to developing and implementing service improvements to increase renter satisfaction.

We know that home visits are vital for relationship-building between AHV and our renters, establishing and maintaining transparency, communication and trust. While it has been difficult to connect with our renters in recent years, the Housing Services Team is now on target to visit all AHV renters' homes by the end of 2023.

AHV invested in new software to develop an online renter portal, to provide self-service options for renters and improve our responsiveness. Through the portal, renters will be able to generate statements, make secure payments, update their personal information, and submit forms. The software also features a text messaging service which enables renters to request assistance from AHV and allows us to send information in an emergency to support our renters' safety and wellbeing.

Priority 5

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

2022-23 highlights:

- AHV gifted presents to hundreds of AHV renters as part of the Christmas Toy Appeal thanks to generous donations.
- AHV's NAIDOC Family Day at the Farm returned to its former glory after the pandemic, celebrating Aboriginal peoples and culture.
- The organisation's online footprint, via its website and social media, expanded exponentially.

As Victoria emerged from the pandemic period, so too did our hands-on, relationship-building community engagement initiatives to foster stronger relationships with our renters.

Every year, AHV provides toys to children in need and hampers to our Elders to ensure every household has a reason to celebrate at Christmas, as part of our Christmas Toy Appeal. The 2022 Appeal was a great success, thanks to AHV staff coming together to coordinate the purchasing of toys, sorting, packing and distribution.



AHV staff preparing gifts during the Christmas Toy Appeal

As a result, 280 Elders received Christmas hampers, and 240 families in need received toys for younger children and Kmart vouchers for children over 14. These gifts were able to be purchased thanks to the generosity of the public, who made donations to AHV.

In 2022-23, AHV published four *Mia Mia* renter newsletters. These quarterly updates, sent out to nearly 1600 households, highlighted positive renter stories, competitions, and provided them with important notices such as finding help with their rent arrears.

This year, AHV's NAIDOC Family Day at the Farm returned with a bang, back in-person at the Collingwood Children's Farm for the first time since 2019 due to the pandemic.

The rain held off while renters and the broader Aboriginal community celebrated this year's NAIDOC theme, 'For Our Elders'. The day began with a Welcome to Country and Smoking Ceremony before more than 2000 attendees were treated to live performances by hip-hop group Indigenous Outreach Projects and music by Maylene Yinarr and Uncle Herb Patten. Attendees scored some of the \$32,000 in donations secured by AHV from generous supporters, and enjoyed traditional crafts, facepainting, a footy clinic, Yarra Libraries storytelling and catering.

In a post-event survey, respondents rated the event an average of 4.6 out of 5, with 89% of them rating AHV staff 5 out of 5 for their service.

Since last year, the AHV website received more than 23,000 unique viewers with most traffic seeking our housing application forms and emergency housing resources – most likely a direct result of the increased cost of living and ongoing housing crises demonstrating the important role AHV plays supporting and providing resources to Aboriginal Victorians.



Priority 6

2022-23 highlights:

- Leading advocacy with Government at all levels for a National Aboriginal Housing and Homelessness Plan.
- Making the Blueprint for an Aboriginal-specific homelessness system a reality, with work towards Aboriginal homelessness entry points created within two years of project launch.
- Securing resources to support Aboriginal organisations to achieve their housing aspirations through a dedicated Partnership Advisory Committee (PAC).
- Shaping the 5-year implementation plan of *Mana-na woorrn-tyeen maar-takoort* at the 2022 Aboriginal Housing the Homelessness Summit.
- Continuing to support Aboriginal Victorians into home ownership.

Strengthening partnerships with government, the housing and community sectors and corporate bodies.

As the lead agency for the Aboriginal Housing and Homelessness Forum's (AHHF) *Mana-na woorrn-tyeen maar-takoort: Every Aboriginal Person Has Home* policy framework, AHV has advocated to all levels of government for a National Aboriginal Housing and Homelessness Plan, to sit alongside the mainstream plan. In June 2023, AHV CEO Darren Smith and AHV Strategy and Performance Director Lisa Briggs travelled to Canberra to meet with a range of politicians, including Housing and Homelessness Minister Julie Collins and Indigenous Australians Minister Linda Burney, who were both receptive to the AHHF's calls.



Above left: Darren Smith, Minister Julie Collins and Lisa Briggs. **Above right:** Darren Smith, Lisa Briggs, Minister Linda Burney, and National Aboriginal and Torres Strait Islander Housing Association CEO Ivan Simon.



Lisa Briggs and Darren Smith outside Parliament House in Canberra holding the VAHMF.

AHV continues working to make the AHHF's Blueprint for an Aboriginal-specific homelessness system a reality, with two Aboriginal homelessness entry points set to open later in 2023 – within two years of the plan's launch. The entry points will ensure that Aboriginal Victorians are met with culturally safe and welcoming environments when entering the homelessness system and are expected to be operational at two chosen metro and regional Aboriginal organisations in Victoria by early 2024.

The AHHF secured resources to support Aboriginal organisations to achieve their housing aspirations through a dedicated Partnership Advisory Committee (PAC). The PAC provides support to facilitate registration, build internal capacity and engage in partnership with mainstream housing providers. The PAC also focuses on improving Aboriginal cultural safety across the mainstream community housing sector.

AHV hosted the second Aboriginal Housing and Homelessness Summit in August 2022. The Summit shaped both the Five-Year Implementation Plan and the Sector Development and Capacity Plan of *Mana-na woorrn-tyeen maar-takoort*. The Summit brought together Aboriginal Elders and Traditional Owners, Aboriginal social housing renters, Aboriginal peak and community-controlled organisations, Government officials and mainstream service providers. In total, 150 participants from across the state attended the Summit. The 2022 Summit Report, outlining key priorities and actions from the conference can be found [here](#).

ABORIGINAL HOUSING AND HOMELESSNESS SUMMIT 2022

18 - 19 AUGUST



Victorian Aboriginal Child Care Agency CEO
Muriel Bamblett

Closing the Gap Partnership Forum

The Closing the Gap Partnership Forum is the key governance mechanism to advance Victoria's commitments under the 19 National Closing the Gap Socio-economic targets and 4 Priority Reforms. AHV is one of the elected co-chairs of the group and enables us to directly influence the creation of policies and programs to improve housing outcomes for Aboriginal Victorians.



Former First Peoples' Assembly
Co-Chair Marcus Stewart

The Victorian Homebuyer Fund (VHF) is the Victorian Government's shared equity scheme, which aims to support thousands of Victorians to enter home ownership. AHV has received funding to undertake engagement with Aboriginal Victorians, to spread awareness about the VHF and the potential opportunities for Aboriginal households to achieve home ownership, through their participation in the VHF. During 2022-23, AHV conducted community homeownership information sessions in regional Victoria, including Morwell, Bendigo, Bairnsdale, Shepparton, Mildura, Geelong, and Portland. Information sessions were also held in metropolitan Melbourne with VACSAL, Djirra and AHV Darebin renters.

Local Government partnerships

AHV has been able to secure a range of commitments that will deliver better outcomes for Aboriginal Victorians. This includes the negotiating of a local government rates exemption for all AHV properties within the City of Darebin and a commitment from several more councils for similar exemptions over the coming years.

AHV will continue to advocate for local government rates exemptions for all properties owned and managed by Aboriginal Community Controlled Organisations and Traditional Owner Groups across the state and will advocate for the inclusion of a 10% target for Aboriginal Victorians within all local government social and affordable housing plans.

The strength of our partnerships across all sections of the community has translated into significant commitments from Government that will be part of achieving our vision for a unified, strong, financially viable, self-determining Aboriginal housing sector going forward informed by the goals of *Mana-na woom-tyeen-maar-takoort*.

AHHF Meeting in Shepparton

In February, the AHHF gathered its 37 member organisations from across Victoria at the Rumbalara Activity Centre on Yorta Yorta Country (Shepparton).



Aunty Cheryl Bourke during
Welcome to Country



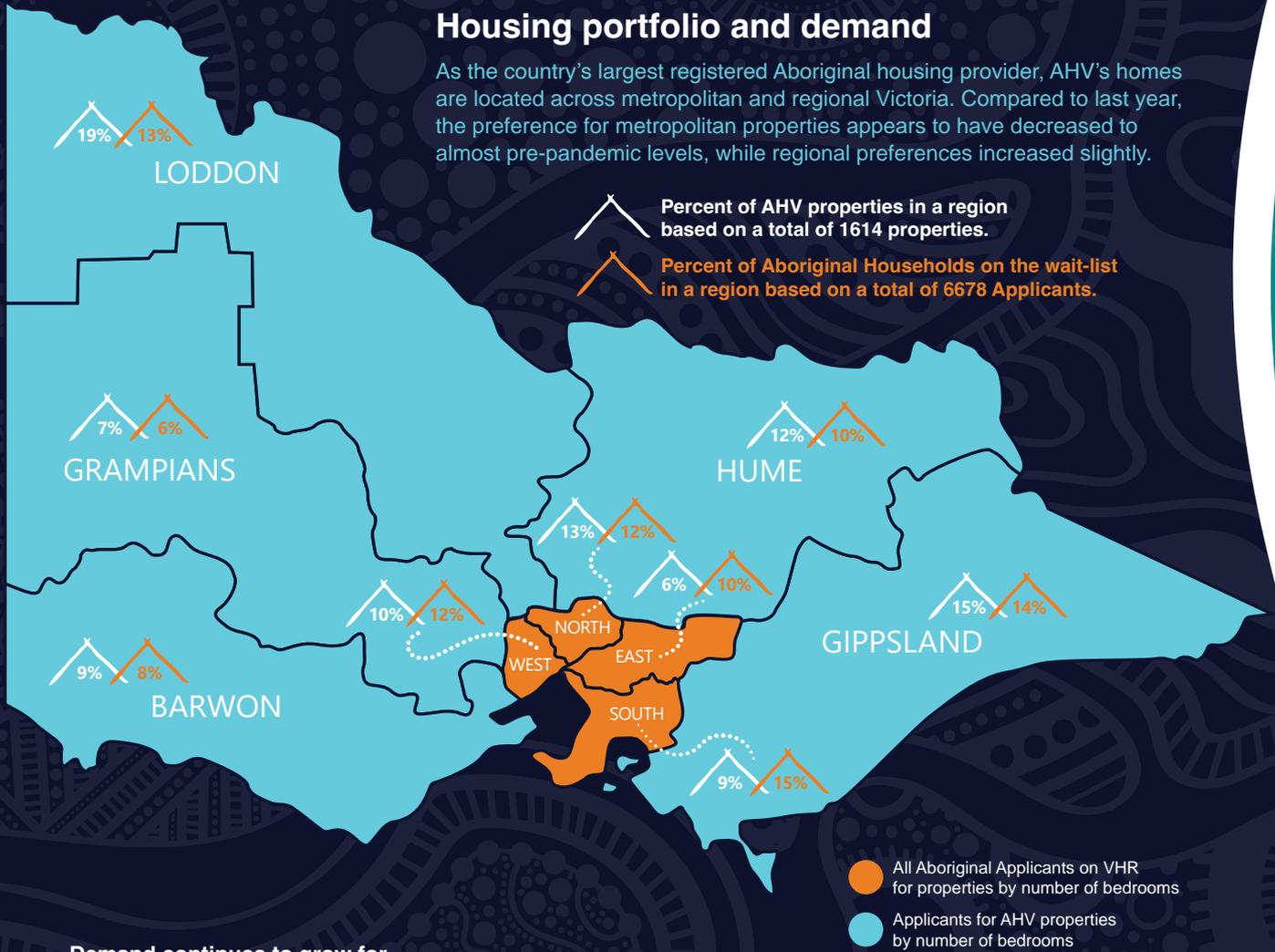
A Wulumbarra Dance Group member

UNDERSTANDING OUR RENTERS

We use data to help us plan our service delivery and deliver housing that suits the needs of Aboriginal Victorians in the places they live or aspire to live. We analyse both data on our properties and renters as well as Victorian Housing Register (VHR) data to do this.

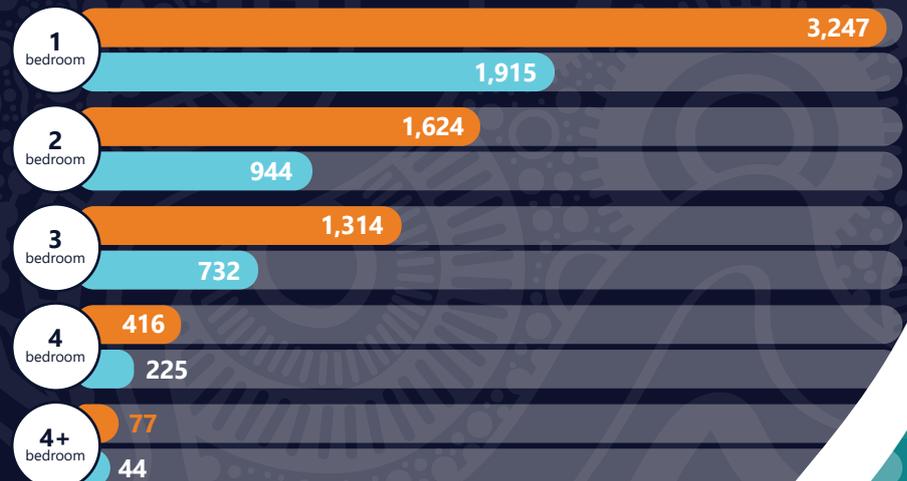
Housing portfolio and demand

As the country's largest registered Aboriginal housing provider, AHV's homes are located across metropolitan and regional Victoria. Compared to last year, the preference for metropolitan properties appears to have decreased to almost pre-pandemic levels, while regional preferences increased slightly.

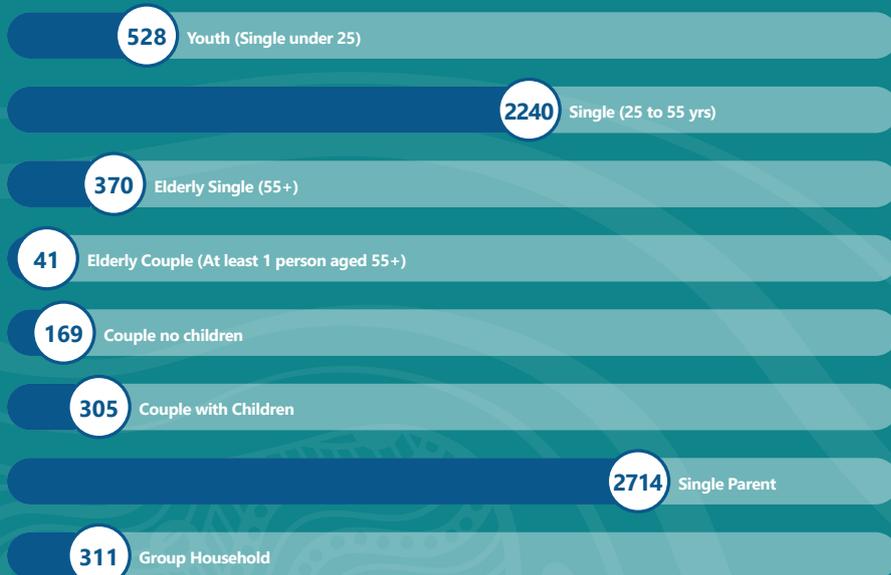


Demand continues to grow for housing for smaller Aboriginal households, with the VHR data indicating that 73% of Aboriginal applicants on the VHR are seeking one- and two-bedroom properties.

There is a shortage of one- and two-bedroom units right across the social and community housing sector. Most of AHV's 1600+ rental properties across the state are larger villas and houses, which are suitable for families but not singles, couples and younger people. This underlines the need to continue to diversify our housing portfolio, and to add more medium-density housing to our portfolio.

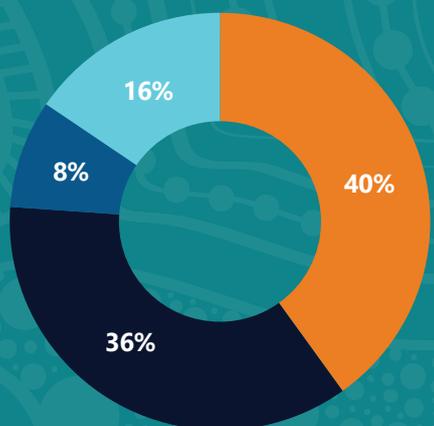
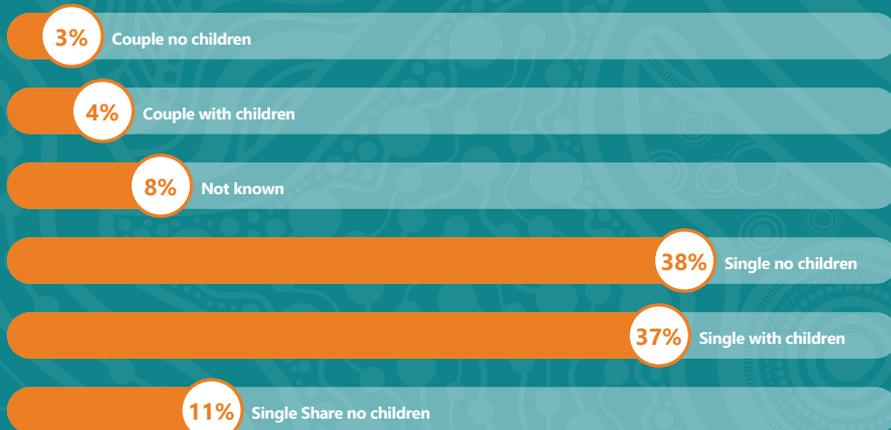


The majority of Aboriginal households on the waitlist (74.2%), fall within the Singles (25-55years), and Single Parent categories (33.5% and 40.6% of demand, respectively).



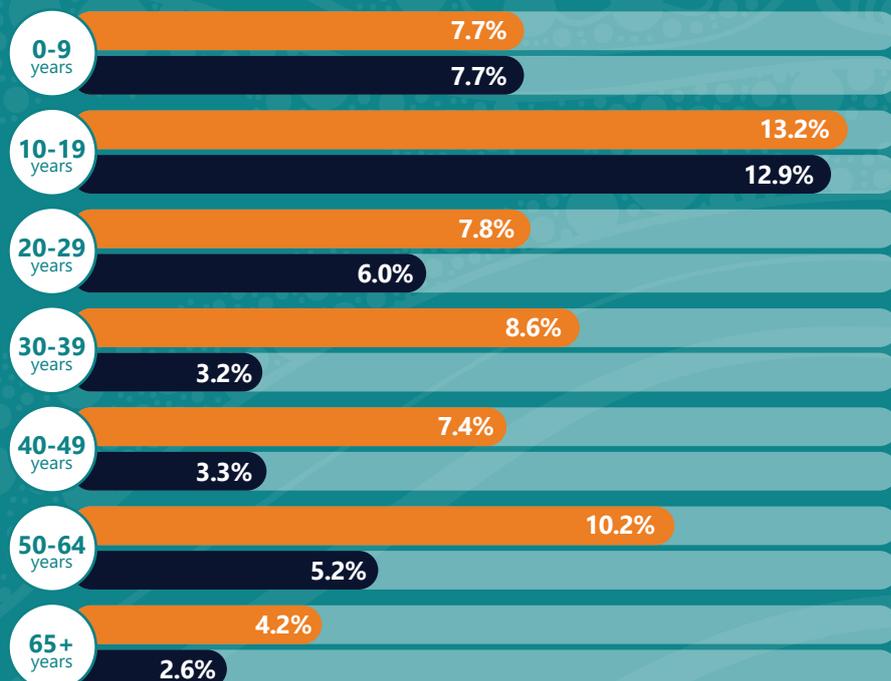
Our renters

Comparable with 2021-22 data, single adults with no children and single adults with children continue to make up the majority of AHV household types. However, we have seen a 3% increase in the number of renters whose circumstances are unknown to us (8%), and a one percentile decline across three areas: single with no children; single with children; and single share without children.



Centrelink remains the main source of income for AHV renters, however, we have seen an increase in the number of renters who are in work or receiving Abstudy – from 12% in 2021-22 to 16% in 2022-23. This has led to a decrease in the number of renters receiving JobSeeker (formerly known as Newstart), parenting payments or youth allowance, from 41% in 2021-22, to 36%. These figures align with the record low unemployment rate in Victoria during 2022-23, with more Victorians seeking work amid rising cost of living pressures.

Women represented the majority of AHV's renters in 2022-23, making up 59.2% of total AHV renters.



OUR PERFORMANCE

Tenancies sustained

93.1%

Tenancies created

167

Work orders requested

5,394

Capital works and planned maintenance expenditure

\$11,781,331

Council and water rates for houses

\$3,492,879

Total rent charged

\$18,319,019

Rental arrears

\$592,336

Average rental arrears

\$1,274

Vacant units and renter damage repairs expenditure

\$813,332

Key Performance Measures (KPMs)

As a registered housing association under the Housing Act 1983 (Vic) we are required to demonstrate to the Housing Registrar's satisfaction each year that we will remain financially viable and that we meet the performance standards of a registered Housing Association.

The Housing Registrar Public Register publicly reports on housing agencies compliance and performance results. The most recently published performance report, for 2022-23, confirmed that AHV had met performance standards, across all criteria: governance; management; probity; financial viability; tenancy and housing services; housing assets; and community engagement.

2022-23 KPM results are summarised as follows:

KPM 1 - Annual Business plan and Annual Budget for the financial year	Submitted on time
KPM 2 - Staff turnover	39.6%
KPM 3 - Vacant property turnaround time (tenantable)	27.5 days
KPM 3 - Vacant property turnaround time (untenantable)	66 days
KPM 4 - Rent outstanding from current tenants	3.2%
KPM 5 - Tenancies sustained (long term housing)	93.1%
KPM 6 - Prospective renter/ renter complaints resolved on time	88.2%
KPM 7 - Average occupancy rate (long term housing)	91.6%
KPM 8 - Evictions as a % of total tenancy terminations	5.8%
KPM 9 - Urgent requested repairs on time	90.4%
KPM 10 - Non-urgent requested repairs on time	81.2%

Governance

AHV Board Charter and Company Directors

The 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 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.

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 the CEO, 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 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.

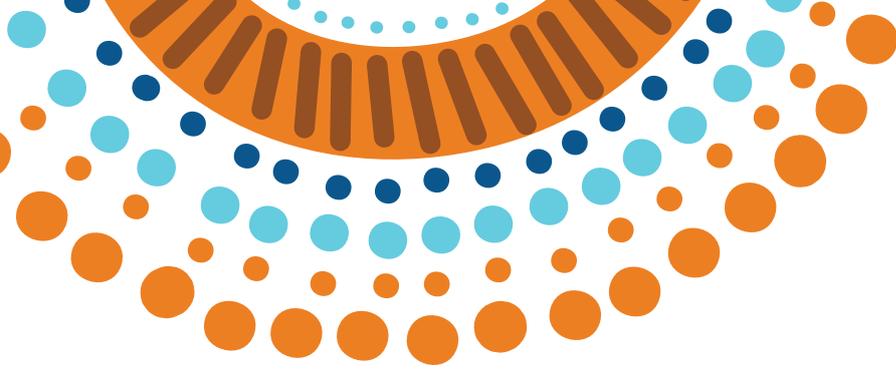
Quorum - No business may be transacted at a Board or Committee meeting unless a quorum is present at the time the business is considered. Unless otherwise determined by the Board, a quorum for meetings of the Board is half of the directors plus one of the directors, or if the number of directors is not 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 Board's 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 renters. They must fulfil all 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 ASX 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 AHV Board considers the ongoing development and improvement of its own performance as a critical aspect of effective governance. To this end the Board undertakes a regular 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.

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 a Chair from among their number who holds office until the end of the next Annual General Meeting, but who is eligible for re-election.

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 three standing committees to support its deliberations and decision making; the Governance Committee and the Finance Audit and Risk Committee (FAR) and the Asset Committee. These committees are independent of, but accountable to the Board and comprise appropriately qualified Directors. Executive Directors and expert advisors attend as required.

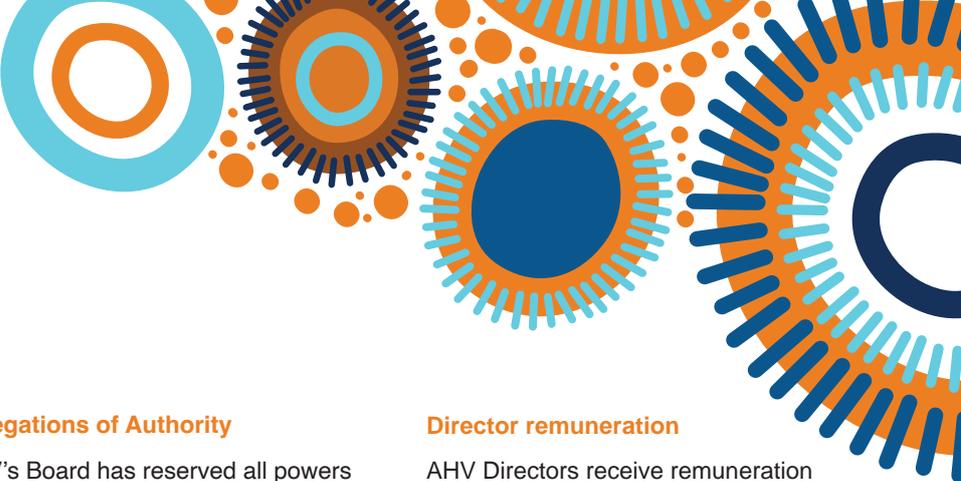
Governance Committee - The role of the Committee is to assist and advise the Board on matters that seek to maintain high standards of governance. The scope of the Committee's role includes, but is not limited to, Board recruitment and training, performance and remuneration.

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.

Asset Committee - The Asset Committee advises, guides and directs the implementation of AHV's Asset Management Strategy; to optimise the growth, diversity and amenity of AHV's asset portfolio, so that it best meets the housing needs of AHV current and future clients.

The committee structure and membership is reviewed on an annual basis. The Terms of Reference for the Finance Audit and Risk Committee, Governance Committee and Asset Committee outline the role, responsibilities and functions of the Committees.

All matters determined by the committees are submitted to the full Board as recommendations for Board ratification. Minutes of committee meetings are tabled at the ensuing Board meeting.



As at 30 June 2023, the Committees comprised the following members:

Finance, Audit and Risk
Janice Morris (Chair)
Tim Chatfield
Robert Leslie
Bevan Mailman

Governance Daphne Yarram (Chair)
Tim Chatfield
Damein Bell
Alan Herrman

Asset
Alan Herrman (Chair)
Tim Chatfield
Robert Leslie
Damein Bell

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 Board's approval at its Annual General Meeting. AHV's FAR Committee makes recommendations to the Board on the effectiveness and appointment of an external auditor.

The Auditor is entitled to:

1. attend any General Meeting; and
2. receive all notices of and other communications relating to any General Meeting which a Member is entitled to receive, and 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 responsibility, 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 directors 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. 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 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

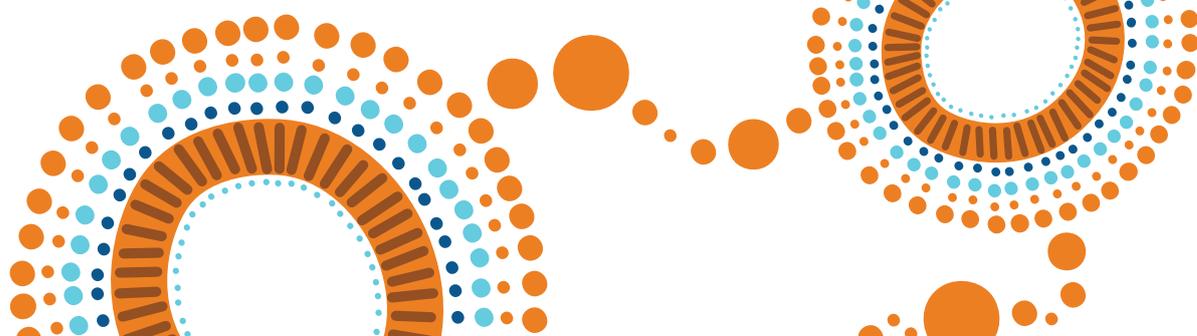
AHV Directors receive remuneration for undertaking their duties on the AHV Board, in line with industry benchmarking. The level of remuneration varies for attendance at Board meetings and Board Committees. Board and Committee Chairs receive a higher rate of remuneration, in recognition of their additional responsibilities.

Stakeholder interests and communication

AHV respects the rights of all stakeholders, including renters, applicants, employees, directors and partners and strives to facilitate the effective exercise of those rights. The Board seeks to ensure that all renters, 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 renters, clients and stakeholders and is responsive to community needs.

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



FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Aboriginal Housing Victoria Limited DIRECTORS' REPORT 30 JUNE 2023

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 2023 and the Independent Audit Report thereon.

Company details

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

- **Tim Chatfield** Director and Chairperson
- **Daphne Yarram** Director, Deputy Chairperson and Chair of Governance Committee
- **Mark Lipson** Director and Chair Finance, Audit and Risk Committee (retired at the 2022 AGM)
- **Janice Morris** Director and Chair Finance, Audit and Risk Committee (appointed at the 2022 AGM)
- **Alan Herrman** Director and Chair Asset Committee
- **Ian Hamm** Director (retired at the 2022 AGM)
- **Damein Bell** Director (appointed at the 2022 AGM)
- **Robert Leslie** Director
- **Bevan Mailman** Director

The following persons participated in Board and/or Committee meetings of Aboriginal Housing Victoria during the 2022-2023 financial year in a non-voting capacity:

- **Duean White** Expert Advisor to the Governance Committee (8th March 2022 – present)
- **Jessie Motlik** Associate Director (3rd March 2022 – present)

Principal activities

The principal activities of the company during the financial year were the:

- provision of affordable social housing in the Aboriginal community in Victoria
- developing competitive submissions and managing funded projects under the government's Big Housing Build initiatives; and
- progressing the implementation of the comprehensive Aboriginal housing and homelessness policy framework, *Mana-na-woorn-tyeen maar-takoort: Every Aboriginal Person has a home*.

The company's short-term objectives are to:

- further strengthen our asset management and development programs, including positioning the organisation to be well placed to respond to funding opportunities as they arise;
- continuously improve the quality and range of housing service delivery to AHV renters and Aboriginal social housing renters more broadly; and
- continue the implementation of *Mana-na woorn-tyeen maar-takoort*, in collaboration with the Aboriginal community sector and government.

The company's long-term objectives are to grow the supply of affordable housing to meet the significant unmet demand for social and affordable housing in the Aboriginal community, and to achieve improved housing opportunities for Aboriginal Victorians across all housing tenures, including home ownership.

Directors' meetings

During the 2022-23 financial year, 15 Board meetings were held, including the AGM (11 scheduled; and 4 out of session). Most of the out of session meetings were convened to approve major milestone payments; significant funding submissions; or the execution of funding deeds for current and future housing construction projects.

In addition to the 15 Board meetings held during 2022-23, the Directors also participated in an all-day Strategic Planning workshop on 16 March 2023.

Board Directors also sit on one of more of the following Board sub-Committees:

- Finance Audit and Risk Committee (FAR),
- the Governance Committee (Governance), and
- the Asset Committee (Asset).

Aboriginal Housing Victoria Limited
DIRECTORS' REPORT
30 JUNE 2023

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

	Board	FAR	Governance	Asset	Total
Total meetings for 2022-23	15	10	4	7	36
Tim Chatfield	15	10	4	7	36
Daphne Yarram	15	-	4	-	19
Mark Lipson	7	4	-	-	11
Janice Morris	8	6	-	-	14
Alan Herrman	15	-	3	7	25
Ian Hamm	7	-	1	-	8
Damein Bell	8	-	3	4	15
Rob Leslie	15	10	-	7	32
Bevan Mailman	15	10	-	-	25
Duean White (Expert Adviser)	-	-	4	-	4
Jessie Motlik (Associate Director)	15	-	-	-	15

The number of meetings that each Director attended during the year were:

	Board	FAR	Governance	Asset	Total
Total meetings for 2022-23	15	10	4	7	36
Tim Chatfield	15	9	3	6	33
Daphne Yarram	10	-	4	-	14
Mark Lipson	7	4	-	-	11
Janice Morris	8	6	-	-	14
Alan Herrman	11	-	3	8	22
Ian Hamm	6	-	1	-	7
Damein Bell	7	-	3	4	14
Rob Leslie	12	9	-	6	27
Bevan Mailman	13	7	-	-	20
Duean White (Expert Adviser)	-	-	3	-	3
Jessie Motlik (Associate Director)	12	-	-	-	12

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

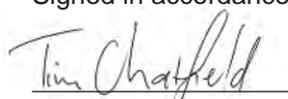
Contribution in winding up

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 2023, the total amount that members of the company are liable to contribute if the company is wound up is \$350 (2022: \$350).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2023 has been received and can be found in the financial report.

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



Tim Chatfield
 Director

5 October 2023



**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 2023, 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 Business & Wealth Advisors

Sripathy Sarma
Principal

Dated this 5th day of October 2023



CHARTERED ACCOUNTANTS
AUSTRALIA - NEW ZEALAND

Aboriginal Housing Victoria Limited
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30 JUNE 2023

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General information

The financial statements cover Aboriginal Housing Victoria Limited as an individual entity. The financial statements are presented in Australian dollars, which is Aboriginal Housing Victoria Limited's functional and presentation currency.

Aboriginal Housing Victoria Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Aboriginal Housing Victoria Limited
125-127 Scotchmer Street
North Fitzroy VIC 3068

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 5th October 2023. The directors have the power to amend and reissue the financial statements.

Aboriginal Housing Victoria Limited
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue			
Rental revenue	3	18,319,019	17,181,534
Other revenue	4	10,341,687	8,379,257
Total revenue		28,660,706	25,560,791
Expenses			
Administration expenses		(1,454,366)	(654,095)
Employee benefits expense		(5,964,330)	(5,750,515)
Depreciation and amortisation expense		(4,185,215)	(3,820,724)
Housing program expenses		(7,798,841)	(7,391,671)
Total expenses		(19,402,752)	(17,617,005)
Surplus before income tax expense		9,257,954	7,943,786
Income tax expense	1	-	-
Surplus after income tax expense for the year		9,257,954	7,943,786
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net gain/(loss) on revaluation of non-current assets	9	105,191	(471,847)
<i>Items that will be reclassified subsequently to profit or loss</i>			
Fair value gains on available-for-sale financial assets, net of tax		-	-
Other comprehensive income for the year, net of tax		105,191	(471,847)
Total comprehensive income for the year		9,363,145	7,471,939

n

*The above statement of profit or loss and other comprehensive income should
be read in conjunction with the accompanying notes*

Aboriginal Housing Victoria Limited
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	6	3,727,168	10,264,188
Term deposits		21,769,430	30,116,654
Trade and other receivables	7	2,205,800	3,185,514
Other current assets	8	8,527,992	7,022,692
Total current assets		<u>36,230,390</u>	<u>50,589,048</u>
Non-current assets			
Property, plant and equipment	9	566,383,186	557,833,361
Total non-current assets		<u>566,383,186</u>	<u>557,833,361</u>
Total assets		<u>602,613,576</u>	<u>608,422,409</u>
Liabilities			
Current liabilities			
Trade and other payables	10	5,337,383	4,293,149
Provisions	11	1,043,399	1,217,435
Deferred grant income	12	8,742,264	24,652,751
Lease liabilities	13	144,008	156,839
Total current liabilities		<u>15,267,054</u>	<u>30,320,174</u>
Non-current liabilities			
Lease liability	13	85,070	176,572
Long-term provisions	11	49,831	77,187
Total non-current liabilities		<u>134,901</u>	<u>253,759</u>
Total liabilities		<u>15,401,955</u>	<u>30,573,933</u>
Net assets		<u><u>587,211,621</u></u>	<u><u>577,848,476</u></u>
Equity			
Reserves	14	117,822,266	117,717,075
Retained earnings		469,389,355	460,131,401
Total equity		<u><u>587,211,621</u></u>	<u><u>577,848,476</u></u>

*The above statement of financial position should
be read in conjunction with the accompanying notes*

Aboriginal Housing Victoria Limited
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Revaluation surplus \$	Retained profits \$	Total equity \$
Balance at 1 July 2021	118,188,922	452,187,615	570,376,537
Surplus after income tax expense for the year	-	7,943,786	7,943,786
Other comprehensive income for the year, net of tax	(471,847)	-	(471,847)
Total comprehensive income for the year	(471,847)	7,943,786	7,471,939
Balance at 30 June 2022	117,717,075	460,131,401	577,848,476
	9,363,145		
	Revaluation surplus \$	Retained profits \$	Total equity \$
Balance at 1 July 2022	117,717,075	460,131,401	577,848,476
Surplus after income tax expense for the year	-	9,257,954	9,257,954
Other comprehensive income for the year, net of tax	105,191	-	105,191
Total comprehensive income for the year	105,191	9,257,954	7,471,939
Balance at 30 June 2023	117,822,266	469,389,355	587,211,621

Aboriginal Housing Victoria Limited
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Cash flow from operating activities			
Rental received		18,096,924	17,036,394
Grants received		8,498,501	25,714,804
Other receipts		759,491	104,842
Payments to suppliers and employees		(29,348,341)	(21,844,575)
Interest received		751,171	26,479
Net cash from/(used in) operating activities	18b	<u>(1,242,254)</u>	<u>21,037,944</u>
Cash flow from investing activities			
Payments for investments		-	(20,061,672)
Payments for property, plant and equipment		(13,641,991)	(10,663,755)
Proceeds from maturities of term deposits		8,347,224	-
Proceeds from disposal of property, plant and equipment		-	1,113,132
Net cash used in investing activities		<u>(5,294,767)</u>	<u>(29,612,295)</u>
Cash flow from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		(6,537,020)	(8,574,351)
Cash and cash equivalents at the beginning of the financial year		<u>10,264,188</u>	<u>18,838,539</u>
Cash and cash equivalents at the end of the financial year	18a	<u>3,727,168</u>	<u>10,264,188</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The company recognises revenue as follows:

Rental Revenue

The rental revenue is recognised on accrual basis when performance obligations included in the rental agreements are satisfied.

Operating Grants

When the entity received operating grant revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Significant accounting policies (continued)

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax. AHV is also endorsed by the Australian Taxation Office as a Deductible Gift Recipient under subdivision 30-BA of the aforementioned Act.

Current and non-current classification

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

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

Cash and cash equivalents

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

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Significant accounting policies (continued)

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

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 valuations by external independent valuers at least every five years, less subsequent depreciation for buildings.

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.

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Significant accounting policies (continued)

Rental property

Freehold rental property is measured at fair value based on external independent valuation at least every 5 years. 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 as follows:

Class of fixed asset	Depreciation Rate
Office buildings	1.5%
Rental buildings	1.5%
Rental building fixtures	10%
Office furniture and equipment	7.5 - 33.3%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Significant accounting policies (continued)

Trade and other payables

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

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Fair value measurement

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

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

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Significant accounting policies (continued)

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

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

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

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

Note 2. Critical accounting judgements, estimates and assumptions

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

Allowance for bad and doubtful debts

The allowance for bad and doubtful debts assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

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

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
Note 3. Rental revenue		
Rental revenue	18,319,019	17,181,534

Note 4. Other revenue

Interest Income	910,193	64,583
Profit/(loss) on sale of property, plant and equipment	-	270,619
Grant Revenue	8,672,003	7,939,213
Other revenue	759,491	104,842
	<u>10,341,687</u>	<u>8,379,257</u>

Note 5. Surplus for the year

Expenses

Depreciation and amortisation		
Office buildings	16,430	16,376
Rental buildings	3,900,355	3,458,920
Office furniture and equipment	91,710	107,675
Right of use asset	176,720	237,753
Total depreciation and amortisation	<u>4,185,215</u>	<u>3,820,724</u>
Bad and doubtful debts expense	<u>90,247</u>	<u>42,100</u>
Audit services	31,000	31,000
(Over)/under provision of audit fees in respect of prior year	2,857	-
Other services - FBT compliance and other advisory services	8,100	5,497
Total auditor remuneration	<u>41,957</u>	<u>36,497</u>

Note 6. Cash and cash equivalents

Cash at bank and in hand	<u>3,727,168</u>	<u>10,264,188</u>
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Note 7. Trade and other receivables

Rental receivables	704,524	494,953
Other receivables	1,911,983	2,979,435
Provision for impairment	<u>(410,707)</u>	<u>(288,874)</u>
	<u>2,205,800</u>	<u>3,185,514</u>

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
Note 8. Other current assets		
Prepayments	874,176	539,720
Accrued income	198,806	39,785
Assets under construction	7,455,010	6,443,187
	<hr/>	<hr/>
Total other current assets	<u>8,527,992</u>	<u>7,022,692</u>
 Note 9. Property, plant and equipment		
Office property		
Freehold land at fair value		
Independent valuation at 30 June 2020	3,550,000	3,550,000
	<hr/>	<hr/>
	3,550,000	3,550,000
 Buildings		
At fair value	652,750	650,000
Less accumulated depreciation	(49,181)	(32,751)
Total buildings	<hr/>	<hr/>
	603,569	617,249
	<hr/>	<hr/>
Total office property	<u>4,153,569</u>	<u>4,167,249</u>
 Rental property		
Freehold land		
At fair value	348,768,009	347,950,009
	<hr/>	<hr/>
	348,768,009	347,950,009
 Buildings		
At fair value	223,861,841	212,047,688
Less accumulated depreciation	(10,758,443)	(6,863,171)
Total buildings	<hr/>	<hr/>
	213,103,398	205,184,517
	<hr/>	<hr/>
Total rental property	<u>561,871,407</u>	<u>553,134,526</u>
 Office furniture and equipment		
Office furniture and equipment		
At cost	845,191	1,212,573
Less accumulated depreciation	(705,361)	(1,008,279)
Total office furniture and equipment	<hr/>	<hr/>
	139,830	204,294
	<hr/>	<hr/>
Total office furniture and equipment	<u>139,830</u>	<u>204,294</u>
 Right of use asset		
Right of use asset		
At cost	428,422	574,613
Less accumulated depreciation	(210,042)	(247,321)
Total right of use asset	<hr/>	<hr/>
	218,380	327,292
	<hr/>	<hr/>
Total right of use asset	<u>218,380</u>	<u>327,292</u>
 Total property, plant and equipment		
	<hr/>	<hr/>
	<u>566,383,186</u>	<u>557,833,361</u>

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 9. Property, plant and equipment (continued)

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

	Office property \$	Rental property \$	Office furniture and equipment \$	Right of use of assets \$	Total \$
Balance at 1 July 2021	4,183,624	552,711,000	217,640	273,227	557,385,491
Additions	-	6,551,807	94,329	291,819	6,937,955
Disposals	-	(2,669,360)	-	-	(2,669,360)
Depreciation expense	(16,375)	(3,458,921)	(107,675)	(237,754)	(3,820,725)
Balance at 30 June 2022	4,167,249	553,134,526	204,294	327,292	557,833,361
Additions	2,750	12,865,461	27,565	67,808	12,963,584
Disposals	-	(228,225)	(319)	-	(228,544)
Depreciation expense	(16,430)	(3,900,355)	(91,710)	(176,720)	(4,185,215)
Balance at 30 June 2023	4,153,569	561,871,407	139,830	218,380	566,383,186

Asset revaluations

The office property was independently valued at 30 June 2020 by WBP Property Group. The valuation was based on the fair value. The valuation resulted in a revaluation increment of \$676,354 being recognized in the revaluation surplus for the year ended 30 June 2020.

The rental properties were independently valued at 30 June 2020 by WBP Property Group. The valuation was based on the fair value. The valuation resulted in a revaluation increment of \$110,978,770 being recognized in the revaluation surplus for the year ended 30 June 2020.

The current year adjustments to the revaluation surplus amounts to \$105,191.

Interests on properties

The Director of Housing (DOH) has a registered interest in the title of the rental properties that are contributed by the 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 DOH..

	2023 \$	2022 \$
Note 10. Trade and other payables		
Trade payables	3,131,515	1,607,491
Rental payments in advance	1,363,380	1,290,724
Other current payables	842,242	1,326,847
Employee benefits	246	68,087
Total trade and other payables	5,337,383	4,293,149

Note 11. Provisions

Current	1,043,399	1,217,435
Non-current	49,831	77,187
	1,093,230	1,294,622

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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.

	2023	2022
	\$	\$
Note 12. Deferred grant income		
Capital grant funding	7,164,146	23,298,627
Operational grant funding	1,578,118	1,354,124
Total deferred grant income	<u>8,742,264</u>	<u>24,652,751</u>

Note 13. Lease liabilities

Current	144,008	156,839
Non-Current	85,070	176,572
Total lease liabilities	<u>229,078</u>	<u>333,411</u>

Note 14. Reserves

Revaluation surplus reserve	<u>117,822,266</u>	<u>117,717,075</u>
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The revaluation surplus records the revaluation of the office property. At 30 June 2020 the office property was revalued to its fair value of \$4,200,000 giving rise to a revaluation increment of \$676,354.

The revaluation surplus records the revaluation of the rental property. At 30 June 2020 the rental properties were revalued to its fair value of \$551,676,507 giving rise to a revaluation increment of \$110,978,770. This along with prior year revaluations and the current year adjustments has resulted in the current revaluation surplus of \$117,822,266.

Note 15. Events after the reporting period

Two rental properties owned by the company were destroyed by fire in July 2023 which had a total net book value of \$196,309.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 16. Contingent liabilities and assets

At the reporting date, there were no contingent liabilities.

Aboriginal Housing Victoria Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 17. Related party transactions

The Entity's related parties include its key management personnel as described on note 17 below. Unless otherwise stated, none of the transactions incorporates special terms and conditions and no guarantees were given or received.

Note 17.1 Transactions with key management personnel

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

	2023	2022
	\$	\$
Total remuneration paid to key management personnel is:	198,095	167,710
	198,095	167,710

Note 17.2 Transactions with related parties

During the year the company purchased professional services amounting to \$240,284 (2022-\$350,730) from PricewaterhouseCoopers in which a common director exist. These services were purchased on an arm's length basis and no amount is outstanding at the period end.

Note 18. Cash flow information

a. Reconciliation of cash

	2023	2022
	\$	\$
Cash at bank and in hand	3,727,168	10,264,188

b. Reconciliation of surplus after income tax to cash flow from operating activities

Surplus from income tax	9,257,954	7,943,786
Non cash flows		
Depreciation and amortisation	4,185,215	3,820,724
(Profit)/Loss on sale of property, plant and equipment	-	(270,619)
Plant and equipment write-off	319	-
Changes in assets and liabilities		
(Increase) / Decrease in receivables	979,714	(2,655,762)
(Increase) / Decrease in prepayments and accrued income	(493,477)	(414,672)
Increase / (Decrease) in payables	1,044,234	409,032
Increase / (Decrease) in lease liabilities	(104,334)	54,071
Increase / (Decrease) in deferred provisions	(201,392)	274,450
Increase / (Decrease) in grants carried forward	(15,910,487)	11,876,934

Cash flow from operating activities	(1,242,254)	21,037,944
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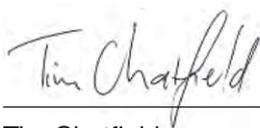
Aboriginal Housing Victoria Limited
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to *subsection 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013*.

On behalf of the directors



Tim Chatfield

Director

5 October 2023



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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report Aboriginal Housing Victoria Limited, which comprises the statement of financial position as at 30 June 2023, the statement of profit or 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.

In our opinion, the accompanying 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:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and with Division 60 of the *Charities and Not-for-profits Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act, which has been given to the directors of the entity, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Requirements and meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and is 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the registered entity's financial reporting process.



CHARTERED ACCOUNTANTS
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Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

LBW Business & Wealth Advisors

Sripathy Sarma

Principal

Dated this 5th day of October 2023



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