St George Community Housing
Annual Report 2007

Welcome

Hoan nghênh • Soo dhawoow • Dobrodoshli • Bienvenidos

Khush amaadiid • Kalos orisate • Hos geldiniz • Dobro došli • Soo dhawoow

Haere mai • Suswaagatam • Balle • Chào mung • Malo e lava mai • Murhabah

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Mission statement

St George Community Housing is committed to delivering high quality, professional housing services to our tenants and applicants and supporting the communities in which we live.

We believe that our tenants, applicants and our local communities are our top priorities.

Through our housing services, St George Community Housing aims to:

- assist tenants to solve their housing difficulties by providing quality, low cost and affordable housing solutions;

- be responsive to community needs;

- encourage tenant involvement; and

- achieve the highest standards of accountability, efficiency and community service.
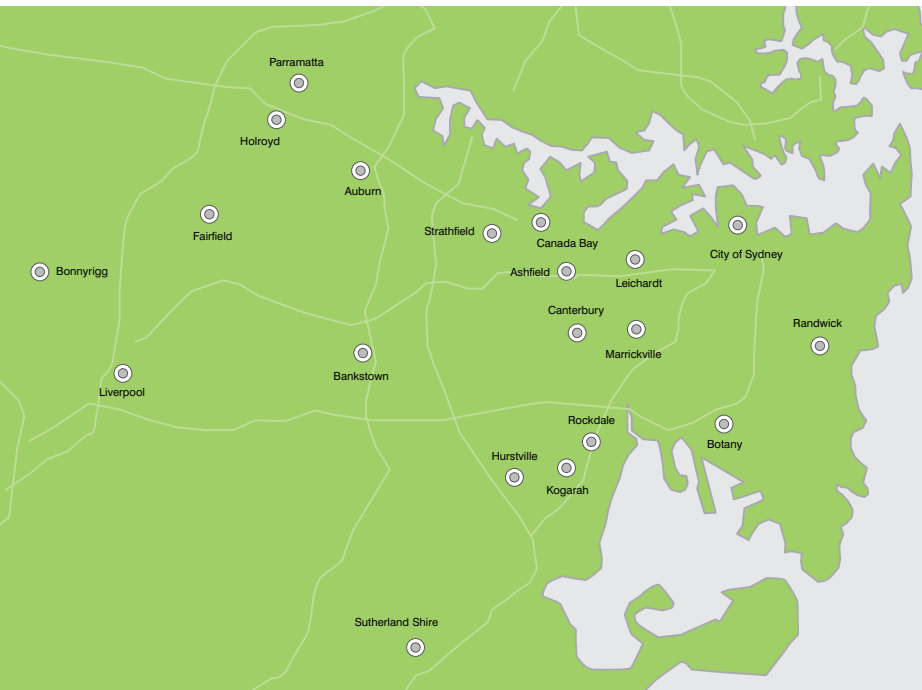
Housing stock by area

Ashfield	36
Auburn	38
Bankstown	95
Botany	25
Canada Bay	23
Canterbury	190
City of Sydney	63
Fairfield	863
Holroyd	58
Hornsby	6
Hurstville	150
Kogarah	87
Leichhardt	24
Liverpool	14
Marrickville	71
Parramatta	38
Randwick	200
Rockdale	100
Strathfield	2
Sutherland Shire	382
Total	**2,465**

Awards and accreditation

Performance-based registration

St George Community Housing (SGCH) continues to achieve the highest possible ranking under the NSW Performance Based Registration System since its introduction in 2005.

The organisation ranks as Type 1 Grade A.

This achievement made us an 'AAA' grade provider.

Our Registration status is important not only for Tenancy Management contract of the Bonnyrigg estate but also for the organisation's future and our 2007/08 application with the Department of Housing to become a 'Preferred Growth Provider'.

Accreditation

SGCH is also a full three-year accredited community housing provider, meeting or exceeding all National Community Housing Standards.

Awards

St George Community Housing is proud of the recognition it has received from the wider community housing sector for both our service and management practices. These awards include:

2006

WINNER – NSW Award for Overall Excellence in Community Housing

COMMENDATION – the NSW Award for Excellence in Services to Tenants

COMMENDATION – NSW Award for Excellence in Organisational Management and Governance

2005

COMMENDATION – National Award for Excellence in Community Housing for Organisational Management

FINALIST – National Award for Overall Excellence in Community Housing

WINNER – NSW Award for Excellence in Service to Tenants including Tenant Participation

WINNER – NSW Award for Excellence in Organisational Management and Governance

2004

COMMENDATION – NSW Award for Overall Excellence in Community Housing

2003

FINALIST – National Award for Excellence in Community Housing for Corporate Governance

FINALIST – National Award for Excellence in Community Housing for Organisational Management

2002

WINNER – NSW Award for Excellence in Community Housing for Governance and Organisational Management

2001

WINNER – National Award for Overall Excellence in Community Housing

Woonah Street, Miranda

Mrs Flood and Eva have been neighbours and friends since they first moved into their properties at Miranda in 2004. The women enjoy gardening together and provide support to each other with shopping, cleaning and cooking meals for one another whenever they can. Every year they organise a Christmas lunch for all the residents of the block of units to enjoy.

2007 highlights

St George Community Housing has marked
a number of significant achievements over
the past year. These included:

- Achieving a Type 1 Grade-A ranking in the NSW Performance Based Registration System. SGCH is the first community-housing provider to achieve a triple A-grade rating;

- Successful bidder in the first public private partnership in Social Housing in Australia. This partnership is responsible for the redevelopment of the Bonnyrigg public housing estate, facilitating community renewal and providing tenancy management services to 833 tenants. Our partners in this project are Westpac, Becton and Spotless;

- 833 Bonnyrigg tenancies have successfully transitioned from Department of Housing to SGCH management;

- Record Revenue of $12.7 million

- Growth of Total Equity of $3.4 million

- Increase of Reserve for future Planned Maintenance to $1.8 million

- Successful recipient of $1.9 million in funding to acquire two group homes by DADHC for our use

- Number of properties increased to over 2,400 properties with the inclusion of Bonnyrigg;

- Official appointment as managers of Port Jackson Supported Housing Program, after a period as interim managers;

- The Housing Stock Transfer (HST) program was initiated, with 113 properties transferred during the period. This includes Namatjira Precinct, a large-scale HST project that includes community development;

- The SGCH team increased to 38 employees, including the Bonnyrigg Team, which represents a 100% increase over the previous year;

- Senior staff and management appointments included a chief financial officer, specialist housing manager in access & allocation, tenant participation officer, and housing stock transfer project manager.

- The SGCH Educational Bursary Scheme awarded 28 eligible SGCH tenants educational bursaries. Sponsors included Westpac and Hurstville RSL Memorial Club, as well as allocated SGCH funds;

- SGCH also expanded its community housing services to include Sydney City and Randwick local government areas.

- Relocation to larger office premises within the Hurstville CBD.

Property by bedroom type
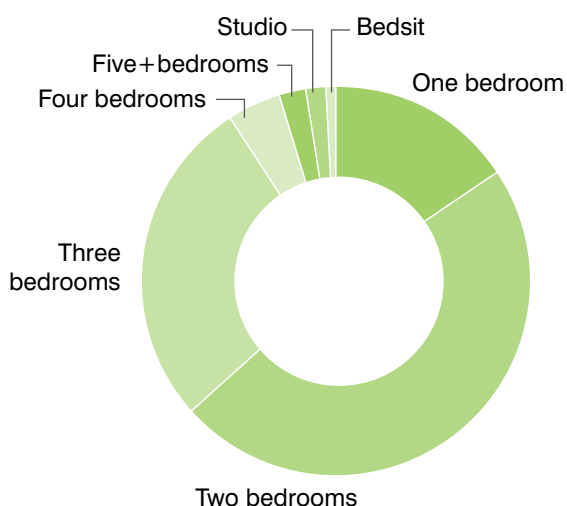
Applicants by bedroom category
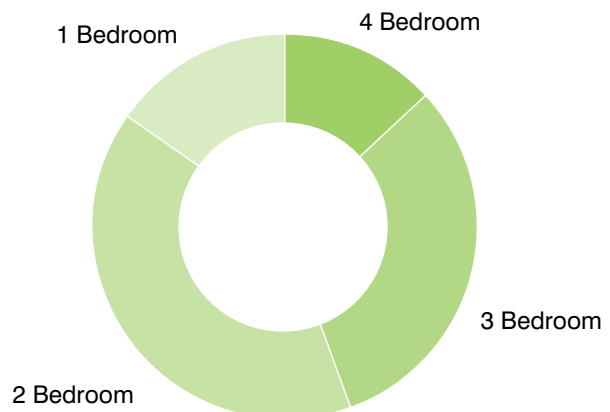
Organisational profile

St George Community Housing Co-op Ltd (SGCH) was established in 1985 as a community-based, not-for-profit government-funded community housing provider in order to provide affordable, secure and appropriate community based housing for people on low and moderate incomes in the Sydney metropolitan area. SGCH is the largest community-housing provider in NSW having grown to over 2,400 properties under management in 2007.

The growth of the organisation over the past year was largely attributed to the Bonnyrigg Living Communities Project bringing the transfer of 833 properties to SGCH management. The NSW Department of Housing also offered over 300 properties in the 2006/2007 period to be transferred to SGCH under the Housing Stock Transfer Program.

Whilst growing, SGCH has maintained a strong focus on housing linked with support and as a result has established many service arrangements with a range of agencies to assist people who require support to access and maintain permanent housing that meets their needs. These support agencies focus on Aboriginal and Torres Strait Islanders, homeless people, the elderly, people affected by the criminal justice system, refugees and people from non-English-speaking backgrounds, as well as people living with HIV/AIDS, people with a disability, people with complex needs, people with mental illness, women escaping domestic violence and youth at risk.

The Port Jackson Supported Housing Program transferred to SGCH management in the financial year 2006 – 2007, growing from 68 to 125 properties with a target of 211 properties to be transferred from the Office of Community Housing. The Program

provides intensive tenancy management and support to those most at risk from homelessness.

The PJSHP team continues to strive towards innovative ways to developing and maintaining supported tenancies. The ratio of staff to properties is set at 1 to 100 in order to ensure our tenants and their support providers receive the service they require.

SGCH's vision is:
"To deliver high quality, professional and affordable housing services to tenants and applicants within the local community by being responsive to their needs, encouraging tenant and community participation and ensuring the highest standards of accountability and efficiency"
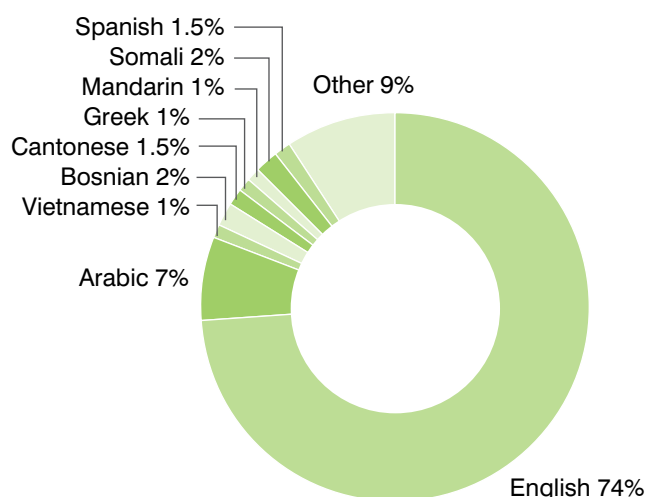
SGCH is incorporated under the Co-operatives Act and regulated by the NSW Registry of Co-operatives. In late 2006, SGCH received their third Type 1, Grade-A Housing provider under the NSW Performance Based Registration System. The organisation has been formally registered under the Housing Association's Code of Practice and the Housing Appeal Committee, accepting the responsibility for meeting the expectations within the Code and providing tenants and other stakeholders an avenue of independent review of the organisation's activity.

SGCH is managed by a board of volunteer directors elected by the members of the co-operative at the annual general meeting. The SGCH board has up to seven members who offer themselves for service on the basis of their expertise in housing and asset management including legal, accounting, finance, business, social welfare. There is 38 staff, comprising both full and part-time team members.

The organisation receives recurrent funding from the Office of Community Housing and the Department of Ageing, Disability and Home Care. Additional income comes through tenant rents, from other capital-funded housing projects, tenancy contract management and from other fee-for-service assignments.

The current applicant and tenant profiles reflect the highly diverse and multicultural local community of the suburbs within which the organisation works and includes groups with specific support needs.

Community languages spoken by tenants

Spanish 1.5%
Somali 2%
Mandarin 1%
Greek 1%
Cantonese 1.5%
Bosnian 2%
Vietnamese 1%
Arabic 7%
Other 9%
English 74%

Chairman's report

St George Community Housing expanded its housing and supported services during the 2006-07 financial year, with the number of properties under management increasing to over 2,400, while continuing to deliver on its strategy of being the leading community housing provider of quality housing services in the sector. Growth was managed through the continued improvement in accountability and professional management throughout the company. The SGCH team is to be congratulated for their commitment to ensuring that our focus on core values and services remained steadfast through the challenges of the year.

The year saw a change of leadership when our CEO of more than ten years, Patrick Yeung, resigned in March 2007. Throughout his term of office, Patrick was committed to the supported housing programs of our company. The foundations that he has put in place during his tenure will hold the company in good stead as we move into the future.

After an exhaustive search, we welcomed Ms Nazha Saad in July 2007 as our new CEO. Ms Saad has extensive management experience as the former Executive Director of Strategic Asset Management and Procurement for the Department of Ageing, Disability and Home Care. While at DADHC Nazha was Acting Director of Metro Residences. Prior to that she was the Alliance Director eMarketplace at Department of Commerce. Nazha holds a Bachelor of Applied Science from Sydney University and a Master of Business Administration from the Australian Graduate School of Management.

I would also like to express our sincere thanks to Ken Bone who acted as SGCH's interim CEO from June to July 2007. Ken was the General Manager of the Southern and Western divisions of the Department of Housing and we thank them for assisting us by seconding Ken to our company.

Tenant by household types

As we move into the new year, there are many exciting changes expected for the community housing sector. At both a federal and state level, the provision of housing to public and community housing applicants has gained prominence and acknowledgement from our politicians. At a state level, the Office of Community Housing continues to refine the existing community housing business model to include property development and other innovative financial leverages to increase housing stock in the sector. Going forward, our company will have to modify our business model to take on a "social enterprise" role. Diversified income streams, through housing-related commercial activities, will be used to increase the provision of our housing services in order to meet the growing demand. This will include the provision of bricks and mortar – houses, for tenants.

The recent Preferred Growth Partner tender lodged with the OCH signals the dawn of a new era in the New South Wales community housing sector. The company needs to embrace the future of community housing in order to adapt to the ever-changing landscape of the sector, while being careful to not lose sight of our history.

On 20 October 2007 we assumed contractual management of the Bonnyrigg public housing estate; a historic milestone. It was an enormous undertaking for our company and the delivery of the required outcomes was made possible through the dedication and commitment of our Bonnyrigg team led by our project manager Ben Wong. We have assembled an experienced tenancy management team at Bonnyrigg, which blends the expertise of a number of staff from the Department of Housing's Bonnyrigg team, the SGCH team and new staff with extensive experience recruited from other community housing providers.

Our education bursaries continued to be well supported by our tenants. Through the savings of housing management expenses we were able to provide for 28 bursaries, including one bursary to a post-doctorate candidate. This investment in the children of our community-housing tenants is an investment in the future of our community. We are grateful for the support and sponsorships received from Hurstville RSL Memorial Club, Westpac Bank and Professional Tutoring Services, Hurstville.

Our relationships with our joint-venture partners and support agencies remain strong. We value the relationships, appreciate their services to our tenants and pledge to continue to work with them in an open and honest manner.
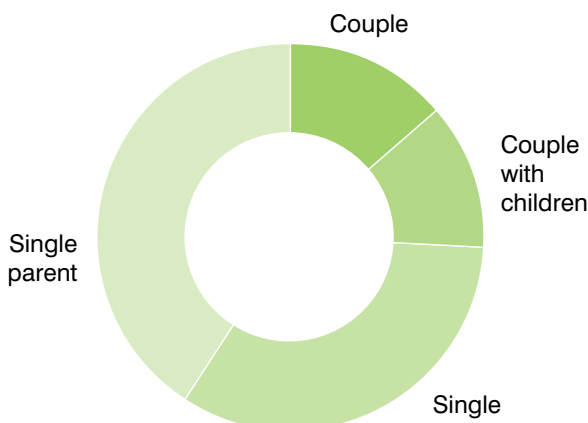
The support and assistance SGCH has received from the Office of Community Housing during the year has been enormous. We thank them and other funding agencies for their support and funding during the year.

Operational Performance

During 2006-07 we provided 411 tenants with secure and quality housing, an increase of 133 from the previous year. The number of people on our waiting list increased by 411 to 2,182 applicants.

Financially, we recorded a net profit of $643,437 compared with $1,120,139 for the 2005-06 year. The decrease in our net profit was due to our investment in the structuring of our management resources to ensure that we are ready for the anticipated changes in the sector. Additional expenses were also incurred on the Bonnyrigg project to prepare for the transition to assume our contract management, including relocating our office to new premises and the associated fit-out and transformation costs associated with process improvements and recruitment.

Our housing expenses and management expenses 79% to revenue 14% were 2.8% and 1.9% higher than the prior year (respectively). Management will continue to review our cost base to ensure that it is appropriate for our level of business activity.

Corporate matters

Three volunteer non-executive directors will be retiring at the forthcoming annual general meeting and, being eligible, will be seeking re-election for a further term.

The process begun in 2006 to convert our company into "a company limited by guarantee" in accordance with the Corporations Act was put on hold during the year due to the change in management. The process is now underway again and the matter will be put to members in a postal ballot to seek approval for the change. This will require a higher level of corporate governance and accountability from the board and management, commensurate with our future scale of operations. The proposed new constitution of the company to be adopted by members will also increase the number of volunteer non-executive directors from seven to nine. When the new constitution is approved by members, nominations to appoint an additional director from our tenants will be called.

The board has further strengthened the governance of our company with the convening of three new committees of directors to focus on Asset Management, Audit and Compliance, and Remuneration.

Acknowledgments

Despite the many challenges during the year our management team continued to deliver a strong operational result in terms of financial surplus, growth of our property portfolio and the number of new tenants successfully housed. We thank you.

Thanks are also extended to members of the Tenant Advisory Groups for their active participation in the company and their constructive feedback. A special thanks to Bob Carr who has recently stepped down from his role in the Tenant Advisory Group due to health reasons.

To my fellow directors, your counsel and commitment to the best interests of the company demonstrates what a cohesive board can achieve in a not-for-profit environment.

We remain committed to our mission and core values of serving our tenants and our community.

A. (Tony) Ho
Non-executive Chairman
St George Community Housing

CEO report

In July 2007 I was appointed to the role of CEO of St George Community Housing with great delight. I was particularly excited about the opportunities and challenges ahead for the organisation as we continue to build on our reputation in the sector and our achievements.

CEO Nazha Saad

The key achievements for the 2006-07 financial year were considerable, including the successful management of the Port Jackson Supported Housing Program, which targets those individuals with a history of failed tenancies. The continued success of this program depends heavily on the effective partnership with the 21 registered support agencies and a holistic approach to the individual needs of the tenants. The program runs over three years, from 2006 to 2009. Of the 211 properties to be transferred, more than half have been successfully transferred at the end of the programs first year.

We currently operate in 20 local government areas (LGAs) and our appointment as preferred provider for large scale housing stock transfer has required us to review and update our systems and procedures to ensure greater efficiency. The success of this program to date has been based on the public consultation and engagement in Drummoyne, Chifley, Redfern, Bardwell Valley, Sutherland and Riverwood areas. Namitjira is a key part of this program and we have partnered with Women's Housing Company to ensure a smooth transition for our tenants. Some 113 properties were transferred within the year, which represents 44% of Department of Housing (DoH) overall stock transfer in target LGAs.

Bonnyrigg is the first initiative of the DoH's Living Communities Program and is a pathfinder project because of the highly integrated nature of the social and physical interventions required to achieve substantial urban regeneration of a public housing estate. There are four partners involved in this project: the developers, Becton; the facility managers, Spotless; the financiers, Westpac; and the tenancy managers, SGCH. Our focus has been on working alongside these Bonnyrigg Partnership organisations and the DoH to ensure the tenants have a seamless transition in service provisions from the DoH to SGCH tenancy management with minimal disruption to their family, social and community connections. One of the key milestones was achieved on 20 April 2007 with Financial Close taking place, enabling all four partners to enter into their contracts of service. All the partners have been working closely with the DoH during the mobilisation phase, with the aim of achieving the second milestone of completing handover on the transition date, 20 October 2007.

The organisation's approach to asset management is developed with its long-term view of our assets. In addition to continuing efficient delivery of day-to-day repairs and maintenance, SGCH is also focusing on planned maintenance, which will improve efficiency and reduce the costs for our tenants without compromising the quality of service in the long term.

Property by housing type

Freestanding House 23%

Attached House 24%

Flat/unit 53%
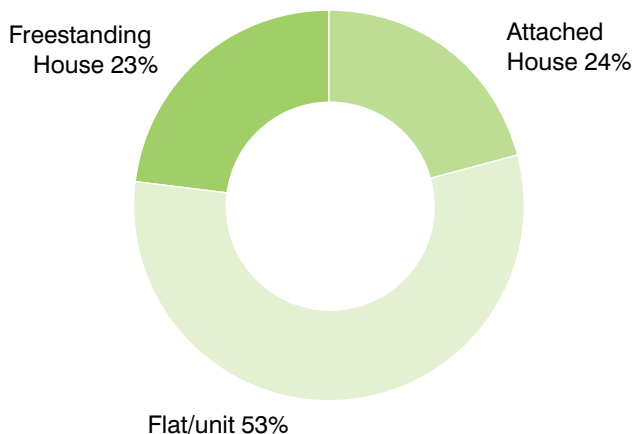
Mi Mi Street, Oatley
The tenants at Mi Mi Street, Oatley, have been neighbours since January 2007. They live in a small complex of seven units and have helped each other settle into their new homes. They enjoy living in the area and report any maintenance required to SGCH to make sure their properties are looking nice and in kept in good condition.

The year also saw SGCH assume management of Dawnbreaker Co-operative, which – prior to becoming insolvent – was managing seven properties in Bass Hill and Georges Hall.

On behalf of the staff and tenants a fond farewell was said to former CEO Patrick Yeung with appreciation for his dedication of over 10 years of service to the organisation.

During the year the number of staff increased by over 100% as a result of taking on the Bonnyrigg project and maintaining service levels from stock transfers. Three new positions were created to position SGCH as a leading Community Housing Provider. These were:

- Chief Financial Officer, which is the first position of this type in the sector and reflects the increased focus on commercial sustainability of housing providers;
- Project Manager (Bonnyrigg) and;
- Community Development/Access & Allocation Officer.

SGCH is starting to develop specialised roles within the organisation and is moving away from generalised roles that are more common with small Community Housing Providers.

It has been a fruitful year, demonstrating the organisations continued commitment to tenants and delivery of services. The organisation looks forward to the many challenges in the coming 2007-08. These include:

- Continued community development approach to service delivery for the tenants of Bonnyrigg
- Continued social outcomes for the tenants of Port Jackson
- Finalisation of the Housing Stock Transfer Program
- The transfer of incorporation from a non-trading cooperative to a company limited by guarantee
- Growth of affordable housing
- Development of an Integrated Information Management System

Finally, I would like to personally seek the continued support of the staff, tenants and partners as well as other stakeholders in the future long-term sustainability of St George Community Housing.

Nazha Saad
Chief Executive Officer
St George Community Housing

Asset management

SGCH is committed to providing quality property management services and an effective asset strategy that provides the basis for the acquisition, operation, maintenance, refurbishment and disposal of assets. Effective planning also assesses alternatives to the acquisition of new assets, including the enhanced performance of existing assets.

At SGCH we strive to ensure that the assets acquired are of good quality and condition for our tenants. The ability to continue the organisations rapid growth without compromising asset quality is achieved by effective management of our stock transfer policy and procedures by our dedicated stock transfer team.

In order for our assets to function in the manner required to support service delivery, they must be operated and maintained in an appropriate manner. Operational management and maintenance are directed toward maximising the properties' useful lives, while containing recurrent costs, protecting the asset and bettering our service standards for our tenants. A maintenance plan is costed and deployed on an annual basis to ensure the effective operation and upkeep of the property. This ongoing maintenance plan generally covers a minimum period of five years and takes into account future costs to maintain the life of the property.

Additionally, SGCH has been assisting with the Department of Housing's water fix program, which aims at reducing water bills to a minimal practical level, while offering improvements in comfort for users and reducing the environmental impact.

Future Direction

The organisation is beginning a process of reviewing and updating our strategic asset maintenance plan and IT system, which may incorporate an energy management plan. This will aim to reduce environmental impact of our community and reducing SGCH's overall energy bills. This strategic plan update may also include a Life Cycle Costing system, with an aim to determine the total costs associated with an asset or part thereof, including acquisition, installation, operation, maintenance, refurbishment and disposal costs.

- Continue developing the organisations procurement and contractor induction system to ensure good quality service within standard regulatory requirements.
- Development of the stock transfer system and staff procedures to ensure best practice is used for the acquisition and maintenance of assets.

Service and Expenditure Overview 2007

Repairs and Maintenance Completion Review 2006-2007
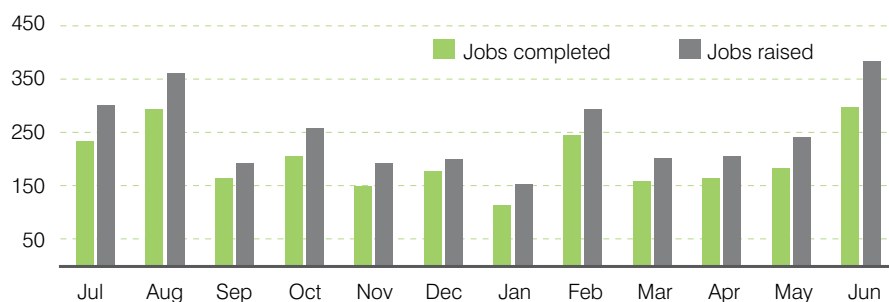
Combined Maintenance Expenditure 2007
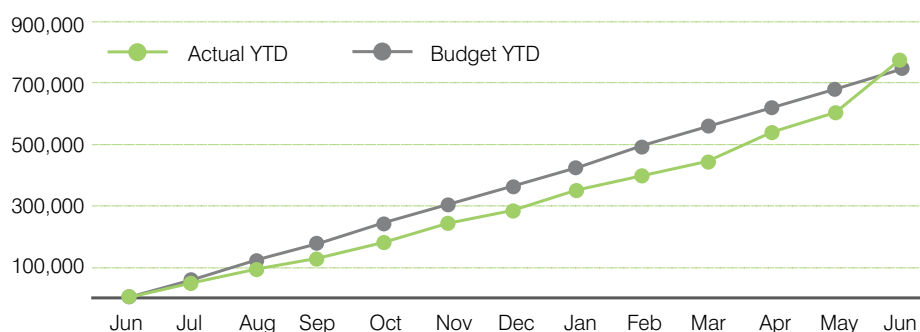
Report card

Key Performance Indicators	2007	2006
Tenant Satisfaction		
Overall satisfaction with the organisation	86.0%	87.0%
Service Development		
Increases in housing stock	232	215
Number of partners	36	49
Supported tenancies	26.0%	39.0%
Finance Management		
Staff Management cost ratio	10.9%	8.9%
Operating cost ratio	4.6%	3.8%
Cash at end of year	$5.1m	$2.8m
Net profit	$0.6	$1.1m
Reserve for future planned maintenance	$1.8m	$1.5m
Retained Profit	$1.6m	$1.4m
Housing Management		
Arrears	1.0%	0.5%
Market rent loss via vacancy	1.5%	0.8%
Number of tenants exiting the service because of Possession Order enforcement	1	2
Human Resources (excludes Bonnyrigg)		
Ratio of staff to lettable properties	1:52	1:68
Number of full-time equivalent staff	25.4	16.2

Lenonor, Fairfield

My name is Lenonor and I moved to Australia four years ago. When I arrived in Australia I was on my own and I didn't have anywhere to live. At first I was living at a friend's house and was then placed in temporary accommodation for nine months.

My life changed when I received a phone call from St George Community Housing and was offered a unit in Fairfield. I just couldn't believe the offer I was given – a property in the area that I really wanted to live in, with a small garden and beautiful neighbours, who have become like my family. I am so much happier and I have hope. I enjoy gardening and grow my own vegetables and also have enough space to work on my crafts and hobbies.

Port Jackson Supported Housing Program

On 1 July 2006, St George Community Housing officially became the manager of the Port Jackson Supported Housing Program (PJSHP). The program came out of an identified "gap" of services to assist people with support needs to sustain a tenancy. The program aims to assist those most at risk of homelessness with complex support needs who are linked to a support agency. The benefits include people being assisted into the community rather than in institutional settings and a decrease in the social and financial costs of tenancy failure and the associated risk of homelessness.

The program is a partnership between SGCH and a range of different and diverse support agencies, working collaboratively to help their clients achieve stability in their lives. Safe, secure and affordable housing is a basic human need and a platform on which people can build their lives in their desired direction.

Since taking over full management in July 2006 the number of properties in the portfolio has grown from 68 to 125, with a target of 211 to be transferred from the Office of Community Housing (OCH).

The PJSHP team continues to strive towards innovative ways of developing and promoting supported housing projects. Regular meetings with support partners and open and transparent communication has assisted in the program delivery. While working within the framework of the Residential Tenancy Act and SGCH policy &

procedures we strive to meet the needs of individual tenants. This involves working in a flexible and holistic manner keeping in mind the best outcome for the individual. We look forward to continuing to provide this unique program and working with the registered support providers.

The PJSHP team has also developed an excellent working relationship with the Office of Community Housing (OCH) in the provision of the program. This has included regular meetings and constant feedback regarding the program. The process for the transfer of properties to the program has been streamlined, which has resulted in a more efficient and responsive process. The program reports formally on a six-monthly basis to the OCH which includes reports from support partners regarding the delivery of support.

Case studies:

- John – Prior to moving into the PJSHP, John and his daughter were homeless and transient between his parents. This lifestyle was emotionally draining and frustrating for himself and his daughter. John now has the stability to establish routines and spend quality time with his daughter in their own space. This is their first home together. Support from this program has provided opportunities for enhancing the relationship and ongoing development of life skills for when they are ready to leave the program.

- A young Aboriginal male, who was previously homeless with a history of gaol/alcohol problems. He has been classed as an unsatisfactory tenant by the Department of Housing (DoH). He has now finished parole, has decided to not drink alcohol (and is sticking to it), and is currently going to an employment agency that is assisting him to train for employment. He has paid back money owed to the DoH and is now just eligible to be re-listed. He has experienced problems while being in his Port Jackson tenancy but with support from Community Restorative Centre Justice Support (CRC) and understanding from the Port Jackson team he has overcome these issues and is doing really well.

Partnerships

St George Community Housing continues to work with a wide range of support agencies throughout Sydney.

SGCH provides the property and tenancy management while the support agency works on individual support plans dependant of the individual needs of our tenants.

Working in a partnership requires both sides to be open to working together while understanding the framework that each organisation works within. The key to a successful partnership is open and regular communication, which results in the better integration and coordination of service provision for our tenants. The benefits have been many including achieving sustainable tenancies for people with support needs through better linking housing with support.

Our support partners provide a range of human services including but not limited to:

- Aboriginal and Torres Strait Islanders
- Women escaping domestic violence
- People exiting the criminal justice system
- Migrants
- People experiencing mental illness
- People with HIV/AIDS
- Refugees
- Seniors
- Youth
- Physical disability
- Substance abuse issues

Without our support partners we could not continue to offer supported housing tenancies and we greatly appreciate the hard work and dedication of all these agencies. We aim to continue to improve our service delivery in this area by refining and building on what we have achieved thus far. We are open to the development of new housing models for people with support needs building on current initiatives such as Housing and Support Initiative (HASI), Floating Care and the Boarding House Program.

Matthew Talbot Homeless Services

Matthew Talbot Homeless Services and St George Community Housing entered into partnership on the Port Jackson initiative in October 2006.

Port Jackson was developed to house and support homeless people that have complex needs and have previously been unsuccessful in their tenancy because of lack of support.

The initiative has been very successful in assisting complex needs people to stabilise their lives and break the cycle of homelessness.

The collaboration between SGCH and Matthew Talbot Homeless Service allows our service to concentrate on providing support while SGCH have the expertise with housing and tenancy administration. This has enabled our community team to provide our experience in supporting client with complex needs without having to deal with property issues.

There were some initial problems mainly in regards to the mix of the tenants within the units. This was due to the complex needs of the tenants and the close proximity of the individual units. These concerns are being addressed and with ongoing monitoring and evaluation, the initiative between the partnership of SGCH as housing provider and Matthew Talbot Homeless Services as support provider is proving to be a key component in our clients' ability to successfully maintain their tenancies.

Veronica Eldridge
Manager
Community Support and Outreach Services

Bonnyrigg Living Communities Project

The Bonnyrigg Partnerships Consortium, of which St George Community Housing is a member, was successful in its bid for the Bonnyrigg Living Communities Project, a community and neighbourhood initiative of the Department of Housing at Bonnyrigg.

The Project is the NSW Government's first public housing Public Private Partnership (PPP) to provide redevelopment, community renewal and tenancy management service of a public housing estate in Bonnyrigg.

The Bonnyrigg public housing estate is located in Sydney's southwest and currently comprises 833 public housing dwellings as well as 97 private dwellings.

Under the Project, approximately 700 new public housing homes and 1,530 new private homes will be developed over the next 12 years. A further 133 dwellings will be provided by Bonnyrigg Partnerships in surrounding suburbs to ensure that a total of 833 new dwellings will be provided and that there is no net loss of the number of public housing stock. SGCH will provide public tenancy management services to the NSW Department of Housing (DoH) over a 30-year period.

The Bonnyrigg Partners Consortium includes:

- The Becton Property Group, responsible for planning, design and construction of homes
- Westpac Bank, responsible for financing the project
- Spotless Group, responsible for maintenance of all public housing and facilities
- St George Community Housing, who will manage all public housing

The BLCP is managed by a 10-member Bonnyrigg Team consisting of:

- Ben Wong (Project Manager);
- Poppy Bethanis (Senior Housing Manager);
- Emma-Rose Caruana (Administrative Assistant),
- Francine Markovic,
- Elaine Tang,
- Milan Ostojic,
- Tanja Kalik,
- Kylie Wilson
- Richard Aveka Semeatu
- Beverley Gould.

Richard and Beverley were seconded from the DoH Housing Team to ensure continuity and smooth transition of tenancy management from DoH to SGCH.

The SGCH Bonnyrigg team is responsible for tenancy management services to public tenants that include: rent collection, rent subsidy and arrears management, rehousing of tenants within the estate during the re-development period. In addition, SGCH will be implementing strategies to actively promote tenant participation, tenant support, community renewal and capacity building.

The tenants in Bonnyrigg will remain tenants of the DoH and will continue to enjoy the rights and entitlements as public tenants under the DOH's policies. Since April 2007, the Bonnyrigg team has been working closely with the DoH Housing and Community Renewal Teams in Bonnyrigg to learn from the Department the many facets of managing a public housing estate, including preparation for the

Above: Chief Financial Officer Andrew Riolo setting up for an information session. Right: Bonnyrigg tenant information barbecue.

Bonnyrigg Team (from left to right): Beverley Gould, Milan Ostojic, Elaine Tong, Francine Markovic, Poppy Bethanis, Tanja Kalik and Chief Financial Officer Andrew Riolo.

official handover in October 2007. SGCH housing managers have also attended relevant DoH training sessions on its housing policies and processes, particularly the recent reshaping of public housing initiatives. They have conducted joint tenant visits and interviews with DoH housing staff.

The Bonnyrigg team also engaged in the following activities that actively involved and engaged the tenant participation, feedback and inputs:

- Consultation sessions on the design and construction of the new dwellings
- Tenant's Workshop on tenancy management, including allocation and rehousing
- Forum for tenants in the first stage of the redevelopment covering issues and concerns on re-housing.
- Neighbourhood Watch meetings addressing safety and security issues on the estates

Most recently, the Bonnyrigg Team organised community barbecues to provide opportunities for individual housing managers to meet and greet the tenants living in their portfolios or precinct.

Namatjira Precinct

- In 2006/2007 SGCH embarked on a large scale transfer of stock from DoH
- The Namatjira Precinct was one of the properties we were allocated at Chifley
- 162 units were offered in partnership with Women's Housing Company
- The property consists of four blocks of two and three bedroom units and two two-storey blocks of bedsitters
- The estate is bordered by million-dollar developments on the old Prince Henry Hospital site
- Namatjira has a strong tenant group who are working proactively against anti-social behaviour
- Safety audit has been done by NSW Police
- NSW University working with tenant group on community regeneration
- Safety & security is a major focus. New security doors are to be installed by January 2008

Tenant Advisory Group 2007
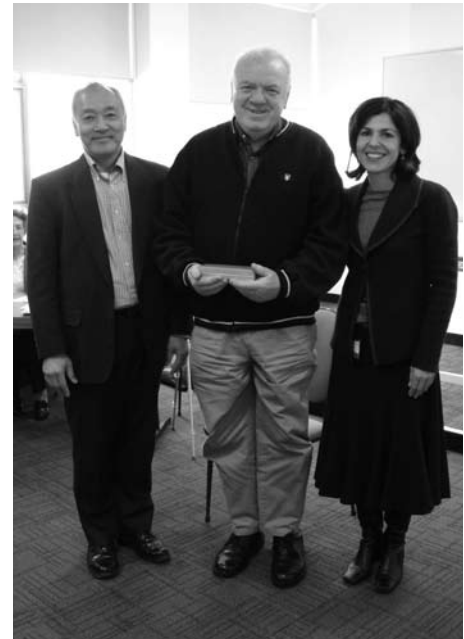
In 2006-07 the Tenants Advisory Group (TAG) participated in training programs to help assist with basic functions such as how to set up a committee and how to run a meeting. This training was offered to all TAG members throughout 2007 to help improve their skills and to get the tenants together to swap ideas to help work towards a productive meeting.

Our White Goods Loan Scheme continued this year and has been very successful with a high response from tenants wanting the interest-free $500 loan in 2007. We have offered this loan opportunity to our tenants on two separate occasions.

In 2007, 25 Education Bursaries were awarded to our tenants and their children to assist with their educational expenses. Two students were also offered several sessions with a private tutor. We are currently working on the improving the application process for 2008.

During 2007, new TAG members joined and have been enthusiastic about attending the meetings. We have also had a lot of committed tenants continuing to attend all the meetings and training held. We welcome new tenants and thank all those for their continued involvement and encourage anyone interested to become involved.

The TAG is planning a bus trip to the Sylvan Grove Native Gardens in November 2007. We are also planning a TAG end-of-year barbecue, which will be held at a SGCH block of units. Transport for this event will be provided by SGCH.

Top left: TAG members and staff members at meeting.
Top right: Presentation for retiring TAG member Bob Carr.
Above: TAG meeting focus group.

In 2008, the TAG Group will have the advantage of working closely with our new Community Development Officer, Rowa Omari, to work towards better outcomes from our meetings and planning more social gatherings as well as continuing the wonderful work of TAG members.

Leslie Fuller & Bob Carr
Tenant Advisory Group
St George Community Housing

Kingsway, Gymea

The tenants of this block in Gymea have been neighbours and good friends since they first moved into the complex of 18 units in 2001. The group have developed a good relationship where they support each other and work together to both improve the gardens and ensuring the common areas are well looked after. Some of the residents on the lower level installed a water feature for everyone to enjoy while sitting in the common area. The tenants enjoy spending time together and assist each other with shopping and transport to the local shops. They also come together as friends and neighbours whenever they can, going down to the local club for meals from time to time and celebrating special occasions like Christmas and their birthdays as a group.

Woonah Street, Miranda

The residents of this block of units have been neighbours and good friends since 2004. They enjoy Christmas gatherings together, which SGCH staff have always enjoyed attending. The tenants work together to keep the property well maintained.

Corinna Peters, SGCH employee and tenant

I was housed in 2001 with St George Community Housing, I remember the day clearly; it was a day that I can honestly say changed mine and my two sons lives for the better.

Our living and financial situation was very difficult and had been for some time; I was a young single mother with two young boys. I didn't have any family to depend on. My eldest son had become accustomed to moving from place to place and I was certain it would affect the rest of his life if we were to go on like this.

I could not provide the housing stability within the private rental market for my children. SGCH provided me and my children with that stability. It has provided so many opportunities for us all to grow and experience a much better quality of life.

I started working at SGCH in 2003. I applied for a Administration Support role as I wanted to re-enter the workforce.

I have been asked why I would apply for a position at SGCH once I was housed. Gratitude is the reason. I just know that if I wasn't housed with SGCH my life today would have been different. I also realised that having been in a situation where I needed housing, I could relate to people in that same situation. For whatever reason, any one of us could end up in that situation. We don't always choose the circumstances that affect our lives.

 As a tenant I can relate to the other tenants and their circumstances, being a tenant and working with SGCH has given me the perspective to see situations from both sides of the fence. The organisation has always had a common goal to provide a service to our clients be it applicants or tenants.

Today my eldest son is 12 years old and is school captain at his school. This is a direct outcome of the stability that SGCH provided us six years ago. He had the chance to stay at the one school and a chance to build friendships that will last a lifetime. Next year he will be attending Endeavour Sports High for basketball. I've had the opportunity to give my children opportunities. I will always be grateful and happy to be assistance to others in need.

The team at SGCH have always been a great bunch of people to work with; very family orientated, and flexible when it comes to our family lives. While they continue to grow I am sure that anyone who comes into contact with the organisation will also benefit from the work they have dedicated themselves to undertaking.

Educational Bursaries Scheme

Executive Director Office Community Housing, Maura Boland.
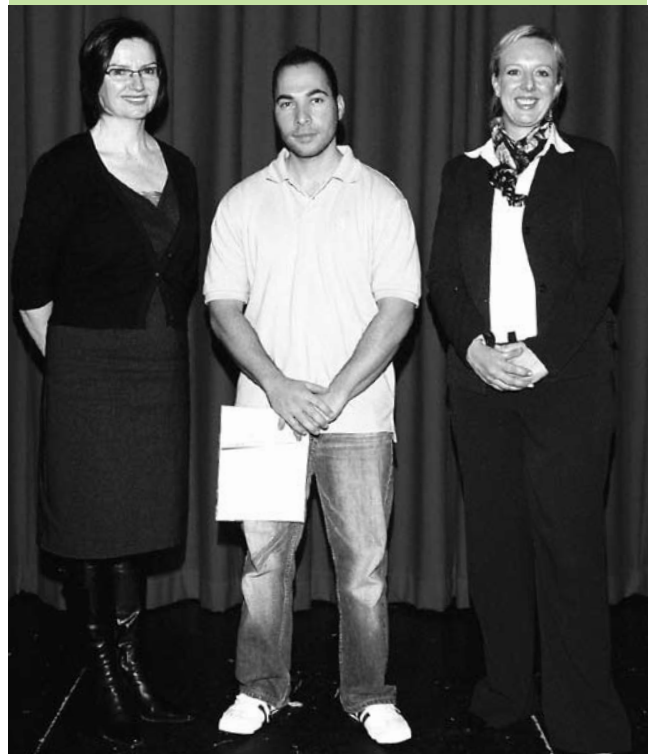
2007 SGCH Education Bursary Scheme

On Monday 30 April 2007, SGCH held our second annual presentation for the recipients of the SGCH Tenant Bursary Scheme.

This year 57 eligible applications were received. TAG members Leslie Fuller and Bob Carr, along with SGCH director Bill Chant, spent many hours carefully assessing the bursary applications. Thanks to the assessment panel for their hard work and dedication to this important program.

SGCH funded 28 bursaries this year. Sponsorship from Hurstville RSL Memorial Club and Westpac meant we were able to offer an additional bursary to a tertiary student this year. The Professional Tutoring Centre, Hurstville, also made a generous donation in the form of professional assessment and tutoring packages for two students.

Executive Director of the Office of Community Housing Maura Boland presented the awards along with SGCH Director Steven Kouris. The bursary presentation was also attended by the families and friends of the recipients who enjoyed lunch together afterwards.

My name is Hussein Mansour. I am 28 and currently studying at the University of Sydney. I have been a tenant of St George Community Housing for the past two years. I would like to take this opportunity in thanking St George Community Housing for awarding me the 2007 Educational Bursary. In receiving this bursary, it has assured great benefit and support towards my PhD research study in 2007. The actual research I currently undertake is within the field of neuroscience. The study specifically looks at the ageing related changes in a particular cell of the central nervous system namely astrocytes that are found in the human eye and brain. The research knowledge is clearly obtained through constant learning of experimental and microscopic techniques, working on tissue biology itself, attending advanced scientific courses, seminars and conferences at both a national and international level. In light of the above, these aspects involved in the research study require a substantial expense. Therefore, funding resources such as the SGCH bursary scheme provides an immense contribution to the financial opportunity and support towards my research degree. I am very honoured that the SGCH allows for this type of funding for tenants who are currently studying.

Maura Boland, Bursary recipient Hussein Mansour and Senior Housing Manager Sally Mannering.

Above: 2007 Education Bursary winners.
Right: Steve Kouris, Maura Boland, Andrew Riolo and Sally Mannering

2007 SGCH Education Bursary Recipients

Infants/Primary (K-6) – $400	Secondary Students – $800	Tertiary Students – $1,200
Ali Droubi	Avelina Ferriera	Dannielle Sowter
Dakota Duncan	Batoul Jebeile	Luke Sowter
Hussein Elrich	Beau Allen	Lydia Brown
Jeremy Vega	Christian Tjioman	Maha Elads
Khaled Khoder	Habibe Ackay	Natalie Ross
Leietta Tran	Hollie Monin	Hussein Mansour
Nadine Nanouh	Li Yuan Shen	
Naomi Corrigan	Taylor Shepherd	
Tayla May Welsh	Tyrell Enriquez	
Rowan Dosky	Zheng (Jack) Zhang	
Jihan Droubi		

Referral agencies

SGCH Support Level Agreements

ADAHPT
Aftercare
Auburn Migrant Resource Centre
Barnardos Australia
Bobby Goldsmith Foundation
Department of Community Services
Canterbury Youth Services
Civic Residential Services
Claffy House
Community Restorative Centre – CRC
Handicapped Children's Centre
House with No Steps
Independent Community Living Association
Kirketon Road Centre
Lisgar
Uniting Care
Marian Centre
Matthew Talbot Hostel
Mercy Arms
NEAMI
New Horizons
Oasis Youth Network
Paraquad
Probation & Parole
Richmond Fellowship
ROAM Communities
Shire Wide Youth Services
South Eastern Sydney Area Health Service
Southern Sydney Youth Refuge Association
St George Accommodation for Youth
St George Mental Health Service
St George Women's Housing Company
Sutherland Mental Health Service
The Benevolent Society
The Station
Uniting Care

PJSHP Support Level Agreements

ADAHPT
Australian Chinese Community
Barnardos Australia
Bobby Goldsmith Foundation
Claffy House
Community Restorative Centre
General Geriatrics Rehab Centre
Kirketon Road Centre
Marian Centre
Matthew Talbot
Mercy Arms
New Horizons
Paraquad
Probation & Parole Service
Roam Communities
Rozelle Hospital
Spinal Cord Injuries Australia
Ted Noffs Foundation
The Salvation Army
The Station
THEBA Young Womens Service
Uniting Care
Youth Off The Streets

A Woman's Place (AWP) - Mission Australia
Al-Zahra Muslim Association
Amelie House Womens Refuge
Anglicare - Macarthur/Liverpool
Anglicare Migrant Services, Cabramatta
Auburn Hospital and Community Health Services
Australian Arabic Communities Council
Australian Red Cross
Australian Turkish Social & Cultural Trust
Australian Vietnamese Welfare Association
Bankstown Community Health Service
Bankstown Chinese Baptist Church
Bankstown Women's Refuge & Resource Centre
Baulkham Hills Holroyd Parramatta Migrant Resource Centre (BHHPMRC)
Bethlehem House (Men's refuge), St Vincent de Paul Society
Bonnie Women's Refuge Violeta's Place Program
Bolwarra House Transitional Centre
Bondi Rd Women's Health & Family Planning Centre
Bosnian Information & Welfare Centre, Lidcombe
Bringa Women's Resource Centre, Manly Warringah
Burnside Family Learning Centre
Burwood Community Welfare Services, Inc
Cancer Care Centre
Canterbury Bankstown Migrant Resource Centre
Canterbury Community Health Centre
Canterbury Family Support Service
Catherine Villa Accommodation Units
Centacare Young Women's Supported Accommodation Program (CYWSAP)
Centrelink
City Women's Hostel
Coptic Orthodox Church
Commonwealth Rehabilitation Service Australia - NSW Divisional Office
Wesley Dalmar - Family and Youth Services
Delvena Women's Refuge
Department of Corrective Services
Department of Housing (DoH)
Detour House
Dolores Single Womens Refuge
Edward Eagar Lodge - Wesley Mission
Erin's Place Inc
Ethnic Child Care, Family & Community Services
Fairfield Migrant Centre
Foley House
Gosford Emergency Accommodation Services
GROW
Greek Community Aid & Information Service
Gymea Community Aid & Information Service Inc
Hurstville Community Health Centre
Inner West Family Support
Islamic Council of New South Wales
Jacaranda Cottage
Jean's Place
Killara Women's Refuge Inc

Brighton-Kogarah Uniting Church
Liverpool Migrant Resource Centre
Lone Parent Family Support Service
Macedonian Australian Welfare Association of Sydney Inc
Macarthur Migrant Resource Centre
Marian Villa
Mission Australia
NESH Women's Housing Scheme Inc
Northern Sydney Youth Support Service (NSYSS)
Office of the Protective Commissioner (OPC)
Options - Youth Housing Association
Orana Lodge, The Salvation Army
Ozanam Village, St Vincent de Paul Society
Padstow Community Care Centre
Parramatta Mission
Peakhurst Community Health Centre
Phoebe House
Psychiatric Rehabilitation Unit (PRA)
Randwick Family Support Service
ParaQuad NSW
Riverwood Community Centre
Rockdale Community Health Centre
Royal Hospital for Women
STARTTS, Auburn & Fairfield
Samaritan House
Serbian Orthodox Welfare Association
Shoalhaven Community Housing
South West Child Adolescent & Family Services
South West Women's Housing
South Western Sydney Area Health Service
Southern Sydney Youth Refuge
Spinal Cord Injuries Australia
St George Area Intellectual Disability Services Ltd
St George Backstop Family Support Service
St George Lebanese Joint Committee Inc (SGLJC)
St George Migrant Resource Centre Inc
St Mary's House
St Michael's Family Centre
Stepping Out Housing Program
Street Smart Australia (Drop-in Centre)
Sutherland Hospital and Community Health Service
Sutherland Shire Family Support Service
Sylvanvale Disability Service
Ted Noffs Foundation
The Deli Women and Children's Centre Inc
The NSW Spanish & Latin American Association
The Smith Family
The Twenty Ten Association INC.
Vincentian Village - St Vincent de Paul Society
Wagga Wagga Women's Refuge
Walla Mulla Family & Community Support
Bringah - Warringah Women's Refuge
Wentworth Area Health Team
Wesley Mission Community Housing
Western Sydney Area Health Service
Women's Housing Company
YWCA Crisis Support

Partner agency testimonials

Uniting Care

Uniting Care Ageing Sydney Region has a number of Community Care programs of which I manage two. I have 115 community aged care packages and 30 of these are for older homeless clients. I also manage a program called the Assistance with Care and Housing for the Aged (ACHA).

The ACHA program receives referrals for older people who maybe living in inappropriate accommodation. This could be a client living in rooming houses, private rental or homeless.

The opportunity for our organisation to be involved with the Port Jackson project was very exciting for our ACHA program as affordable accommodation has always been the most difficult part of being able to help our financially disadvantaged clients. With the ongoing support from our Homeless Community Packages, this has been a very successful partnership between Port Jackson Housing and Uniting Care.

This partnership between Port Jackson and Uniting Care Ageing Sydney Region has been very successful and we thank Liza Sloane and her team. Communication between Liza's team and us is open and honest. This is something we have found to be very important, as we are looking after older valuable clients, some of whom have mental health issues, so ongoing care and monitoring is extremely important. We now have 10 clients living in Port Jackson Housing with ongoing support from our community care package.

Maida Chand

Manager Community Aged Care Packages & Assistance with Care and Housing for the Aged

Neami

Neami works with and on behalf of people who have a mental illness and provides a range of psychosocial rehabilitation services. Neami takes a holistic view of people's mental health and ensures that the services it provides are done so in partnership with local community services, area mental health services and local government. Our partnership with St George Community Housing is part of the HASI program that is a collaborative approach to the provision of mental health services.

People with mental health disorders can experience difficulties in accessing affordable, safe and stable housing in the private market. The secure housing provided by SGCH, other community housing organisations and the Department of Housing plays an important role in assisting people on low incomes with a mental illness to live successfully in the community. Neami works with and supports consumers to develop their confidence, plan their own programs and build their connections with their community.

SGCH is making our mission of "Improving mental health and wellbeing in local communities" a reality.

Arthur Papakotsias

Chief Executive Officer

Barnardos

Barnardos Australia and St George Community Housing have enjoyed a mutually beneficial relationship over the past year – bringing real stability to a significant number of young people and families in crisis. Within the Port Jackson Supported Housing Project, Barnardos has nominated specially selected clients with high support needs, and SGCH has responded by matching these clients to appropriate housing options and also successfully maintaining them in their tenancies.

To facilitate this, SGCH has established protocols that ensure community support agencies such as Barnardos feel engaged in a genuine partnership, both in the process of allocating properties to clients and in the selection and appointment of SGCH's Port Jackson staff.

SGCH has demonstrated genuine caring for needy Barnardos clients, commencing with the initial meeting and property viewing, and continuing after leases have been signed. SGCH has shown a sincere commitment to work through issues arising during the tenancy in consultation with Barnardos (as the support provider), the client, and the landlord (where applicable). During this process the needs of each client have been thoughtfully considered and their participation treated with dignity by SGCH.

Barnardos has found a corresponding level of commitment from SGCH staff in referrals of less problematic Barnardos clients made to SGCH's community housing services. Indeed it appears to be the hallmark of SGCH's work in the provision of community housing.

Bill Hoyles OAM

Senior Manager, Youth Services and Aftercare Barnardos Australia

Statement of Corporate Governance

Role of the directors

The St George Community Housing Board of Directors is responsible for Corporate Governance matters relating to all facets of SGCH. It has established principles by which both the board and management operate to ensure that business is carried out in the best interests of members and other stakeholders, with proper sharing of responsibilities between the directors and management as determined by the board from time to time.

The board is responsible for, and has the authority to determine, all matters relating to the strategic direction, policies, practices, establishing goals for management and the operation of the company. Without intending to limit this general role of the board, the specific functions and responsibilities of the board include:

(1) Oversight of the company, including its control and accountability systems;

(2) Appointing and removing the CEO (or equivalent), including approving remuneration of the CEO and the remuneration policy and succession plans for the CEO;

(3) Ratifying the appointment and, where appropriate, the removal of the CFO (or equivalent);

(4) Input into the final approval of management's development of corporate strategy and performance objectives;

(5) Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;

(6) Monitoring senior management's performance and implementation of strategy, and ensuring appropriate resources are available;

(7) Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures; and

(8) Approving and monitoring financial and other reporting.

In performing its duties, the board takes into account the responsibilities of the company to meet specific obligations imposed either as a matter of law (contractual or otherwise) or any relevant regulations.

Ethics

St. George Community Housing (SGCH) adheres to the highest ethical standards and strives to operate to best business practices. SGCH is registered under the Housing Association's Code of Practice, and accepts the responsibility for meeting the expectations within that code. It has adopted and published a Code of Conduct, which sets out standards for appropriate ethical and professional conduct for directors, all of whom have a copy of the statement. The Code of Conduct states:

• A director must act honestly, in good faith and in the best interests of the company as a whole.

• A director has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.

• A director must use the powers of the office for a proper purpose, in the best interests of the company as a whole. A director must recognise that the primary responsibility is to the company's members as a whole but should, where appropriate, have regard to the interests of all stakeholders of the company.

• A director must not make improper use of information acquired as a director.

• A director must not take improper advantage of the position of director.

• A director must not allow personal interests, or the interests of any associated person, to conflict with the interests of the company.

• Pursuant to the Corporations Law, a director in the discharge of his or her duty may rely on "business judgement" provisions of the Act where directors, in good faith, can rely on advice received from executive managers of the company.

• Confidential information received by a director in the course of carrying out his or her duties remains the property of the company and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the company or the person from whom the information is provided or is required by law or regulatory authorities.

• A director has an obligation at all time to comply with the spirit as well as the letter of the law and with the principles of this Code of Conduct.

Board composition

The board currently comprises seven (7) non-executive members (including the chairman). The chief executive officer and chief financial officer are not members of the board but are invited to attend board meetings. Senior managers are invited on a need basis to attend board meetings. The Rules of the company state that there shall be a board of seven (7) Directors.

At each Annual General Meeting two or three directors are required to retire as directors, but are eligible for nomination and re-election.

The board has constituted three committees of directors to assist the board in the governance of the company.

1. Asset committee

The committee consists of three non-executive directors and is chaired by Natasha Bernabei. Other members of the committee are Bill Chant and Steven Kouris. The committee is resourced by the chief executive officer and the asset manager.

The Charter of the Asset Committee is to review asset planning and management activities to ensure that they are adequate to meet current and future requirements of the company and to make recommendations to the board on governing, directing and compliance issues including, on an annual basis, the amount necessary to reserve for future planned maintenance.

2. Audit & compliance committee

The committee comprises a minimum of three non-executive directors and is chaired by John Dorrian. Other members of the committee are Tony Ho and Steven Kouris. The charter requires that each committee member is to be financially literate with at least one member having financial reporting, accounting, auditing or related financial management expertise, as the Board determines, and at least one member should have an understanding of the businesses in which St George operates. The chairman of the Audit & Compliance Committee may not be the chairman of the board of directors. The committee is resourced by the chief executive officer and the chief financial officer.

The charter of the Committee is:

(a) To ensure the integrity of SGCH's external and internal financial reporting, including its compliance with applicable laws, regulations and other requirements in relation to external financial reporting;

(b) To ensure that the board and management are provided with high quality financial and non-financial information to make informed management decisions;

(c) To ensure that appropriate and effective systems of internal controls, risk management and compliance are in place;

(d) To monitor the effectiveness and integrity of any internal and the external audit functions and be a forum for communication between the board and the external auditors; and

(e) To safeguard the independence of the external auditor.

The committee is also responsible for the company's risk management process. The committee is responsible for overseeing the performance and effectiveness of the Risk Management Plan which should include the following focus:

• Defining, analysing and evaluating the company's risks;

• Identifying the treatment and control of these risks; and

• Monitoring and reviewing the risk management process.

Management is responsible for implementing and monitoring the treatment and control of the company's risks. This includes ensuring that appropriate and effective risk management systems are implemented to manage material risks, including fraud. Management shall report to the committee on the status of risk controls and any material breaches or significant risk matters including with respect to funding and other agreements' compliance with stakeholders.

The committee shall have unrestricted access to personnel, records, external auditors and senior management as deemed appropriate.

The committee is authorised, at the company's cost, to seek outside legal or other independent professional advice and to secure the attendance at its meetings of management or outsiders with relevant experience or expertise if it considers this necessary.

3. Remuneration committee

The committee consists of three non-executive directors and is chaired by Anne Johnston. Other members of

the committee are Sam Lawrence and Bill Chant and is resourced by the chief executive officer and the chief financial officer.

The Charter of the Remuneration Committee is to review and make recommendations to the board on senior executive remuneration and overall staff remuneration and incentive policies, including human resource policies related to salary, benefits and award related requirements. The committee aims to ensure that remuneration and associated human resources policies properly reflect industry's best practice and that the remuneration and human resources policies are appropriate in attracting, retaining and motivating people of the highest calibre and consistent with the position and remuneration relativity of the company.

Directors' rights

Directors have the right, with the approval of the chairman or a resolution of the board, to seek legal or external advice at the expense of the company, to allow them to perform their duties, or in connection with an application in relation to any proceedings in which a court grants relief to the person under the Corporations Act.

Indemnification and insurance of directors and officers

To the extent permitted by law, the company indemnifies every person who is or has been an officer of the company against any liability for costs and expenses incurred by that person in defending any proceedings in which judgement is given in that person's favour, or in which the person is acquitted, or in connection with an application in relation to any proceedings in which the court grants relief to the person under the Corporations Act.

During the financial year the company has paid an insurance premium in respect of a contract insuring each of the directors of the company named in this report and executive officers against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

Directors meetings during the year ended 30 June 2007

Directors Meetings held: 14

Director name	Board meetings eligible to attend	Board meetings attended
Anthony Ho	14	13
Anne Johnston	14	11
John Dorrian	14	9
Bill Chant	14	13
Steven Kouris	14	14
Sam Lawrence	14	13
Natasha Bernabei	13	11*

* Natasha Bernabei – appointed 22/8/06

Board of directors

Anthony Ho
B Com (UNSW), CA, FCIS, FAICD
Chairman
Member of the Audit and Compliance Committee

Anthony Ho joined the SGCH board in November 2002 as treasurer. He was appointed chairman in February 2003. He was appointed a member of the Audit and Compliance Committee in November 2006. Before joining the SGCH board Anthony was executive director of Arthur Yates & Co Limited, retiring from this position in April 2002. Anthony was a past non-executive director of Brazin Limited (Sep 1997 to Jan 2007) where he was also a member of both the Audit and Remuneration Committees. He is currently a non-executive director of Dolomatrix International Limited where he also chairs the Audit and Compliance Committee. He is also a non-executive director of Greenland Minerals and Energy Limited. Anthony was previously a partner of Cox Johnston & Co, Chartered Accountants (since merged with Ernst & Young).

His extensive executive experience included being Chief Financial Officer of the listed M. S. McLeod Limited (operator of Downtown Duty Free), Galore Group Ltd, the Edward H. O'Brien group of companies and Volante Group Ltd. Anthony is a member of the Institute of Chartered Accountants in Australia and a fellow of both the Institute of Chartered Secretaries and the Australian Institute of Company Directors.

Anne Johnston
Grad. Dip Personnel Mngmnt
Vice-chairperson
Chairperson of the Remuneration Committee

Anne Johnston, Joined the SGCH board in November 2003 and was appointed vice-chairperson in February 2004. She was appointed chairperson of the Remuneration Committee in November 2006.

Anne has been a director at American Express Australia Ltd for over ten years and has 20 year's experience in the human resources field. Some of Anne's career achievements include managing major restructuring initiative across Asia, managing the staffing for the Olympic Games in Sydney in 2000, creating a national guide for American Express managers relating to all aspects of human resources, and implementing a diversity program focusing on the recruitment of people with disabilities into American Express Australia Ltd. Anne is also a HR consultant for a member–based not-for-profit community organisation.

John D Dorrian
BA (Macq) FCA, MAICD
Non-executive director
Chairman of the Audit and Compliance Committee

John Dorrian, joined the SGCH board in April 2003 and was appointed treasurer. He was appointed chairman of the Audit and Compliance Committee in November 2006. John is a managing director with Deutsche Bank AG and head of its Infrastructure Group with responsibility for Asia and Australia. Prior to that he was Chief Financial Officer of the Spark Infrastructure Group. John has over 25 years of senior experience in finance and investment and extensive experience in the management of major funds and investments across a wide range of industries. He has been actively involved as a director of a number of organisations including Melbourne Airport, retail, transmission and generation businesses and Australia's largest cattle company. John is currently a director of Spark Infrastructure Management Limited, Powercor and CitiPower in Victoria and ETSA Utilities in South Australia. He is treasurer of the Connell's Point Rovers Football Club.

Bill Chant
B E (Mechanical) (UOW), P Eng, Certificate III in Photography
Non-executive director
Member of
Asset Committee
Member of
Remuneration Committee

Bill Chant has been a non-executive director of the SGCH board since November 2003. He was appointed a member of the Asset Committee in November 2006. Bill is a facade engineer at Taylor Thompson and Whitting and works on medium to large commercial projects both in Australia and overseas. Prior to this with the CSIRO, Bill worked overseas on major international developments including the Dubai International Airport and the Tokyo Mid-Town project. Bill's professional experience includes; senior analyst at Cardno; support engineer at Strand7: and design engineer at the ANSTO Nuclear Mechanical Unit. In 2003, Bill was a part-time project housing officer for the Ryde Housing Co-op.

Steven Kouris
B Ec, LLB (Macq), LLM (UNSW)
Non-executive director
Member of the Audit and
Compliance Committee
Member of the
Asset Committee

Steven Kouris joined the SGCH board as a non-executive director in November 2005. He was appointed a member of the Asset Committee in November 2006 and a member of the Audit and Compliance Committee in July 2007. Steven is a lawyer with extensive experience in both private and corporate practice. He has worked for major national firms such as Mallesons Stephen Jaques and Allens Arthur Robinson, and also as an in-house counsel. Steven is a specialist commercial/corporate adviser and offers strategic counsel. He also specialises in commercial disputes, including construction, commercial property and project related disputes, with an emphasis on resolving them in a cost effective fashion. Steven has also provided legal services on a voluntary basis to the Arts/Law and Marrickville Legal Centres in Sydney.

Sam Lawrence
B Soc. Wk. (Syd),
Dip Soc. Sc (Welfare)
Non-executive director
Member of
Remuneration Committee

Sam Lawrence has been a non-executive director of the SGCH board since April 2004. She was appointed a member of the Remuneration Committee in November 2006. Sam works for the Department of Community Services (DOCS) and has extensive experience in social justice and welfare. Before joining DOCS, Sam was the Coordinator for Centacare's SAAP Program, one of SGCH's agency partners.

Natasha Bernabei
B Arch (UNSW)
Non-executive director
Chairperson of
Asset Committee

Natasha Bernabei joined the SGCH board as a non-executive director in August 2006. She was appointed chairperson of the Asset Committee in November 2006.

Natasha holds a degree in architecture and has extensive experience in policy development and implementation with various NSW government organisations including the Departments of Commerce and Public Works and Services.

Natasha is currently working with RailCorp to develop and implement their Property Division Strategic Plan, Business Model and Outsource Arrangements.

Natasha has previously served on the NSW Management Board of The National Association of Women in Construction.

Summary Financial Statements (to 30 June 2007)

Income and Expenditure Account		2007 ($)	2006 ($)
How much we...	**Where does all the money come from?**		
...charged tenants for living in the properties	Rents	6,449,043	5,680,885
...charged tenants & landlords for utilities etc.	Services charges	285,731	220,734
...received from governments	Gross Grants received	5,439,807	5,706,404
...received from investment of surplus funds	Interest	176,351	117,619
...received from other activities	Other	421,594	35,070
		12,772,526	**11,760,712**
	Where does all the money go?		
…contributed back to government	Capital contributions	(417,800)	(339,200)
…spent renting properties	Rents paid	(7,191,414)	(6,691,459)
…spent on property rates & utilities	Rates and utilities	(844,670)	(627,660)
…spent on maintaining the properties	Maintenance	(883,266)	(745,654)
…spent on other property & tenant expenses	Insurance, depreciation & other expenses	(794,839)	(587,705)
…spent providing services to tenants	Management expenses	(1,997,100)	(1,648,895)
		(12,129,089)	**(10,640,573)**
...have kept to help with future activities	Surplus for the year	643,437	1,120,139
...have retained of previous years' surpluses	Retained profits brought forward	1,346,130	1,684,291
…have transferred to a Reserve	Transfer to Reserve for Planned maintenance programme	(332,124)	(1,458,300)
...have retained to help with future activities	Retained profits carried forward	1,657,443	1,346,130

Balance Sheet			
How much we...	**Where does all the money go?**		
...were owed by our tenants and others	Debtors	1,396,231	1,107,792
...had in the bank and on deposit	Cash assets	5,110,892	2,773,971
...had paid for furniture and equipment	Property, plant and equipment	160,112	53,682
...owed to suppliers & others within the next year	Current liabilities	(3,209,831)	(1,103,865)
...owed to others beyond the next year	Non current liabilities	(9,537)	(27,150)
		3,447,867	**2,804,430**
…have retained to provide for future planned maintenance programme	Reserve	1,790,424	1,458,300
...have retained for future activities	Retained profits	1,657,443	1,346,130
		3,447,867	**2,804,430**

The above is an extract from the full audited accounts. A Concise Financial Report is included in this annual report. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

Directors' Report

Your directors present their report on the Co-operative for the year ended 30 June 2007.

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

Anthony Ho	Chairperson
Anne Johnston	Deputy Chairperson
John Dorrian	Treasurer
Bill Chant	Director
Salah Kahil	Director (resigned 7 August 2006)
Shirley (Sam) Lawrence	Director
Steven Kouris	Director
Natasha Bernabei	Director (appointed 22 August 2006)

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

The profit of the Co-operative for the financial year amounted to $643,437 (2006; $1,120,139).

The Co-operative is exempt from income tax.

Total Income increased by 9% compared to the previous year (2007: $12,772,526, 2006: $11,760,712), mainly due to increases in Tenant Rent Received, Tenant and Landlord Reimbursements and Bank Interest Received.

Total Expenditure increased by 14% compared to the previous year (2007: $12,129,089, 2006: $10,640,573), mainly due to increases in Property Expenses and Employee Benefits Expenses.

The Surplus for the financial year decreased by $476,702 compared to the previous year (2007: $643,437, 2006: $1,120,139), mainly due to an increase in Staff Personnel as a result of the winning of the Tenancy Management of Bonnyrigg Living Communities Project Bid and substantial increase in properties transferred to St George Community Housing during the year.

No significant changes in the Co-operative's state of affairs occurred during the financial year.

The principal activity of the Co-operative during the financial year was the provision of housing assistance to low to moderate income earners.

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

No matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in future financial years. The organisation is heavily involved with many government agencies. Any change in government policy may impact on the way the organisation conducts itself.

Other than environmental regulations managed by local government pertaining to residential properties, the Co-operative's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

No indemnities have been given during or since the end of the financial year for any person who is or has been an officer or auditor of the Co-operative. Directors' and officers' insurance premiums are paid by the Co-operative.

No person has applied for leave of a court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or any part of those proceedings.
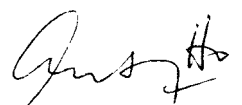
The Co-operative was not a party to any such proceedings during the year.

A copy of the Auditors' Independence Declaration, as required under section 307C of the Corporations Act 2001, is set out on page 28.

Signed in accordance with a resolution of the Board of Directors:
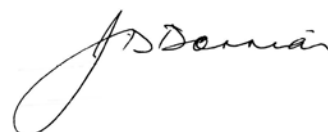
Director:
Anthony Ho

Director:
John Dorrian

Dated at Sydney this 9th day of November 2007

Discussion and analysis of the Concise Financial Report

Basis of Preparation of the Concise Financial Report

The concise financial report is an extract from the full financial report for the year ended 30 June 2007. The financial statements and disclosures in the concise financial report have been derived from the 2007 financial report of St. George Community Housing Co-operative Limited.

A copy of the full financial report and auditors' report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on St. George Community Housing Co-operative Limited's financial statements and the information contained in the concise financial report.

Income Statement

Total Income increased by 9% compared to the previous year (2007: $12,772,526, 2006: $11,760,712), mainly due to increases in Tenant Rent Received, Tenant and Landlord Reimbursements and Bank Interest Received.

Total Expenditure increased by 14% compared to the previous year (2007: $12,129,089, 2006: $10,640,573), mainly due to increases in Property Expenses and Employee Benefits Expenses.

The Surplus for the financial year decreased by $476,702 compared to the previous year (2007: $643,437, 2006: $1,120,139), mainly due to an increase in Staff Personnel as a result of the winning of the Tenancy Management of Bonnyrigg Living Communities Project Bid and substantial increase in properties transferred to St George Community Housing during the year.

Balance Sheet

Total assets increased by $2,731,790 to $6,667,235 representing an increase of 69%. The increase was largely due to an increase in cash balances relating to funds received in advance.

Total liabilities increased by $2,088,353 to $3,219,368 representing an increase of 184%. The increase was mainly due to an increase in funds received in advance.

Statement of Cashflows

Cash flow improvements during the financial year were a result of increased government funding.

Statement of Changes in Equity

The Reserve for Property Maintenance Program was increased by $331,900 to $1,790,200 to bring it in line with the Community Housing Provider Three year Property Maintenance Program Provision.

Auditor's Independence Declaration

Under Section 307c of the Corporations Act 2001

To the Directors of St. George Community Housing Co-operative Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2007 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit,

Tim Sydenham
Partner
Sydney Office

PKF
Chartered Accountants and Business Advisers

Dated at Sydney this 9th day of November 2007

Income Statement (for the year ended 30 June 2007)

	Note	2007 ($)	2006 ($)
Revenue from government and other grants	2	5,439,807	5,706,404
Other revenue	2	7,332,719	6,054,308
Property expenses		(10,131,989)	(8,991,678)
Employee benefits expense		(1,400,667)	(1,066,447)
Depreciation and amortisation		(31,733)	(17,380)
Finance costs		(772)	(1,268)
Rental expense		(102,566)	(92,686)
Other expenses		(461,362)	(471,114)
Surplus for the financial year		**643,437**	**1,120,139**

Balance Sheet (as at 30 June 2007)

	Note	2007 ($)	2006 ($)
Assets			
Current Assets			
Cash and cash equivalents		5,110,892	2,773,971
Trade and other receivables		1,111,632	739,281
Other current assets		284,599	368,511
Total Current Assets		**6,507,123**	**3,881,763**
Non-current Assets			
Property, plant and equipment		160,112	53,682
Total Non-current Assets		**160,112**	**53,682**
Total Assets		**6,667,235**	**3,935,445**

	Note	2007 ($)	2006 ($)
Current Liabilities			
Trade and other payables		3,204,891	1,100,106
Short term borrowings		4,940	3,759
Total Current Liabilities		**3,209,831**	**1,103,865**
Non-current Liabilities			
Long term borrowings		-	4,940
Long term provisions		9,537	22,210
Total Non-current Liabilities		**9,537**	**27,150**
Total Liabilities		**3,219,368**	**1,131,015**
Net Assets		**3,447,867**	**2,804,430**
Equity			
Retained earnings	3	1,657,443	1,346,130
Reserves	3	1,790,424	1,458,300
Total Equity		**3,447,867**	**2,804,430**

Cash Flow Statement (for the year ended 30 June 2007)

	2007 ($)	2006 ($)
Cash Flow from Operating Activities		
Receipts from customers	13,446,576	11,532,020
Payments to suppliers and employees	(12,956,953)	(10,414,016)
Interest received	131,553	117,619
Finance costs	(772)	(1,268)
Net cash generated from operating activities	**620,404**	**1,234,355**
Cash Flow from Investing Activities		
Proceeds from sale of property, plant and equipment	2,076	-
Payment for property, plant and equipment	(151,800)	(14,290)
Net cash used in investing activities	**(149,724)**	**(14,290)**
Cash Flow from Financing Activities		
Repayment of finance lease commitments	(3,759)	(5,313)
Receipts from government bodies	1,870,000	-
Net cash generated from/used in financing activities	**1,866,241**	**(5,313)**
Net increase in cash held	**2,336,921**	**1,214,752**
Cash at the beginning of the financial year	2,773,971	1,559,219
Cash at the end of the financial year	**5,110,892**	**2,773,971**

Notes to the Concise Financial Report
(for the year ended 30 June 2007)

1. Basis of Preparation of the Concise Financial Report

The concise financial report is an extract from the full financial report for the year ended 30 June 2007. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of St. George Community Housing Co-operative Limited. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of St. George Community Housing Co-operative Limited as the full financial report.

The financial report of St. George Community Housing Co-operative Limited comply with all Australian equivalents to International Financial Reporting Standards (AIFRS).

The accounting policies have been consistently applied by St. George Community Housing Co-operative Limited and are consistent with those of the previous financial year in their entirety. The presentation currency used in this concise financial report is Australian dollars.

The Co-operative has developed a planned maintenance programme for Capital Properties held pursuant to the funding agreement with the NSW Office of Community Housing. This programme will be funded from current cash balances and anticipated future operating surpluses.

2. Revenue

	2007 ($)	2006 ($)
Revenue from Government and Other Grants		
– Community Housing Leasing Program	4,073,634	4,214,161
– Boarding House Program	82,332	107,664
– Supportive Accommodation Initiative	21,766	33,273
– Long Term Lease Program	783,353	807,628
– Department of Ageing, Disability & Homecare	80,801	80,100
– Port Jackson Program	387,554	461,796
– Other	10,367	1,782
Total government grants	**5,439,807**	**5,706,404**
Other Revenue		
– Interest received from corporations	176,351	117,619
– Rental income	6,449,043	5,680,885
– Other	-	35,070
– Reimbursement - tenants and landlords	285,731	220,734
– Other – (Port Jackson & others)	421,594	–
Total Revenue	**12,772,526**	**11,760,712**

3. Statement of Changes in Equity

	Retained Earnings ($)	General Reserve ($)	Total ($)
Balance at 1 July 2005	**1,684,291**	**-**	**1,684,291**
Surplus attributable to the entity	1,120,139	-	1,120,139
Transfer to reserve	(1,458,300)	1,458,300	-
Balance at 30 June 2006	**1,346,130**	**1,458,300**	**2,804,430**
Surplus attributable to the entity	643,437	-	643,437
Transfer to reserve	(332,124)	332,124	-
Balance at 30 June 2007	**1,657,443**	**1,790,424**	**3,447,867**

Directors' Declaration

The directors of the Co-operative declare that the concise financial report of St. George Community Housing Co-operative Limited for the financial year ended 30 June 2007, as set out on pages 26 to 31:
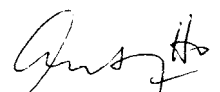
(a) complies with Accounting Standards AASB 1039: Concise Financial Reports; and

(b) is an extract from the full financial report for the year ended 30th June 2007 and has been derived from and is consistent with the full financial report of St. George Community Housing Co-operative Limited.

This declaration is made in accordance with a resolution of the Board of Directors.
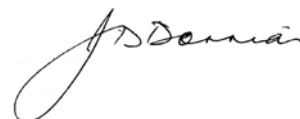
Director:
Anthony Ho

Director:
John Dorrian

Dated at Sydney this 9th day of November 2007

Independent Auditor's Report to members of St George Community Housing Co-operative Limited

Report on the concise financial report

The accompanying concise financial report of St George Community Housing Co-operative Limited comprises the balance sheet as at 30 June 2007, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of St George Community Housing Co-operative Limited for the year ended 30 June 2007, and the discussion and analysis. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Director's responsibility for the concise financial report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report, selecting and applying the appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of St George Community Housing Co-operative Limited for the year ended 30 June 2007. Our audit report on the financial report for the year was signed on 31 October 2007 and was not subject to any modification. The Australian Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with the requirements laid down in AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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

Independence

In conducting out audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion, the concise financial report including the discussion and analysis of St George Community Housing Co-operative Limited for the year ended 30 June 2007 complies with Accounting Standard AASB 1039: Concise Financial Reports.

PKF

PKF
Chartered Accountants and Business Advisers

Tim Sydenham
Partner
Sydney Office

Dated at Sydney this 9th day of November 2007