



Co-operation HOUSING

Annual Report 2015



About Co-operation Housing

Co-operation Housing was established by the Federation of Housing Collectives (FOHCOL) in 2010 as a not-for-profit Australian public company, in order to support and grow Western Australia's housing co-operative sector.

It is the only registered community housing provider in Western Australia whose primary focus is housing co-operatives.

Co-operation Housing's vision is:

to create and support positive, economically and socially self-sustaining residential communities based on the international principles of co-operation.

In order to realise this vision, Co-operation Housing's mission is to be:

ready to respond to opportunities as they arise, through preparation and due diligence; development, implementation and maintenance of a proven co-operative housing model; and investment in training and development of stakeholders at all levels, including commercial, government, tenants and the broader community

willing to promote the principles of co-operative living and facilitate their practical implementation, through the commitment of its members and staff and through its strong management and governance structures

able to support co-operative living in communities and to create innovative housing and living options through the delivery of the co-operative housing model.

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Chairperson's report

Five years on from registration as a company, you might be wondering, 'What has Co-operation Housing done?' It's a fair question to ask, particularly in light of the time, effort and money that has gone into establishing this not-for-profit company.



The foundations

Co-operation Housing grew out of a difficult time for the housing co-operative sector. It was a time when there was diminished energy to keep FOHCOL afloat, longstanding housing co-operative members had grown tired of being the key players for many years, there were no new members stepping up to take leadership roles and no new housing co-operatives had been established in more than 15 years.

FOHCOL had limited financial resources, with its income primarily coming from a small percentage-of-income contribution from each member housing co-operative and the occasional Lotterywest grant to fund the annual FOHCOL conference. The relationship with the Department of Housing was tenuous, with the Department's decision makers holding reservations about the value of housing co-operatives.

Within the political landscape, housing was a hot topic, with increasing homelessness and an ever-growing housing crisis. The state government was introducing registration of the community housing sector, and seeking to apply tighter guidelines and increased accountability in how providers operated. Money was being offered as an incentive to the community housing sector should they register. The carrot was growth, more housing co-operatives, more people, more capacity. Housing co-operative members wanted to be part of this changing environment.

A leap of faith

The seeds of change came from FOHCOL, whose management committee read the community housing zeitgeist of regulation and compliance and commissioned a consultant familiar with housing co-operatives to start the change conversation within the sector. The idea was that Western Australia's housing co-operatives needed to redefine and propose a co-operative housing model based on their eastern-states counterparts. This idea was embraced by the First Fremantle Housing Collective, whose leadership was an important factor in persuading other housing co-operatives to imagine the growth potential that such a model could achieve. Over a two-year period, within housing co-operatives and FOHCOL, numerous meetings were held, legal advice obtained and project officers employed. The concept of Co-operation Housing was born after many hours of consultation and debate. The founding member housing co-operatives were

Alternative Resource Community Housing (ARCH), First Fremantle Housing Collective, Freo Fringe Housing Collective, Inanna's House, Mia Mia and Pinakarri Community.

Establishing Co-operation Housing's operational framework required a lot of time and effort, largely on a voluntary basis. During the establishment period, within the sector more broadly, the level of support for this initiative waxed and waned. There were sceptics who didn't want to be part of it, housing co-operatives that couldn't reach consensus on whether to join as full members, and other housing co-operatives that preferred to go it alone. With any new venture such as this, such reactions are not surprising, particularly given the level of change required and the need to reach consensus within each housing co-operative.

United we stand, divided we fall

One of the goals that it was hoped Co-operation Housing would achieve was to unify the sector. It was envisioned that establishing Co-operation Housing would provide a united, organised and sufficiently resourced base from which to advocate on behalf of all Western Australia's housing co-operatives. But this was not achieved to the extent that was originally hoped.

Not all housing co-operatives joined Co-operation Housing; in the time it took to set up Co-operation Housing we had 'missed the boat' on substantial funding opportunities; and we had underestimated the amount of intensive time and effort required, largely on a voluntary basis, to develop the necessary policies, procedures and infrastructure of an organisation like Co-operation Housing. Currently just four of Western Australia's housing co-operatives dedicate the funds and time necessary to enable the operation of Co-operation Housing.

So what has Co-operation Housing done?

Co-operation Housing has become a player in the broader housing sector. It is established, it is ready for the opportunities that may come its way. It is available to its member housing co-operatives when they need guidance, advocacy, information or support. It has in place a solid, committed Board of Directors whose membership balances representatives from within the housing co-operative sector with specialised technical experts.

Each one of the housing co-operative-based directors has lived and breathed housing co-operative life for a long time. We are not 'newbies'; we are experienced, we care deeply, we actively give of our time, and we want with a passion to see Co-operation Housing succeed and achieve the critically important goal of growing more housing co-operatives in Western Australia. We remain connected to our housing co-operative base, regularly feeding in to Co-operation Housing the interests of the sector.

Our technical directors are immensely dedicated. They have nothing but a genuine desire to give of their skills for the benefit of housing co-operatives. They know a lot and they share a lot, providing much-needed professional guidance in areas we just couldn't afford to pay for or find among our own.

Co-operation Housing's staff have gone from strength to strength. CEO Rebecca is a determined advocate to the Department of Housing on behalf of housing co-operatives, she networks effectively with likeminded organisations to keep Co-operation Housing in the public and professional eye, always considering where a partnership could be formed to advance Co-operation Housing's growth strategy. She makes time to meet with and address any issues arising among members of member housing co-operatives and others. She sources information, she educates, she listens, she takes in requests and tries to fill in the gaps. She leads a small team at Co-operation Housing, comprising Yvonne and Leila.

Yvonne, our highly valued Finance Manager, has extensive housing co-operative experience and a passion for making sure Co-operation Housing's and its member housing co-operatives' financial integrity is protected. Leila, our Communications Officer, gives our communications the polish to make us shine. She keeps everyone in the loop through newsletters and other publications, and promotes Co-operation Housing in a way that reminds us of our professional standing.

Co-operation Housing has achieved many things over the past five years: registration as a company, registration as a community housing provider, establishment of policies and procedures, promotion of co-operative principals, member services, growth planning and financial modelling, retention of skilled employees, representation to government of the interests of housing co-operatives and partnering with other organisations to grow the sector.

None of this could have been done without the significant financial support of the member housing co-operatives that meet the costs of running this organisation. Co-operation Housing's member housing co-operatives have made sacrifices and invested in Co-operation Housing for the advancement of all housing co-operatives. I believe we can continue to represent and expand Western Australia's housing co-operative sector over the next five years.

With collective effort, much has been gained, and much more will be gained.

Tarnalea Bulman

Chairperson

Chief Executive Officer's report

Five years! What an excellent milestone from which to reflect on our journey (see page 10) from inception as the brainchild of a group of far-sighted FOHCOL members, to formation through the hard work of a dedicated FOHCOL subcommittee, to establishment as a public company, through to independence, registration and the subsequent series of significant achievements that have brought us to where we stand today.



Given the limited resourcing and other constraints under which Co-operation Housing operates, we really have achieved extraordinary things – and it's all thanks to the unflinching vision and commitment of our member housing co-operatives, the ongoing hard work and dedication of our directors and staff, and the support and co-operation of other organisations within the sector.

Without doubt, the most exciting development of this past year has been the successful negotiation with the City of Fremantle of an agreement for Co-operation Housing to take on the asset and tenancy management of an existing 11-unit affordable housing complex for seniors in the Fremantle area. Our medium-term goal is to embed within the complex some of the principles of co-operative living, with the longer-term aim being to take ownership of the complex at an affordable price and transform it into an additional housing co-operative.

This important development represents both an immediate additional income stream for Co-operation Housing and a future asset base that will place us in a much stronger position financially, enhancing our capacity to build or buy additional properties in which to establish new housing co-operatives. The skills and experience we will gain through directly delivering these asset and tenancy management services will further increase our ability to support existing and future member housing co-operatives, strengthen the sector as a whole and provide us with a significant selling point when future growth opportunities arise. And last but by no means least, the agreement also represents an excellent opportunity to demonstrate the many benefits of the co-operative model over other models of affordable housing provision.

Over the next few pages we highlight some of our other significant activities of the past year. In the meantime we are already looking forward to being able to present you with an even more extensive list next year, for the benefit not just of our members but of the sector as a whole.

Rebecca Hicks

Chief Executive Officer

Highlights of 2015

Some of Co-operation Housing's activities during the year in pursuit of its mission were as follows.

Ready to respond to opportunities as they arise

As noted in the Chief Executive Officer's report, the most exciting achievement of this year has been the negotiation of a financially sustainable and mutually agreeable partnership with the City of Fremantle that has seen Co-operation Housing take on the asset and tenancy management of an affordable housing complex for seniors in the Fremantle area. Our long-term goal is to acquire the property at an affordable price and transform it into an additional housing co-operative. This arrangement represents both a rare growth opportunity and a valuable platform from which to demonstrate to the City of Fremantle and to the broader community the many benefits of the co-operative model over other models of affordable housing provision. We'd like to take this opportunity to once again sincerely thank each and every one of our wonderful member co-operatives for their unwavering commitment to our mission of being ready to respond to opportunities as they arise, and all our dedicated directors and staff for the hard work that has made responding to this opportunity possible.

This year we were also very fortunate to welcome Natasha French to our board as Technical Director (Property). Natasha has quickly become a highly valued member of the board, sharing and applying her considerable expertise in property development to potential growth and other sector-development opportunities, and we look forward to a long and mutually rewarding relationship with her. You'll find Natasha's profile on page 13.

Earlier this year we successfully secured funding from Lotterywest to develop a new strategic plan, business plan, marketing strategy and risk-management plan. We then engaged Jenny Thomas from Northern Edge Consultants to help us develop the strategic and business plans. Jenny interviewed and consulted with key stakeholders – including all our members, through our Member Satisfaction Survey – to feed into the process, with the result that we now have a freshly minted Strategic Plan 2015–2018 and associated supporting documents to guide the direction of our work over the next three years.

Co-operation Housing also achieved 'deductible gift recipient' (DGR) status this year, allowing us to receive donations that are tax deductible to the donor. This will increase our attractiveness to other organisations and individuals considering partnering with or supporting us, and therefore enhance our readiness to respond to such opportunities as they arise.

Willing to promote the principles of co-operative living

Perhaps our most prominent activity in support of this mission this year was our joint celebration with FOHCOL of International Co-operatives Day (see page 8).

In other promotional activities, we arranged for Co-operation Housing and our member co-ops to feature in a number of media this year. Our ARCH residents featured in an article titled 'How I started a housing co-operative' in an online magazine for seniors called *Living Well Navigator*. Having read about ARCH on our website, the editor approached us for more information, so we put her in touch with a willing (not to mention eloquent and photogenic) ARCH member who inspired readers with the story of how a group of enterprising seniors has jointly met their own need for affordable housing. Our CEO was also interviewed for an article in the Fremantle, Melville and Cockburn Herald newspapers, addressing readers' concerns about the public housing component of a proposed residential redevelopment in the Fremantle area. Our CEO was interviewed again, along with our Technical Director (Property) Natasha French and a First Fremantle resident – for an episode of West TV's current affairs program Undercurrent, focusing on affordable housing.

During the year the Department of Housing approached us to participate in its Rethink Social Housing campaign, which aims to address public misperceptions of social and community housing and the people who live in it. A commissioned report had found that, while most people believe in the principle of public housing for those in need, this belief exists alongside a generally negative perception of public-housing tenants. We found a willing participant from First Fremantle who was happy to put forward her story and explain how living in a housing co-operative has positively affected her and her children's lives.

Within the sector, we advocated on behalf of our member co-ops in support of a range of co-operative living issues this year. We successfully negotiated with the Department to secure its assurance, on behalf of our member co-ops, that any member co-op that chooses to sign on to a lease agreement will not be required to draw their future tenants from a joint community housing waiting list. As a result of our advocacy, the Department acknowledged that there is a unique need for prospective tenants of housing co-operatives to be 'co-op ready', and that a general community housing waiting list would therefore not be appropriate in the case of housing co-ops.

We also participated in the Department of Housing's consultation process relating to its proposed new rent-setting policy, which will significantly affect our member co-ops.

Not just promoting, but *celebrating* co-operative living!

In July 2014, Co-operation Housing joined forces with FOHCOL to host a joint celebration of International Co-operatives Day, including some events open only to housing co-op sector members and some open to the wider community.

The event was a huge success, thanks to the hard work put in by all the wonderful organisers and volunteers from both organisations, both beforehand and on the day.

Activities included a Friday-night shared dinner at Pinakarri, and a Saturday-morning tour of four co-ops within the Fremantle/Cockburn area, as well as information sessions, discussion forums and plenty of informal socialising over morning tea and lunch.

The highlight for many participants was the fact that several co-op members generously invited visitors into their homes to sneak a peek at a real-life housing co-op.

We received some lovely feedback afterwards from members of the public who had been curious about the co-ops in their community and really appreciated the opportunity to find out a bit about how they work.

The collaborative event was a great way of celebrating the co-operative model and promoting it to the wider community.



Able to support co-operative living in communities

During the year we supported our member co-ops and the broader sector in many ways.

One major undertaking in support of this mission was the development of a new Co-operation Housing Tenant Eligibility Policy. The hardworking members of our Policy Advisory Committee reviewed and updated the previous policy and made recommendations to our board, whose members then met with representatives of the Department of Housing to discuss the review process. Having developed a sound draft policy, we then invited all our co-op members to participate in a consultative forum to provide input into the development of the final policy. An external facilitator hosted the highly productive forum, and participants offered valuable input. The resulting policy will ensure fair and just eligibility management across all our member co-ops.

We also engaged an experienced facilitator to run a workshop on Consensus Decision Making specifically for our members. It was aimed at new members not yet familiar with the process and existing members wanting to refresh their skills. Participants reported that they found it extremely valuable, with one saying: 'I've lived in two co-ops over the past two years and they've both used consensus decision making, but even though people have tried to explain it to me I've never really got it until now ... Now I finally understand how it can work!'

Since many participants also agreed that a workshop on facilitation skills would be useful, we sourced and passed on the details of the same facilitator's cost-effective public facilitation workshops, which many members also chose to attend.

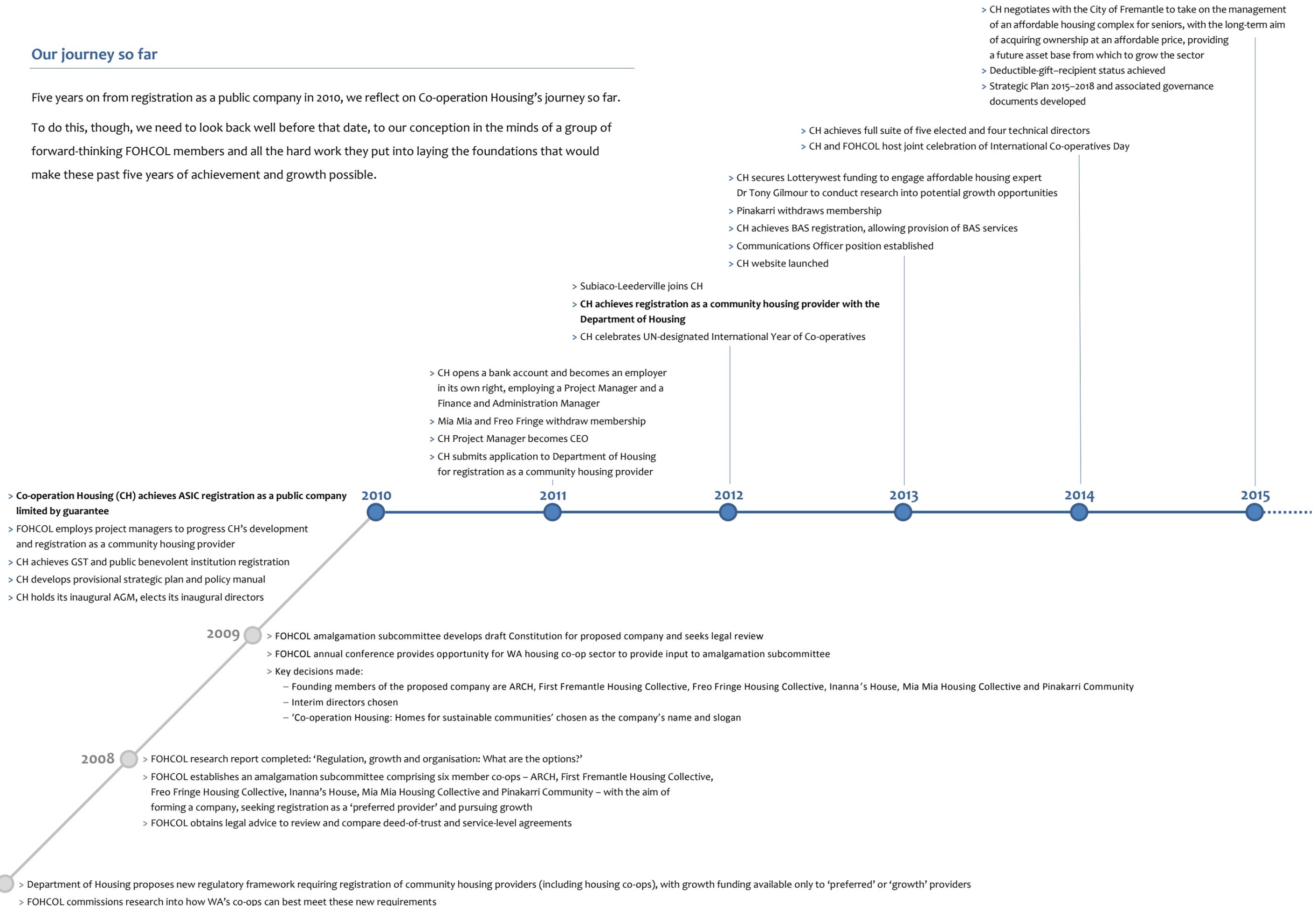
Later in the year we again collaborated with FOHCOL and this time also with Legal Aid WA, to deliver a workshop on tenancy law, focusing specifically on the rights and responsibilities of residents of housing co-operatives as both tenants and lessors. This was extremely well received, with several members of the housing co-operative sector attending, and a resource package from the day being made available to interested sector members who were unable to attend.



Our journey so far

Five years on from registration as a public company in 2010, we reflect on Co-operation Housing's journey so far.

To do this, though, we need to look back well before that date, to our conception in the minds of a group of forward-thinking FOHCOL members and all the hard work they put into laying the foundations that would make these past five years of achievement and growth possible.



Our Board of Directors (as at 30 June 2015)

For the complete list of all directors who served during the 2015 financial year, see page 19.



Tarnalea Bulman

BA (Sociology), LLB

Elected Director and Chairperson

Tarnalea has been an active participant in the WA co-operative housing sector for 14 years. As a member and resident of Inanna's House she has held the positions of Treasurer, Tenancy Committee member and FOHCOL representative, and has served as a trustee with the FOHCOL Co-op Maintenance Trust. Her varied employment background brings valuable skills and knowledge to her role as director. She has more than 20 years' experience as an educator, advocate and manager with not-for-profit community-based organisations. Her passion for social justice led her to study a joint law and sociology degree, and in 2011 she was admitted to practise as a lawyer in WA. She currently works with Legal Aid WA, where she assists the most vulnerable members of our community with legal matters.

'The international co-operative principles hold important meaning for me, and it is these principles that motivate me to participate as a director on the Co-operation Housing board. I believe that by uniting the sector and working together towards a common goal, the organisation can achieve many things both for co-ops and for the wider community.'



Pauline Farrell

Elected Director

Pauline has been a member of the First Fremantle Housing Collective for many years, and has also volunteered more broadly within the community housing sector, including for FOHCOL, the Co-op Maintenance Trust, CHCWA and CHFA. She was also a member of the steering group that undertook the groundwork that resulted in Co-operation Housing's formation.

Pauline has also been employed in a variety of roles within the community housing sector, including with the Fremantle Housing Association, Foundation Housing, Uniting Church Homes, St Bartholomew's, CHCWA and FOHCOL. In addition she has broader governance experience with a number of not-for-profit organisations, and has undertaken training in governance for boards in these roles. Currently she holds a part-time position managing projects in government.

‘I look forward to a renaissance in housing cooperatives here in WA – not least because they embody environmentally, socially and economically sustainable ways of living in a time of climate change and unsustainable economic growth.’



Natasha French

BProperty, Green Star Accredited Professional

Technical Director (Property)

Natasha has more than 12 years’ experience in the property industry in Australia and internationally, and currently serves as an Associate Director of Deloitte Real Estate Advisory. She brings to her role as Technical Director (Property) extensive knowledge and experience of the planning and management of residential developments, including apartment and retirement village developments, and of project, budget and stakeholder management within the property-development context. She is passionate about helping to facilitate sustainable affordable housing models.

‘I believe Co-operation Housing provides a much-needed service that bridges the gap between the public and private sectors, as well as providing a sense of pride and ownership for tenants, enabling them to better focus on developing their own capacity and contributing to the broader community.’

Jamila Grace

BA (Visual Arts) (H1)

Elected Director

Jamila is a member and resident of Inanna’s House. She is also a visual artist who has been painting and working in various creative cottage industries for many years. She has been involved in the housing co-operative sector since the 1990s, when she was part of a group who established a housing co-operative in Canberra. She moved in to Inanna’s House in 2002.

‘I think it’s very important for us, as member housing co-operatives, to have a voice and be a part of the direction development of Co-operation Housing.’



Ariel Hayes

BA (Fine Art) (Hons I)

Elected Director

Ariel is a member and resident of the Subiaco-Leederville Housing Collective. He is an award-winning filmmaker and media artist whose work has toured both nationally and internationally.

He has exhibited at the Sydney Biennale, represented Western Australia at an international art symposium in Singapore, been a keynote speaker at an international design

conference in Taiwan and had his work featured at an international art festival in Scotland. He is a current working associate of CIA Studios at the Centre for Interdisciplinary Arts in Perth.

‘There is no doubt in my mind that my experience of co-operative living has given me the resources and opportunities to transition from the ineffectual position of a perpetual renter to a fully responsive and responsible citizen engaged with the welfare of the collective.’



Brian Leveson

BA, LLB, Admitted Solicitor

Technical Director (Legal)

Brian is a government lawyer with a background in administrative, planning and property law. Before migrating to Australia from South Africa he was a human rights lawyer specialising in low-income housing development and consumer protection. During that time he was appointed by the democratically elected South African government to a position on its National Housing Board. He also served as a director of the not-for-profit Social Housing Foundation and of the National Home Builders Registration Council.

‘I am keen to assist with the development of Co-operation Housing, particularly at this time when new policies and systems are being established to strengthen and expand the co-operative housing sector.’



Olwyn Maddock

BAppSc (Psych), BPsych, PCGE

Technical Director (Education and Affordable Housing)

Olwyn has been a director since Co-operation Housing’s foundation. She is an AHPRA-registered psychologist and an associate member of the Australian Psychological Society. She is currently a registered school psychologist, and has previously worked as a TAFE lecturer. She lived at Pinakarri Community from 2000 to 2008, was trustee for the Co-op Maintenance Trust from 2001 to 2010 and was active with FOHCOL in a number of roles from 2003 to 2009. She has also represented the co-op sector as a tenant on the Community Housing Code of Practice Western Australia (2002–2004), and was a sector development worker with the Community Housing Coalition of Western Australia (2004–2005).



Peter Shooter

BEng (Mechatronic)

Elected Director

Peter has been living at the First Fremantle Housing Collective with his partner and daughter for the past six years. An experienced industrial electrician with an interest in electronics, he recently completed a degree in mechatronic engineering. Other interests include cycling and building recumbent bicycles. Peter is committed to the co-operative model and to working together to achieve what would be unachievable individually.

‘I’ve always been interested in looking at how we can make housing more affordable for people, and in how people can work together to achieve home ownership. I think the traditional model of one family, one house, one quarter-acre block is very isolating – apart from which it’s unaffordable for so many people. I think the First Fremantle Housing Collective co-op model works well – we share a lot of work together, but we don’t live in each other’s pockets.’



Lorica Storey

BCom, MBA, CPA, GAICD

Treasurer and Technical Director (Finance)

Lorica is a senior financial professional with a background in a variety of industries including mining and resources, education, energy generation and sustainable agriculture. She has diverse business skills and a keen interest in finance, compliance, governance and risk. She has more than 10 years’ experience as a senior executive reporting to various boards and sub-committees on financial, strategic planning and commercial management matters. She holds memberships with a number of industry bodies including CPA Australia and the Australian Institute of Company Directors.

‘I joined the Co-operation Housing board to assist the organisation to become a key community housing provider in Western Australia.’



Rebecca Hicks

BA (Hons) Sociology & SE Asian Studies, Dip Interpreting

CEO and Company Secretary

Rebecca has more than 20 years' experience in community development and housing-related roles, primarily in the not-for-profit sector. She has served as a director with the Northern Australian Social Research Institute, led a community development project for the Western Australian Council of Social Service, been commissioned by academic institutions to undertake a number of housing-related studies in Western Australia's north-west and been involved in governance and other positions in a broad range of organisations including community legal centres, women's refuges, research bodies, childcare centres and sporting groups. She has also worked as a consultant and teacher and published a number of articles in sociology-related academic books and journals. She joined Co-operation Housing in 2010 as project manager overseeing the registration process, and became CEO shortly before registration was achieved in 2012.

'I find my role with Co-operation Housing interesting, challenging and worthwhile in its objective of getting more houses on the ground. I believe there is a real need for more affordable housing, and that the co-operative housing model is one that offers better outcomes for tenants.'

Our Staff

Rebecca Hicks

Chief Executive Officer

Rebecca Hicks has more than 20 years' experience in housing and community development, primarily in the not-for-profit sector.

Yvonne Hadad

Finance Manager

Yvonne Hadad has more than 10 years' experience in bookkeeping, finance and administration, including more than five years within the co-operative housing sector.

Leila Jabbour

Communications Officer

Leila Jabbour has more than 15 years' experience in producing print and online publications for a wide a range of organisations, including community-based and not-for-profit organisations.

Directors' report

The Board of Directors presents its report on Co-operation Housing for the financial year ended 30 June 2015.

A review of the operations of the company is contained elsewhere in this report. No significant change in the nature of business activities occurred during the year.

The net profit of the company for the financial year amounted to \$10,438.

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

The liability of Full Members is limited to \$5 in the event of winding up.

Dividends are prohibited by the company's constitution.

Company Secretary

The role of Company Secretary is appointed annually. The name of the Company Secretary during the reporting period is as follows.

Current Secretary
Rebecca Hicks (CEO)

Directors

In accordance with the Co-operation Housing Constitution, elected and technical directors each serve a two-year term (with the option of reappointment). Casual directors serve until the next annual general meeting.

The names of all directors in office at any time during the reporting period are as follows.

Current directors
Tarnalea Bulman (Chairperson)
Pauline Farrell (Elected)
Natasha French (Technical)
Jamila Grace (Elected)
Ariel Hayes (Elected)
Brian Leveson (Technical)
Olwyn Maddock (Technical)
Peter Shooter (Elected)
Lorica Storey (Technical)
Resigned directors
Morgan Morris (Casual)

For more detailed information on our directors and officers, including relevant qualifications and experience, see page 12.

Directors' attendance at board meetings

During the financial year, 12 meetings of directors were held. Attendance was as follows.

	Meetings eligible	Meetings attended
Current directors and officers		
Tarnalea Bulman (Elected Director and Chairperson)	12	11
Pauline Farrell (Elected Director)	6	6
Natasha French (Technical Director)	10	6
Jamila Grace (Elected Director)	12	8
Ariel Hayes (Elected Director)	12	9
Rebecca Hicks (CEO and Secretary)	12	12
Brian Leveson (Technical Director)	12	11
Olwyn Maddock (Technical Director)	12	8
Peter Shooter (Elected Director)	12	10
Lorica Storey (Technical Director)	12	8
Resigned directors		
Morgan Morris (Casual Elected Director)	7	3

Member housing co-operatives

Co-operation Housing's member housing co-operatives are as follows.

Member housing co-operative
Alternative Resource Community Housing Incorporated
First Fremantle Housing Collective Incorporated
Inanna's House Incorporated
Subiaco-Leederville Housing Collective Incorporated

Finance Manager's report

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

Income statement

The profit from ordinary activities for the year was \$10,438.

Balance sheet

Based on the net profit of \$10,438, net assets increased from \$34,670 to \$45,115.

- > The financial reports have been prepared in accordance with the Australian Accounting Standards and Co-operations Housing's finance policy as amended from time to time.
- > All material commitments have been disclosed.
- > In my opinion, Co-operation Housing is solvent and able to meet its financial obligations.
- > There have been no post-30 June 2015 transactions subsequent to the financial reports already presented that require adjustment or disclosure.
- > The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole.
- > Taxation and superannuation liabilities have been met, and there are no outstanding taxation or superannuation obligations for this financial year.
- > Long-service leave entitlements are accrued in accordance with the *Long Service Leave Act 1958 (WA)*, which provides for 13 weeks' leave after 15 years of continuous service, with entitlement payable after 10 years of continuous service. All employees currently have less than 5 years' continuous service, so no employees have any long-service leave entitlement.
- > Annual leave is provisioned on a monthly basis and other employee entitlements, such as personal leave, can be met.

Yvonne Hadad

Finance Manager

**CO-OPERATION HOUSING
ABN 86 142 277 003**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2015**

**Liability limited by a scheme approved under
Professional Standards Legislation**

**CO-OPERATION HOUSING
ABN 86 142 277 003**

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CO-OPERATION HOUSING
ABN 86 142 277 003**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Co-Operation Housing, which comprises the balance sheet as at 30 June 2015, profit and loss statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

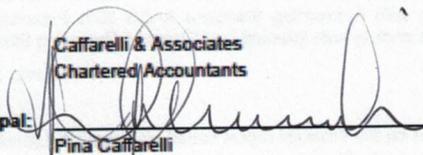
**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CO-OPERATION HOUSING
ABN 86 142 277 003**

Auditor's Opinion

In my opinion:

- (a) the financial report of Co-Operation Housing is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Caffarelli & Associates
Chartered Accountants

Name of Principal: 
Pina Caffarelli

Address: Level 1, 38 Richardson Street, West Perth WA

Dated this 3rd day of November 2015

**CO-OPERATION HOUSING
ABN 86 142 277 003**

**BALANCE SHEET
AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	66,499	60,642
Trade and other receivables	3	1,076	-
TOTAL CURRENT ASSETS		<u>67,575</u>	<u>60,642</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,199	586
TOTAL NON-CURRENT ASSETS		<u>1,199</u>	<u>586</u>
TOTAL ASSETS		<u>68,774</u>	<u>61,228</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	5	23,659	26,558
TOTAL CURRENT LIABILITIES		<u>23,659</u>	<u>26,558</u>
TOTAL LIABILITIES		<u>23,659</u>	<u>26,558</u>
NET ASSETS		<u>45,115</u>	<u>34,670</u>
EQUITY			
Retained earnings	6	45,115	34,670
TOTAL EQUITY		<u>45,115</u>	<u>34,670</u>

The accompanying notes form part of these financial statements.

CO-OPERATION HOUSING
ABN 86 142 277 003

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Profit before income tax		10,438	16,474
Income tax expense		-	-
Profit after income tax		10,438	16,474
Retained earnings at the beginning of the financial year		34,677	18,196
Total available for appropriation		45,115	34,670
Retained earnings at the end of the financial year		45,115	34,670

The accompanying notes form part of these financial statements.

Page 4

CO-OPERATION HOUSING
ABN 86 142 277 003

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
INCOME		
Fee for Service	3,530	4,223
Membership Fees	118,123	112,862
Non-operating Other Income	11,700	7,072
	<u>133,353</u>	<u>124,157</u>
OTHER INCOME		
Interest Received	709	566
Recoveries	323	2,073
	<u>1,032</u>	<u>2,639</u>
	<u>134,385</u>	<u>126,796</u>
EXPENSES		
Accountancy Fees	990	979
Advertising	(53)	53
Bank Charges	103	86
Staff amenities	131	57
Consultancy Fees	10,580	-
Computer Expenses	467	100
Depreciation	839	952
Insurance	5,260	4,462
Meeting Expenses	2,338	2,010
Motor Vehicle Expenses	889	601
Postage	-	102
Printing & Stationery	1,236	2,541
Professional Fees	15	79
Repairs & Maintenance	100	-
Software Expense	250	202
Staff Training & Welfare	374	164
Subscriptions	2,176	559
Superannuation Contributions	8,385	7,797
Telephone	1,083	1,467
Travelling Expenses	1,690	840
Wages	87,094	87,271
	<u>123,947</u>	<u>110,322</u>
Profit before income tax	<u>10,438</u>	<u>16,474</u>

The accompanying notes form part of these financial statements.

CO-OPERATION HOUSING
ABN 86 142 277 003

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1 Statement of Significant Accounting Policies

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of the business.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless stated otherwise in the notes. The accounting policies that have been adopted in the preparation of these statements are as follows:

Property, Plant and Equipment

Property, plant and equipment are carried at cost. All assets excluding freehold land, are depreciated over their useful lives to the company.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet.

**CO-OPERATION HOUSING
ABN 86 142 277 003**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

CO-OPERATION HOUSING
ABN 86 142 277 003

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
2 Cash and Cash Equivalents		
Bendigo Bank A/c 142422971	66,306	59,581
Bendigo Bank Debit Card A/c	193	1,061
	<u>66,499</u>	<u>60,642</u>
3 Trade and Other Receivables		
Current		
Trade Debtors	<u>1,076</u>	<u>-</u>
4 Property, Plant and Equipment		
Plant & Equipment	5,029	3,900
Less: Accumulated Depreciation	<u>(3,830)</u>	<u>(3,314)</u>
	<u>1,199</u>	<u>586</u>
Total Plant and Equipment	<u>1,199</u>	<u>586</u>
Total Property, Plant and Equipment	<u>1,199</u>	<u>586</u>
5 Trade and Other Payables		
Current		
Superannuation Payable	2,262	2,186
Leave Liability	9,638	12,358
GST Payable	10,867	11,112
Amounts Withheld	<u>892</u>	<u>902</u>
	<u>23,659</u>	<u>26,558</u>
6 Retained Earnings		
Retained earnings at the beginning of the financial year	34,677	18,196
Net profit attributable to members of the company	<u>10,438</u>	<u>16,474</u>
Retained earnings at the end of the financial year	<u>45,115</u>	<u>34,670</u>

CO-OPERATION HOUSING
ABN 86 142 277 003

DIRECTORS' DECLARATION

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

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 8, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

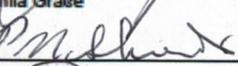
This declaration is made in accordance with a resolution of the Board of Directors.

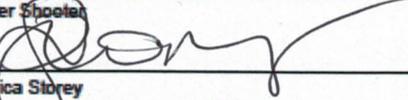
Director: 
Mr Brian Leveson

Director: 
Ms Olwyn Ruth Maddock

Director: 
Ms Tamalea Bulman

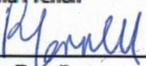
Director: 
Ms Jamila Grace

Director: 
Mr Peter Shooter

Director: 
Ms Lorica Storey

Director: 
Mr Sohan Hayes

Director: 
Ms Natasha French

Director: 
Ms Pauline Farrell

**CO-OPERATION HOUSING
ABN 86 142 277 003**

DIRECTORS' DECLARATION

Dated this *21st* day of *November 2015*

CO-OPERATION HOUSING
ABN 86 142 277 003

STATEMENT OF FINANCIAL RATIOS
FOR THE YEAR ENDED 30 JUNE 2015

	This Year \$	Last Year \$
Debtors turnover		
Trade debtors	1,076	-
Working capital ratio		
Current assets	67,575	60,642
Current liabilities	23,650	26,558
Working capital ratio	3	2
Profitability ratio		
Operating profit before income tax	10,438	16,474
Total income	134,385	126,796
Profitability	7.77 %	12.99 %
Debt/Equity ratio		
Total liabilities	23,650	26,558

The accompanying notes form part of these financial statements.

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The international co-operative principles

1. Voluntary and open membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic member control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3. Member economic participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4. Autonomy and independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5. Education, training and information

Co-operatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

6. Co-operation among co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7. Concern for community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

CO-OPERATION HOUSING

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Hamilton Hill
Western Australia 6963

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Fremantle
Western Australia

Phone (08) 9336 5045

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Website www.co-operationhousing.org.au

ACN 142 277 003

ABN 86 142 277 003

