



# innovation & community engagement

Pacific Link Housing Annual Report 2013

**One of our innovations is our tenant outings program.**

We run several outings each year, promoted in our tenant newsletter. Outings are designed to appeal to either families or seniors and last year we had over 200 attending – the bus is always full!

Our tenants' feedback has been very positive...

"Hope there are many more. Well organised and very professional".

"The chance to do something different from day to day activities was a gift well worth having. Thank you."

Right: Here is Jules at Maroota making a new friend!

Pacific Link Housing acknowledges the traditional owners of country throughout Australia and their continuing connection to land and community.

We pay our respect to them and their cultures, and to the elders both past and present.

Cover photo: Our tenant Linda enjoying her new laptop from our Laptop Loan Purchase Program.



By combining **innovation** and **community engagement**, Pacific Link Housing aims to create:

- sustainable tenancies
- happier tenancies
- more affordable housing
- a prouder community.

	2013	2012
Properties managed	<b>930</b>	864
Clients	<b>1946</b>	1,908
Supported tenancies	<b>156</b>	169
Local Government Areas	<b>7</b>	9
Assets (millions)	<b>\$10.1</b>	\$8.6

#### Contents

Chairman's Report	4	Auditor's Report	25
Chief Executive Officer's Report	7	Directors' Report	26
Organisation Structure, Staff and Property Portfolio	10	Statement of Profit or Loss and Other Comprehensive Income	28
Board of Directors	12	Statement of Financial Position	29
Tenants' Committee	14	Statement of Changes in Members' Funds	30
Supported Tenant Engagement Programs (STEPs)	16	Cash Flow Statement	30
Dunbar Way Regeneration Project	18	Notes to the Financial Statements	31
Support Services Partners	20	Certificate of Accreditation & Registration and Awards	38
Tenants' Survey Results 2013	22		



Chairman, David Bacon (left) with CEO Keith Gavin

This was a significant year in the ongoing development of Pacific Link Housing Limited, marked by excellent performance and the achievement of an important milestone, which established the Company as one of the leading community housing providers in the state.

## Chairman's Report

The Company recorded another very successful year with a surplus of \$1.159 million, 41.5% above budget. Tenant satisfaction rates were again high with 93% stating they were satisfied or very satisfied with our service. The number of properties managed by the Company grew modestly, although we were disappointed that, despite the chronic shortage of dwellings, the State Government reduced the number of leasehold properties in the market.

Our most notable accomplishment during the year was the achievement of Class 1 registration. This achievement is a tribute to the efforts of the CEO and the team, both in the quality of the submission and participation in the assessment process, and also in the way that performance standards have been elevated within the Company. To quote from the Registrar of Community Housing's publication, *The Regulatory Framework*, "Organisations registered in this class are subject to the highest level of regulatory requirements..." "While we have not yet commenced any developments, we are ready, with the right policies and structures in place and planning underway.

Our overall operation, incorporating governance and management was also a source of satisfaction with a rating of 100% compliance in a performance review by international accreditation company, *global-mark*. In a number of areas assessed, the Company surpassed the required standards. This review assesses compliance against the National Community Housing Standards.

Our quest to be innovative in the community housing sector gained some traction during the year with the publication of the Company's Housing Affordability Review 2013, which showed disturbing results. Notable findings were:

- Increased pressure on local housing markets;
- Existing housing stocks not matching changing demographics;
- Undersupply of housing generally and social housing in particular;
- The development of new dwellings on the Central Coast is only half what is needed and two-thirds the requirement in the Lower Hunter;
- 80% of new builds on the Central Coast are second homes for those living outside the region;
- Social housing is in short supply and Commonwealth Government initiatives, such as NRAS, have had only a modest impact on numbers;
- The proportion of social housing available looks likely to continue its decline.

These are sobering findings and a demonstration that government does not have all the answers to this growing crisis. Consequently, Pacific Link Housing is negotiating with banks, developers and the government to implement an innovative scheme, which would see the construction of hundreds of new dwellings over the next five to 10 years.

The Company embarked on an ambitious research program during the year to increase its knowledge of the dynamics of the social housing sector, to contribute to the public debate, to identify ways it could be more effective in assisting clients to maintain sustainable tenancies and to check the effectiveness of our initiatives and programs. Included in the program are:

- A longitudinal study to document reasons for entering and exiting the social housing system and measure our success in assisting supported tenants to sustain their tenancies;
- A study to discover reasons and social cost related to tenants remaining in social housing after their circumstances improve. The Company estimates around 10 to 15% of our tenants fall within this category;
- A snapshot of the intersecting financial impacts on tenants of moving from unemployment benefit to employment income;
- A study to evaluate the benefits, both social and economic, of the Dunbar Way estate regeneration project.

Funding is still being sought for some of these projects.

The Company continued to improve its governance standards during the year with a major review of how it manages risk and the implementation of a new risk management framework. The risk review saw the implementation of a risk management framework, which is as robust as those utilised by ASX listed companies.

The new framework for managing workplace health and safety established after last year's review is now fully implemented and forms the basis of how we will continually seek to improve the health and safety of staff, contractors and tenants. It also enhances the Company's reporting culture.

The Company came under the jurisdiction of the Australian Charities and Not-for-profits Commission (ACNC) during the year, however, given our governance and management standards and practices, the change had little impact on reporting or operations.

Training for both staff and Directors remained a high priority with the decision to sponsor the CEO and Directors elected for three year terms to complete the Australian Institute of Company Directors' Company Directors Course. The Company's governance policy was reviewed and updated to meet the ASX Corporate Governance Council's Principles of Good Corporate Governance.

Our tenant focus was also increased this year with the establishment of a new Tenant Reference Committee comprising Directors, staff and tenant representatives. This is a standing committee of the Board and as such will make direct recommendations on tenant-related issues. A key focus of this committee will be policies and projects relating to delivery of service to tenants. We also continued our direct support of tenants through our education and sporting scholarships, computer purchase, learner driver and employment programs. It remains a disappointment that our employment program is the least well supported of our initiatives to improve the lives of our tenants.

The Company continued its efforts this year to increase its profile through proactive communications and supporting external local

initiatives. We joined with the Rotary Club of Gosford City in its efforts to relieve the impact of homelessness in jointly sponsoring the purchase of more than 70 back-pack beds, or swags, to be distributed to people sleeping rough. The Company now regularly publishes newsletters and other communications directed at key stakeholders, such as tenants, elected representatives and opinion formers. We were also pleased that on a number of occasions our innovative programs and activities were recognised by the Registrar of Community Housing through inclusion as case studies in the Registrar's newsletters and communications. The Registrar also visited the Company during the year and was shown first-hand the Dunbar Way estate and our regeneration plans, which have now been approved by government.

Litigation referred to in last year's Annual Report where an evicted tenant took the matter to the Supreme Court, was resolved late in the year, with the former tenant withdrawing her action. This matter forced the Company to incur substantial costs, which are unlikely to be recovered. During the year a second former tenant decided to take his eviction to the Supreme Court where the matter was dismissed.

My thanks to all those people who have, and who continue to, contribute to the Company each year. We have developed a strong team culture thanks in no small part to the leadership of our CEO, Keith Gavin. Thanks to all the staff who have displayed considerable resilience during the year and have met the challenges presented to them.

I also wish to thank the Registrar of Community Housing, Roxane Shaw, who retired just after the end of the financial year. The help and guidance of Roxane and her team have played a significant part in the revival of Pacific Link Housing. My thanks also to the Executive Director of the Community and Private Market Housing of Housing NSW, Leonie King, and her team for the continued guidance and counsel provided during the year.

Finally, my thanks to my colleagues on the Board for their support and input during the year. The Board has settled to become a stable and effective team to address the exciting opportunities which lie ahead.

Looking ahead I am confident that we have the leadership, people, ideas and strategies to continue to make a significant contribution to the lives of our tenants and the community housing sector in general.



**David Bacon**



### **Sports, Health, Education and Wellbeing program (SHEW)**

Jed wanted to follow in his brother Daniel's footsteps, or in this case boot-steps.

He might only be five years old, but boy can he kick that ball! His Mum, Tracey, said even the coach is impressed by his determination and she appreciates PLH providing this opportunity, through their SHEW Program, which has allowed the boys to participate in sport, keeping them active and healthy.



Chairman, David Bacon (left) with CEO Keith Gavin

**‘A year of consistent progress’** This has been a year of considerable progress and achievement for Pacific Link Housing – a year in which the vision of the Board has come to fruition through the dedication and hard work of our small but highly motivated staff.

## Chief Executive Officer’s Report

### A year of consistent progress

A continuing emphasis on the value of independent regional research has made our skills-based Board one of the best informed in the sector. The addition of their professional analysis and skills has enriched Pacific Link’s strategic view, resulting in useful objectives, informed collaboration and meaningful co-operation with our partners in the sector.

Progress is best achieved when information, vision, management and collaborative service delivery align in pursuit of sound strategies and achievable objectives – and that has been the case at Pacific Link this year.

While we have worked hard to deliver relevant outcomes, we are greatly indebted to our government and industry partners, who have weighed our work and offered their assistance and support to make collaborative outcomes possible. In this regard I would like to acknowledge the assistance of Roxane Shaw, outgoing NSW Registrar of Community Housing, Leonie King, Executive Director, Community and Private Market Housing (CAPMH), Dr Clive Morgan, Director, Policy, Planning and Reform CAPMH, Member for Gosford Chris Holstein MP, and the Minister for the Central Coast, The Hon. Chris Hartcher, Alan Blackman, Regional Coordinator at the Central Coast Regional Office of the Department of Premier and Cabinet and the many others who have been of help.

### Registration

In May 2012, the Registrar and members of her staff began a round of meetings with community housing providers with a day-long visit to Pacific Link and local tenancies at the Dunbar Way Estate. In April 2013, she reviewed Pacific Link’s Class 2 registration and approved our elevation to Class 1.

The Registrar’s decision provides due recognition for the Board’s determined and continuing program to ensure Pacific Link meets or exceeds the highest standards, measured through regular and independent examination and assessment.

In taking up the challenge of voluntary assessment by industry bodies such as *global-mark*, our managers and staff wholeheartedly commit themselves to continuous improvement that is ultimately recognised by regulatory authorities at the highest level.

### Research

Pacific Link commissions independent research to inform regional analysis and long-term strategic planning. Three important studies were commissioned this year. The Regional Housing Affordability Study we first conducted last year was recast to include new information from the 2011 Census.

This study benchmarks and follows issues affecting the availability of affordable housing across the Central Coast and Lower Hunter



## Chief Executive Officer's Report *continued*

with special emphasis on community and social housing needs and trends.

As mentioned in the Chairman's Report, this year's study found 80 per cent of new homes built on the Central Coast between 2000 and 2005 were second or holiday homes not available for local rental.

This left only 1,200 new homes in five years, most of which had four or five bedrooms – making them both unaffordable and unsuitable for use as community or social housing.

The study found housing supply lagging far behind demand, with over 170,000 new homes required to meet forecast population growth for the Central Coast and Hunter by 2036. Of these, over 7,000 will be needed to maintain the average 4.4% now set aside for community and social housing across NSW.

A second study in May 2013 was conducted to inform a Pacific Link submission to the Department of Planning and Infrastructure's examining requirements for the Lower Hunter over the next quarter century.

This pointed to the urgent need for smaller, more affordable dwellings for community and social housing, with more than 80 per cent of waiting list applicants requesting one or two-bedroom homes.

These led to a third study to investigate state and local regulations affecting the availability and supply of one and two-bedroom dwellings across the Pacific Link regions – information we are now using to develop specific strategies to increase supply as part of our five-year plan.

### Financial

As a 'not-for-profit' social enterprise, Pacific Link receives support from State and Federal government agencies to help fund community and social housing.

As a social enterprise we aim to improve service delivery and retain earnings for re-investment in our sector of the community.

To become a better 'enterprise', Pacific Link employs standards similar to those of ASX listed companies and utilises private enterprise management models to help minimise waste, increase efficiencies and retain earnings for reinvestment.

This year, Pacific Link's net profit was \$1.159 million – boosting our accumulated retained earnings to \$8.996 million.

### Reinvestment

Accumulated earnings are put to work in a number of ways.

For every two homes now provided to Pacific Link by government we now provide a third, adding 50% to housing stock availability to help address shortages – particularly evident on the Central Coast where existing stocks of community housing are 40% below the State average.

### Property

The benefits that flow from retained earnings will now also be seen in the amalgamation and refurbishment of the Dunbar Way Estate in North Gosford, under Pacific Link's management.

Pacific Link has traditionally managed 44 of the homes on the Estate. Now Housing NSW has agreed to transfer the remaining 44 to Pacific Link – allowing for the refurbishment of all 88 homes to proceed, wholly financed and managed by Pacific Link.

The refurbishment – including new lighting, CCTV, re-landscaping and new site amenities – will serve to revitalise the Estate and extend its availability and use for a further 30 years.



Left page: Dr Rishni Ratnam and Dr Anton Kriz from the University of Newcastle. Next photo: Our Project Officer, Lynn. Above: Kochie – Receptionist Extraordinary! A kind word and keen ear has made Kochie a favourite among our many tenants and callers. Top right: Nathan is delighted with his learner driver lessons.

Pacific Link has retained a team from the University of Western Sydney to monitor the refurbishment program and provide a cost/benefit analysis to determine tenant impact.

We are also planning to provide job opportunities through award-wage training programs for unemployed tenants through the 18-month refurbishment. These will be managed by a registered training provider.

### Tenant survey

This year we introduced a revised Tenant Survey form and program to increase participation rates in our annual Tenant Survey. The new survey is based on a comprehensive examination and revision of our previous survey by a special unit from the University of Newcastle commissioned by Pacific Link.

We expect this innovative, easier to use, and more effective survey to become a model for the sector as providers look increasingly to evidence-based research that requires high participation rates to validate outcomes.

More than 30% of eligible Pacific Link tenants completed this year's survey, an increase of 16% compared with last year, a practical measure of the University's contribution to the project.

### Feedback

On its first application, the revised Annual Tenant Survey showed 93 per cent of respondents satisfied with their Pacific Link tenancy and services through the year.

### STEPS

The continuing development of Pacific Link's Sponsored Tenant Engagement Programs (STEPS) was again of benefit to tenants, with more than 130 participating since their inception in 2011.

They include education scholarships benefitting 45 tenants and their children; over 50 new laptops issued under a low-interest laptop purchase program to encourage connectivity; professional

lessons for learner drivers at the start and finish of their training; weekend sports and activity scholarships to encourage children to participate and exercise, and award-wage training opportunities for young unemployed tenants on Pacific Link sites.

The response to the training and employment program has so far been disappointing and we are reviewing the program ahead of reintroducing training during the Dunbar Way refurbishment.

### Tenant Reference Committee

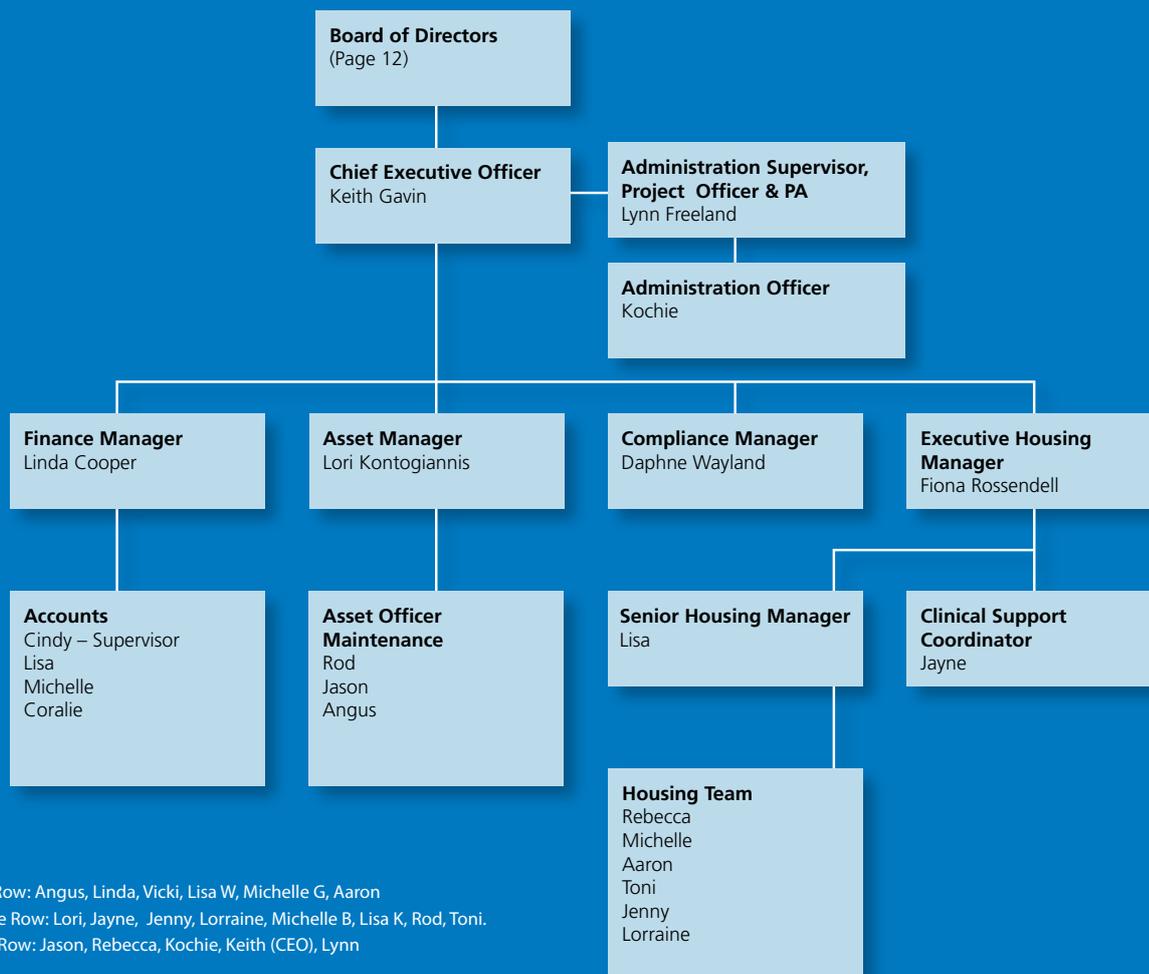
Finally, I would like to welcome the members of the Tenant Reference Committee formed this year.

This Committee has already proved its worth in representing the views of our tenants, whose households now number close to 2,000, and we look forward to their continued contribution and input in the coming year.

All in all, this has been a year of real progress and we look forward to the period ahead.

Keith Gavin

# Organisation Structure, Staff and Property Portfolio





Pacific Link manages 930 properties across seven Local Government Areas in the Central Coast and Hunter regions.

Properties By Program	Hunter	Central Coast	Total
Capital Aboriginal (Crisis)	3	0	3
Capital Crisis	0	8	8
Capital General	214	293	507
Fee for Service Crisis	1	33	34
Home Purchase Assistance	18	5	23
Housing – Leasehold	0	6	6
Lease Cap (Crisis)	3	5	8
Lease General	115	205	320
PLH Owned Properties	0	5	5
Social Housing Subsidy	0	16	16
<b>Totals</b>	<b>354</b>	<b>576</b>	<b>930</b>

Properties By LGA	Total
Cessnock	56
Gosford	438
Lake Macquarie	73
Maitland	99
Newcastle	58
Port Stephens	68
Wyong	138
<b>Total</b>	<b>930</b>



# Board of Directors and CEO

We have an experienced Board of Directors with extensive skills in management, finance, property investment and development, social services, public policy and government.

Opposite page top, left to right: David Bacon, Keith Gavin, Alan Bennell, David Lennox, Leoni Baldwin.  
Bottom left to right: Cliff Innes, Deb Howe, Stephen Brahams, Kim McLoughry, David Simmons

## **David Bacon – Chairman** **Commenced 16/07/09**

David Bacon is an experienced Director, Chief Executive and senior executive, having worked in Australia and the UK. David has extensive experience in the private and public sectors, including media, regional economic development and the fast moving consumer goods sectors. David is Chairman of Coast Community Broadcasters, operators of todayscountry94one. He is a Director of Gosford City Rotary and was honoured in 2007 with the NSW Premier's Award for Community Service and by his Rotary Club in 2010 with the award of a Paul Harris Fellowship. David is a graduate of the Australian Institute of Company Directors.

## **Alan Bennell – Director** **Commenced 31/07/08**

Alan is a practising Chartered Accountant and Associate Member of the Institute of Chartered Accountants in Australia. He serves on the Board's Risk and Audit Committee, Growth and Government, Advocacy and Reputation Committees. Alan runs his own accounting practice and previously worked for a large firm of international accountants in the United Kingdom and Australia. A fellow of the Taxation Institute of Australia and a Chartered Tax Advisor, Alan has been a long-time volunteer with the Rural Fire Service, and a voluntary carer for people living with HIV.

## **David Lennox – Director** **Commenced 11/10/06**

David chairs the Tenant Reference Committee, demonstrating his deep commitment to improved sustainability as a tool to lower costs and improve the quality of life for tenants. A former laboratory supervisor for a major multinational, he managed a large staff for many years prior to retiring in 1991. An especially productive retiree, David has been a constant volunteer in hospitals and nursing homes. A Marriage Celebrant and Justice of the Peace, he also works with young people dealing with drug and alcohol dependencies.

## **Leoni Baldwin – Director, Deputy Chairman** **Commenced 17/05/12**

Leoni joined the Board in 2012 following an outstanding career in the NSW Public Service where she held the position of Central Coast Regional Coordinator, Department of Premier and Cabinet for 13 years. Leoni was awarded the Director General's Medal for her services to the community in 2007 and Central Coast Woman of the Year and Women in Public Service Award in 2011. In addition to her duties as Deputy Chairman, Leoni advises Pacific Link on Government Policy and chairs the Board Succession, and Development Committee.

## **Cliff Innes – Director** **Commenced 21/05/09**

Cliff has over 30 years' experience as a Chartered Accountant including 12 years as the principal of his own practice on the Central Coast. He serves on Pacific Link's Growth Committee and is currently Chairman of the Risk & Audit Committee. Cliff has been a partner in several Sydney-based chartered firms since 1985. A member of the Institute of Chartered Accountants, he is active in Rotary and is a director of Coast Community Broadcasters Inc. In 2012 Cliff was awarded a Paul Harris Fellowship by his Rotary Club for his services to the community.

## **Deb Howe – Director** **Commenced 16/07/09**

Deb has worked in mental health for more than 30 years and is Director, Central Coast Children and Young People's Mental Health. At Pacific Link she is responsible for informing decisions on mental health and the community and for advocating the essential role of partnerships in the community housing sector. In her current role as Director Children and Young People's Mental Health, she has developed a multi-component service and achieved recognition through a number of awards including Gosford City Australia Day Community Award for Business in 2011.



**Stephen Brahams – Director  
Commenced 16/07/09**

Stephen brings to the Board more than 35 years' experience in property development, asset management and property investment. Stephen has worked in Australia, Europe, the UK and the USA on many projects including the development of social housing in the UK.

He is currently a director and shareholder of a London-based company, is on the board of the Central Coast Regional Development Corporation and a Director of the Rotary Club of Gosford City. Stephen chairs the Growth Committee and serves on a further two committees.

**Kim McLoughry – Director  
Commenced 25/11/09**

Kim serves on the board of Parkside Ltd (a multi-service youth facility) and on committees including Regional Homelessness Central Coast, Central Coast Women's Interagency and the Supported Housing for Youth (SHY) group. She has established a number of social enterprises benefitting youth, including the Youth Café, a youth restaurant (Donnisons on the Park) and the Youth Arts Warehouse. At Pacific Link she serves on the Board Development and Tenant Reference Committees. Kim received the NSW Premier's Community Service Award in 2005 and the Gosford Rotary LJ McCarthy Community Award in 2007.

**David Simmons – Director  
Commenced 25/11/2010**

Elected as the Federal Member for Calare from 1983-96, David served in a variety of roles in the House of Representatives including four years as a Minister. He chairs the Government Advocacy and Reputation Committee for Pacific Link. A Fellow of the Australian Institute of Company Directors, David has his own consultancy firm and was formerly Chief Executive of the Hunter Business Chamber. David is also Chairman of Western NSW Medicare Local and was awarded an Order of Australia Medal in 2001 for services to the community in the Hunter and Central West of NSW.

**Keith Gavin – Chief Executive Officer  
Appointed as CEO in 2010**

Keith has a background of 20 years' experience in finance and senior executive management and leadership roles.

Prior to joining Pacific Link Housing in 2009, Keith was general manager for a major Australian manufacturing organisation producing for the residential and commercial building sector. Prior to this Keith was the COO of a major international travel organisation. Keith has a Bachelor of Business degree with a major in accounting, a Masters of Business Administration and is a CPA. He recently graduated from the Australian Institute of Company Directors' intensive Company Directors course.

Keith recently took Pacific Link Housing from a Class 2 to a Class 1 provider and has been the instigator of Pacific Link's membership of and extensive involvement with several State-based and national peak bodies in the community housing sector. In May 2013, Keith was appointed as a Director of PowerHousing Australia.

# Tenants' Committee

This year Pacific Link reviewed our Tenant Engagement strategy. To ensure tenants' knowledge, views and needs are effectively captured in the ongoing development of PLH's service delivery, we established a new Tenant Reference Committee.

The Committee has two directors and four tenants who meet regularly to provide feedback on our communications materials and tenant programs. Committee members also attend our Tenant Information Forums that are run quarterly to meet and interact with other tenants and gather feedback.

**Lisa Young – Tenant 7 years:** "I have been a tenant of Pacific Link at Woy Woy since 2006. I am a retiree who, like many of us, wonders how I ever found time to go to work full time! During my working life, over a span of some 20 years, I was employed at various times within non-government entities, the NSW State and the Commonwealth public sectors. In each of these situations my role was to work with government and local communities to develop policies and programs in the disciplines of housing, health and social equity for minority groups. Because of my involvement with these issues and the insight gained about how government policies impact on the everyday lives of the community I have maintained an active interest. For this reason I was pleased to accept an invitation from Pacific Link to become a member of the newly established Tenant Reference Committee and, in so doing, am committed to working with the organisation to ensure the best interest of their tenants is served."

**Graham Dorsett – Tenant 7 years:** 80 years of age, Graham has three children, six grandchildren and two great-grandchildren, with another due soon. Graham and his wife Maureen moved into their villa, seven years ago, in 2006. Maureen has since passed away (2010).

As a young man, Graham mostly worked as a Merchant Seaman on the Australian Coast

until he became a Meat Carter and built up the business with a small fleet of carting vehicles. 15 years later, due to circumstances beyond his control, he lost everything and sadly at the same time, Maureen was diagnosed as being very ill. He then began work in property maintenance and was able to build up a regular clientele. Unfortunately, with Maureen's ongoing illness and Graham at the end of his working life, they found themselves in a desperate situation. It was at this time they came into contact with Pacific Link. Graham says he is still very thankful for his home.

"Recently, I was asked by PLH to become a member of the Tenant Reference Committee, to which I agreed without hesitation. I found them to be an organisation with staff that cares about their tenants. PLH hold tenant forums every three months – all tenants are invited, not only to listen to various informative speakers but also to voice any thoughts and concerns tenants may have. I would like to encourage everyone to attend these meetings as there are changes taking place which could affect us. Please come along so that you are well informed of these and have your say."

**Dennis Talbot – Tenant 6 years:** A furniture maker by trade, whose greatest working accomplishment was winning the North of England Woodworking Show and competing at the International Woodworking show at Ascot Racecourse. Before doing his adult apprenticeship, he worked at various times in a family business, on a farm, for the armed forces, in an Iron Ore Mine and as part of a team that dug the Sydney Ocean Outfall Project – a tunnel 137 metres below the seabed that stretches 4kms out to the sea.



Dennis first came to the Coast in 1963 with his grandparents and stayed on until 1991, when he went to England for a four month holiday, only to stay for 13 years. He returned to the Coast in 2003 with his daughter and as a single parent became a tenant of PLH in 2007. Dennis currently works as the 'lolly pop' man at Gosford Public School and finds this a most rewarding job.

**Daria Florea – Tenant 9 years:** "I have been a tenant of Pacific Link for nine years in order to give my children the security and stability they needed while they were growing up. Before that I was a small-business owner in Sydney in the competitive field of IT. After gladly putting that part of my life behind me, I am now beginning my new vocation as a counsellor by providing mental health services to children with disabilities, minorities, women and disadvantaged persons on the Central Coast. Because of my experience with tenancy, I accepted the invitation to join the Tenant Reference Committee. I am glad to work with Pacific Link on behalf of the tenants so that the rights of tenants are considered and respected."



**Tenant Reference Committee**

Jayne (staff), Graham (tenant), Lynn (staff), Lisa (tenant), Dennis (tenant) and Kim (Director). Small photo: Lisa Young (tenant)

# Supported Tenant Engagement Programs (STEPS)

To deliver more for our tenants, in 2012 the PLH team developed five targeted, innovative tenant programs. Four assist in building skills and education that, in turn, can lead to better employment opportunities. A further program seeks to address the physical and social health and wellbeing of our tenants' children. All tenants are welcome to apply, subject to meeting eligibility criteria.



## **Learner Driver Program**

The Learner Driver Program helps young tenants seeking a drivers licence by providing information packs and paying for professional driving lessons in the first and last 20 hours of their training.

Introduced by Pacific Link last year, the program aims to improve the knowledge and skills of learner drivers by giving them access to professional lessons – recognising the importance of better driving skills for improved road safety and the value of a drivers licence as an aid to mobility and employment for young people.

The NSW Government's graduated licence scheme requires Learner Drivers to complete 120 hours before being tested for their P1 licences, a requirement that can make it difficult for young people without ready access to vehicles or the funds required to pay for tuition to achieve their licence.

The Learner Driver Program supports them through the first stage of the Learner Licence by providing some professional tuition, information kits and access to computers to study.

The program is open to Pacific Link tenants who are in good standing; between 16 and 19 years of age; are applying for or hold a current Learners Licence and are Australian Citizens or permanent residents.

It provides two driving lessons early – in the first 20 hours of learner training – and a third in the last 10 hours – prior to the driving test.

In addition to improved skills leading to improved road safety, Pacific Link supports driver training as a life skill and stepping stone to employment for young people.

## **Sheila Astolfi Education Scholarship**

The Sheila Astolfi Education Scholarship established in 2010 is named for Pacific Link's founder and Chief Executive of 20 years. Sheila Astolfi worked tirelessly in the local community to ensure the rights of families and equity in social housing and the Scholarship honours her legacy.

The Scholarship aims to encourage education and further studies for eligible tenants and/or their children to help them reach their educational objectives and fulfil their potential.

Since it began more than 45 scholarships have been awarded to Pacific Link tenants ranging in age from primary school to mature age students.

For Primary School to Year 10 students – Astolfi Scholarships may include a laptop computer, Microsoft Office software package and associated equipment.

For Year 11 and above students – Scholarship grants may be used to purchase private tuition or coaching; text books, workbooks, study guides and stationery; specialist equipment (e.g. art, music or photographic); course costs (including materials), excursions, study camps, sport; a home computer or a laptop; assessments and programs for particular learning needs.

## **Laptop Loan Purchase Program**

Many of those who find themselves in community housing are there through no fault of their own, and Pacific Link Housing aims to help them stay in touch and ultimately rejoin the community as independent, self-reliant individuals. To help them stay connected in a world driven by computer skills and linked by online communications, Pacific Link allows tenants in good standing to purchase laptop computers with communications software at favourable rates.

The Laptop Loan Purchase Program provides tenants with brand new, state-of-the-art laptop computers at a cost of \$499, available on loan agreements for a minimum of \$20 per fortnight. Over 50 laptops have been purchased since the program began.

## **Sports, Health, Wellbeing & Education Program (SHEW)**

New research shows children from disadvantaged families miss out on the social and physical benefits of sport and other well-being programs because their parents can't afford the cost of club membership, uniforms and equipment.

Not only do they not take part, but one study shows they pretend they don't want to. According to a study by the Social Policy Research



Director Kim McLoughry (left), CEO Keith Gavin (centre) and Chairman David Bacon (right) with some young people who were thrilled to receive their new laptops from the Sheila Astolfi Education Scholarship.

Centre and The Smith Family, children “protect themselves from the pain of missing out, and their parents from the anguish of having to say ‘no’ by pretending they have no interest in sport” and other wellbeing programs.

This study, underscored the need for Pacific Link’s SHEW to assist in meeting the expenses associated with children’s sporting activities and promote physical activity to keep our kids healthy.

Understanding how difficult it can be for families to afford these added costs, Pacific Link provides funds of up to \$250 per year for eligible children. The program covers both summer and winter sports through funding for direct costs associated with the sporting clubs’ registration, dance classes, swimming lessons, cultural arts and other physical activity or sporting activities.

By promoting physical activity, Pacific Link aims to promote healthy growth and development, lifelong friendships, improved levels of self-esteem and ongoing life-long participation. The program is open to tenants in good standing with children between the ages of five and 17. Pacific Link was delighted to win a grant from Medicare Local Central Coast towards the SHEW Program. Over 25 families have been helped since the program began.

#### Tenant Employment Program

Pacific Link Housing reached an agreement with JobQuest to provide award wage training and employment for young tenants seeking Certificate qualifications in property maintenance through work programs.

Experience shows that many social housing tenants have multiple barriers to employment. These barriers have to be addressed before the tenants can be successfully trained and retained as productive members of the community.

JobQuest is a social enterprise organisation based in Newcastle. Under the agreement it will provide work in property maintenance and the possibility of a traineeship after a probationary period, to eligible Pacific Link tenants.

JobQuest has been operating its ‘lawns and grounds’ social enterprise for the past two years. To date the project has assisted over 120 workers. JobQuest is also accredited as a Registered Training Organisation (RTO) with authority to issue nationally recognised qualifications in a range of industries.

#### Social Outings

Staying connected is important to the welfare of people who may otherwise be in danger of becoming marginalised and withdrawn, and Pacific Link plays an important part by regularly organising day trips to places of interest like the Powerhouse Museum, Reptile Park, Hunter Gardens and other destinations. Most of these are held in school holidays to allow families to go on outings together.

## Current



Current

Following the transfer of 44 units from Housing NSW, Pacific Link now manages 88 units at Dunbar Way and Kendall Village in North Gosford. Pacific Link is now embarking on a complete refurbishment of the Estate, including new lighting, CCTV, landscaping and installing a new children's playground.

## Intended transformation



## Intended transformation

Pacific Link is planning to provide job opportunities for unemployed tenants to work on the refurbishment project. We are working with the tenants' group gathering input to the project and developing ideas for community activities. One idea underway is

developing a communal garden on the Estate. A study by the University of Western Sydney is underway to measure the outcomes of the project which aims to improve our tenants' opportunities, security and wellbeing.

# Support Services Partners

A significant part of achieving successful client outcomes and sustainable tenancies is due to the commitment and support of our partner agencies. Below is a list of those organisations with which we have signed service agreements.

Of course there are many other services that we may refer our clients to, too many to mention, and we thank them all for continued support. In addition, the participation in our surveys and consultations is greatly appreciated. Feedback is critical in keeping us focused and to ensure that we remain accountable to our communities and clients.

## 1 Challenge Disabilities Service

[www.challserv.org.au](http://www.challserv.org.au)

The aim of the organisation is to maintain centres of excellence that provide assistance and support to people with disabilities so they can achieve positive outcomes such as increased training opportunities, integration and participation in the life of the community.

## 2 Coast Shelter

[www.coastshelter.org.au](http://www.coastshelter.org.au)

While essentially being an emergency accommodation Service, Coast Shelter also provides assistance by way of a Restaurant serving free meals to those in need each day. Our programs aim to meet the specific needs of our clients. We provide guidance and support to assist them to obtain their own accommodation and manage their lives effectively.

## 3 (CRC) – Community Restorative Centre

[www.crcnsw.org.au](http://www.crcnsw.org.au)

A Community organisation committed to changing lives and reducing crime. Support is provided for all people affected by the criminal justice system.

## 4 EWCR – Eastlakes Women & Children's Refuge

Eastlakes provide safe supported accommodation for women with or without children escaping domestic violence; outreach services, domestic violence courses and referrals for counselling.

## 5 Hunter Valley Aboriginal Co-op Muswellbrook

The Hunter Valley Aboriginal Corporation was established after members of the Aboriginal community decided to form a corporation to deal with issues affecting the local community

## 6 Juvenile Justice (SHY program)

[www.djj.nsw.gov.au](http://www.djj.nsw.gov.au)

Young persons exiting correction centres or on probation orders. Services provided also may include the provision of counselling and developmental programs as an alternative to detention with a focus on alcohol and other drug misuse, generalist counselling, group work and living skills.

## 7 Life Without Barriers

[www.lwb.org.au](http://www.lwb.org.au)

Person-centred services provide a range of strengths-based support options and in house carers to people with a disability and their families.

## 8 NEAMI Hunter Valley - HASI Program

[www.neami.org.au](http://www.neami.org.au)

NEAMI is a psychosocial health and rehabilitation support provider, who works with and on behalf of people with a mental illness.

## 9 New Horizons – Boarding House Project

[www.newhorizons.net.au](http://www.newhorizons.net.au)

Assisting people with intellectual disability, the service supports people to maintain successful tenancies, participate in community activities and enjoy improved quality of life.

## 10 New Horizons - HASI Program

[www.newhorizons.net.au](http://www.newhorizons.net.au)

Support people to find safe accommodation, seek meaningful employment manage day-to-day tasks, learn new skills, access services, establish networks and connect with the broader community. It's all part of the goal to support people with a disability to gain independence and lead productive, fulfilling lives.

## 11 Port Stephens Youth Options

[www.rtno.org.au](http://www.rtno.org.au)

This project aims to assist and support young people, 15 to 25 years of age, who need assistance with accommodation issues. This includes young parents.

## 12 Positive Support Network

[www.positivesupportnetwork.com](http://www.positivesupportnetwork.com)

PSN is a community-based organisation with trained volunteers who provide physical and emotional care and support to people living with HIV+ or with /AIDS-related illnesses and Hepatitis C.

David Bacon and Keith Gavin demonstrate to Laurie Maher (CEO, Coast Shelter) and Kian Safaei (President, Rotary) one of the 70 swags that were donated to Coast Shelter in collaboration with the Rotary Club of Gosford City. The swags will be distributed to people sleeping rough.



### 13 NSCCAH – AOT-assertive outreach team (prev RAFT)

[www.nscchealth.nsw.gov.au](http://www.nscchealth.nsw.gov.au)

Provides Assertive community treatment to clients needing medium to long term care for up to six months. Assists people who are seriously affected by mental illness to live as independently as possible in their own homes.

### 14 Regional Youth Support Services (RYSS)

[www.ryss.com.au](http://www.ryss.com.au)

Pacific Link provide six residential premises for young people in the Juvenile Justice (SHY) program and over ten properties for young single people and young parents in partnership with Regional Youth Support Service who provide the tenancy and casework support and full Living Skills program. Pacific Link have been a major partner in the success of the current SHY program, in the past 3 years alone Pacific Link has housed 31 young people who were case managed by RYSS in to independent living.

### 15 Samaritans Foundation

[www.samaritans.org.au](http://www.samaritans.org.au)

Samaritans Youth Services provides services for young people between 12 and 25 years who are at risk or seeking assistance and support including: accommodation; outreach; group work; family mediation; out-of-home care; employment services; information; referral; early intervention and after school activities.

### 16 Westlakes Women & Children's services

Westlakes provides safe supported accommodation for women with or without children escaping domestic violence; outreach services, domestic violence courses and referrals for counselling.

### 17 The Wheelchair & Disabled Association

[www.hwns.com.au](http://www.hwns.com.au)

Boarding House for people with Disabilities. Provides accommodation services throughout Lake Macquarie, Newcastle and the Central Coast for 32 adults through seven group homes that operate 24 hours a day, 7 days a week. The support provided by HWNS seeks to maximise independence and community participation and involvement.

### 18 Uniting Care – HASI

[www.parramattamission.org.au](http://www.parramattamission.org.au)

Support people with mental health issues to find safe accommodation, seek meaningful employment, manage day-to-day tasks, learn new skills, access services, establish networks and connect with the broader community. It's all part of the goal to support people with a disability to gain independence and lead productive, fulfilling lives.

### 19 Youth Angle – Woy Woy

Assist and support young persons with the transition to becoming fully independent, by providing case management and skills development programs.

### 20 Wesley Mission

Provides supported accommodation for young people leaving foster care.

#### Informal support agency relationships

- ADHC – Disability
- Benevolent Society Brighter Futures – Case Work
- Bungree Aboriginal Services – Case Work
- Central Coast Case Management – Case Work
- Community Care Services Central Coast Ltd – Home Care
- Continuing Care Team Lake Haven – Mental Health
- Coomba Men's Refuge – Men's Supported Housing (part of Coast Shelter supported properties)
- Daramulen – Home Care
- DOCS – Intensive Family Support
- Family Referral Services – Case Work
- Headstrong Vocational Services
- Horizons Family Support
- Lake Macquarie Mental Health
- Maitland Family Support
- Mission Australia – Dangar – Case Work
- New Horizons PHAMS – Mental Health
- Post School Options – Support Worker
- Sue Mann Nursing & Community Care – Home Care
- The Mai-Wei Group – Disability Support
- Uniting Care Burnside – Brighter Futures
- Woy Woy Women & Children's Service – Women's Refuge
- Wandiyali Brighter Futures

# Tenants' Survey Results 2013

Following the project with University of Newcastle to re-design our annual tenant survey, we saw a 16% increase in the response rate. Another new initiative this year has been to provide the option of completing the survey online. We had 270 responses from 875 surveys posted and completed online – a response rate of 31%. Pleasingly, our overall satisfaction rating increased to 93% from 90% in 2012.

Section 1 – Our Customer Service		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q1	Staff appear to know how to do their job	42%	50%	6%	1%	1%
Q2	Staff are able to answer my questions	40%	52%	7%	2%	0%
Q3	Staff are always willing to listen to me	42%	47%	8%	3%	0%
Q4	Staff are always willing to help me	41%	50%	6%	3%	0%
Q5	Staff explain everything so I can understand	42%	46%	10%	2%	0%
Q6	Staff always make time to help me	38%	50%	8%	4%	0%
Q7	Staff tell me exactly when they will do things	37%	46%	11%	5%	1%
Q8	Pacific Link does what it says it will do	36%	45%	13%	5%	1%
Q9	In the past 12 months, Pacific Link hasn't made any mistakes with my tenancy	41%	43%	10%	4%	2%
Q10	It is easy for me to contact Pacific Link	54%	43%	3%	0%	0%
Q11	Pacific Link is open when I need it to be open	39%	51%	8%	2%	0%

Section 2 – Keeping Each Other Informed		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q12	Pacific Link makes it easy to find out information about my tenancy	37%	55%	7%	1%	0%
Q13	Pacific Link keeps me well informed about programs and support services it offers to help me	40%	52%	7%	1%	0%
Q14	I have all the information I need about how Pacific Link manages my tenancy	34%	52%	10%	3%	1%
Q15	I have enough say in how Pacific Link delivers its services to tenants	28%	43%	25%	4%	0%
Q16	I have enough say in what services Pacific Link does for tenants	29%	41%	25%	5%	0%
Q17	Pacific Link always respects my rights as a tenant	44%	47%	8%	1%	0%
Q18	I understand how my rent is calculated	31%	54%	9%	5%	1%
Q19	Staff help me understand my responsibilities as a tenant	38%	55%	6%	1%	0%

Section 3 - Your House and Neighbourhood		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q20	I am satisfied with the condition of my home	39%	45%	7%	7%	2%
Q21	I am satisfied with the location of my home	48%	41%	7%	2%	2%
Q22	I am satisfied with how Pacific Link maintains my home	41%	42%	9%	6%	2%
Q23	I am satisfied with my neighbourhood as a place to live	40%	42%	12%	3%	3%
Q24	I am satisfied with how Pacific Link inspects and visits my home	42%	52%	3%	2%	1%
Q25	I have no plans to move house in the next 3 years	55%	30%	10%	2%	3%
Q26	I get value for money for the rent I pay	46%	43%	8%	2%	1%



Section 4 - Repairs Complaints and Problems		Doesn't apply to me	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q27	If you've requested a repair in the past 12 months; I am satisfied with how Pacific Link handled the repair	18%	33%	36%	5%	5%	3%
Q28	If you've requested a repair in the past 12 months; I am satisfied with the quality of the repair	20%	33%	35%	7%	3%	2%
Q29	If you've requested a repair in the past 12 months; I am satisfied with the customer service of the repair contractor.	20%	35%	36%	5%	3%	1%
Q30	If you've made a complaint to Pacific Link in the past 12 months; I am satisfied with how it was handled	51%	9%	25%	8%	5%	2%
Q31	If you've missed a rent payment in the past 12 months; I feel Pacific Link dealt with the late rent payment fairly	67%	15%	11%	5%	1%	1%
Q32	Sometimes tenants accidentally damage their homes. If there has been damage to your home in the past 12 months; I feel Pacific Link dealt with the damage fairly	74%	9%	11%	4%	1%	1%

Section 5 - Overall Satisfaction		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q33	Please take into account everything you've thought about during this survey in the following statement; Overall I am satisfied with the quality of Pacific Link services.	50%	43%	5%	1%	1%

Older Persons Supplement		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q1	Due to its physical design and features, my home is difficult to live in	6%	2%	19%	32%	41%
Q2	In five years' time my home will be difficult to live in	6%	9%	19%	36%	30%
Q3	Due to the location, it is difficult for me to travel from my house to where I want to go	6%	6%	14%	37%	37%
Q4	Sometimes I feel isolated from my family, friends or community	10%	7%	12%	35%	36%

## Tenants' Survey Results 2013 *continued*

Young Persons Supplement		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q1	I feel that my housing options are affordable to me	67%	33%	0%	0%	0%
Q2	Someone has told/shown me what housing options and assistance programs are available to me	0%	67%	33%	0%	0%
Q3	Someone has told/shown me how to get those housing options and assistance programs	0%	67%	33%	0%	0%
Q4	Someone is helping me understand the best ways to be a good tenant so I can keep a home	33%	33%	33%	0%	0%
Q5	My current home has reliable access to public transport	67%	33%	0%	0%	0%
Q6	It is easy to get to places where I have fun from my current home	67%	33%	0%	0%	0%
Q7	It is easy to get to the support services I need from my current home	67%	33%	0%	0%	0%
Q8	It is easy to get to my school/TAFE/university or work from my current home	67%	33%	0%	0%	0%
Q9	I feel safe and secure in my home and neighbourhood	33%	33%	0%	0%	33%
Q10	I worry about what people think about people who live in social housing	0%	33%	0%	33%	33%

Disability Needs Supplement		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q1	Due to the physical design and features, my home is easy to live in	40%	52%	7%	1%	0%
Q2	Due to the location, it is easy for me to travel from my home to where I want to go	48%	42%	6%	3%	1%
Q3	Social Housing helps me be included with my family, friends or community	37%	30%	28%	5%	0%
Q4	The social housing system gives me the same choices and opportunities as non-disabled people	34%	45%	20%	0%	1%

Support Needs Supplement		Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Q1	I am satisfied with my support plan	33%	50%	17%	0%	0%
Q2	I am satisfied with how often I have contact with my support worker	50%	50%	0%	0%	0%
Q3	My support worker gives me enough help to sustain my tenancy	50%	33%	17%	0%	0%
Q4	Overall, I am satisfied with the service of my support worker	67%	33%	0%	0%	0%

# Independent Audit Report

to the Members of Pacific Link Housing Limited

## Report on the Financial Report

We have audited the accompanying financial report of Pacific Link Housing Limited (the company), which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

## Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements 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 is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, 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 company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

## Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

## Opinion

In our opinion, the financial report of Pacific Link Housing Limited 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 2013 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.



## FORTUNITY ASSURANCE

TR Davidson  
Partner  
ERINA NSW 2250  
Dated: 17 October 2013

# Auditor's Independence Declaration

under Section 307C of the Corporations Act 2001

As lead auditor for the audit of Pacific Link Housing Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, 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.



## FORTUNITY ASSURANCE

TR Davidson  
Partner  
ERINA NSW 2250  
Dated: 17 October 2013

# Directors' Report

30 June 2013

Your directors present their report on Pacific Link Housing Limited ("the company") for the year ended 30 June 2013.

## Directors

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

Name	Title	Years Service	Qualifications	Special Responsibilities
David Bacon	Chairman	4 years	Professional Director	Attends any sub-committee meeting in ex-officio capacity
David Lennox	Director	7 years	Retired	Sustainability, Government, Advocacy & Reputation, Growth, Tenant Reference
Alan Bennell	Director	5 years	Chartered Accountant	Risk & Audit, Board Succession & Development, Growth, Government, Advocacy & Reputation
Stephen Brahams	Director	4 years	Professional Director	Growth, Government, Advocacy & Reputation, Board Succession & Development, Risk & Audit
Deborah Howe	Director	4 years	Public Service Manager	Growth, Government, Advocacy & Reputation
Cliff Innes	Director	4 years	Chartered Accountant	Growth, Risk & Audit, Board Succession & Development
Kim McLoughry	Director	4 years	General Manager	Risk and Audit, Sustainability, Growth, Tenant Reference
David Simmons	Director	3 years	Professional Director	Growth, Risk & Audit, Government, Advocacy & Reputation
Leoni Baldwin	Director	1 year	Consultant & Mediator	Sustainability, Government, Advocacy & Reputation, Board Succession & Development, Growth

## Meetings of Directors

During the financial year, 11 meetings of directors were held. Attendances by each director were as follows:

Director	Board Meetings	
	Number attended	Number eligible to attend
David Bacon	10	11
David Lennox	9	11
Alan Bennell	7	11
Stephen Brahams	9	11
Deborah Howe	9	11
Cliff Innes	10	11
Kim McLoughry	10	11
David Simmons	8	11
Leoni Baldwin	11	11

## Principal Activities

The principal activity of the company during the financial year was the provision of low cost subsidised housing to clients on low income.

No significant change in the nature of this activity occurred during the year.

## Long-term and Short-term Objectives

### The company's long-term objective:

- Pacific Link Housing Limited aims to continue to provide affordable and secure housing solutions for those in the community who are in the greatest need. We assist those who are able to develop new lives and skills to be able to return to the mainstream housing market. The company operates within a culture of social justice, fairness and transparency and remains accountable to all stakeholders.

### The company's short term objectives are to:

- Work with Government to increase the supply of housing
- Build property development expertise
- Maintain tenant focus
- Recruit, train, retain: Employer of choice
- Establish and maintain effective and efficient systems
- Continue to enhance board development & governance
- Maintain high quality of housing stock
- Progress the Dunbar Way Regeneration Plan
- Maintain a focus on continuous improvement

## Strategies

To achieve its stated objectives, the company has adopted the following strategies:

By using stronger relationship channels, Pacific Link's aim is to effectively advocate and promote the needs of the community housing sector with all levels of government. The company will seek to change the traditional perspective of community housing as a permanent solution and will take a leading role in highlighting the

potential for tenants to transition through, and exit from, social housing given focused and appropriate support programs.

Pacific Link aims to grow expertise to access opportunities to develop, build or acquire more properties in our area of operation in order to meet social housing demand.

Pacific Link will further strengthen the business's revenue base and will seek out opportunities for alternative government and private funding streams. The company will broaden and diversify its service offering, and will pursue potential for horizontal integration with other complementary service providers.

Pacific Link will continue to offer a range of participatory methods of tenant involvement and encourage tenants to be more proactive in asserting their requirements of the company.

Pacific Link will continue to maintain its properties to a good standard to conform to its asset management strategies and conduct pilot programs that seek to improve the properties so that utility costs are minimised.

The organisation has a skilled and professional team which is committed to continuous improvement. Pacific Link will promote and offer appropriate training opportunities to ensure that the highest levels of practice and procedure continue to reflect quality service provision for clients. Pacific Link is committed to a culture of continuous improvement in all aspects of operation and will make every endeavour to meet the highest standards as set down by the Community and Private Market Housing Directorate of the Department of Family and Community Services.

Pacific Link is well positioned to look forward to an exciting future. One that includes initiatives to enhance the lives of existing tenants, contribute to a greener approach, grow the number of properties available and contribute to raising the community housing sector's profile and reputation.

#### Liability of Members on Winding up

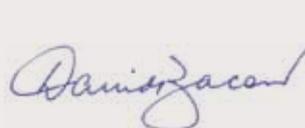
Pacific Link Housing Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2.00 subject to the provisions of the company's constitution.

At 30 June 2013 the collective liability of members was \$110 (2012 \$88).

#### Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act, for the year ended 30 June 2013 has been received and can be found on page 25 of the financial report.

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



**David Bacon**

Director

Dated: 17 October 2013



**Alan Bennell**

Director

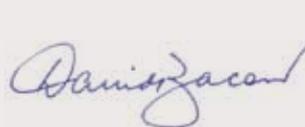
## Directors' Declaration

**For The Year Ended 30 June 2013**

In accordance with a resolution of the directors of Pacific Link Housing Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 25 to 37 are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position of the company as at 30 June 2013 and of the performance for the year ended on that date.
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.

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



**David Bacon**

Director

Dated: 17 October 2013



**Alan Bennell**

Director

# Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
<b>Revenue from Continuing Operations</b>			
Revenue from government and other grants	3	2,558,190	2,514,050
Other income	3	9,054,926	8,577,873
		<b>11,613,116</b>	11,091,923
<b>Expenditure</b>			
Employee benefits expense		(1,450,168)	(1,436,300)
Depreciation and amortisation expense	4	(128,712)	(104,082)
Bad and doubtful debt expense		(186,964)	(142,904)
Training expenses		(69,404)	(40,127)
Audit, legal and consultancy expenses		(262,539)	(91,190)
Finance costs	4	(3,015)	(3,741)
Insurance expense		(165,359)	(152,934)
Property repairs and maintenance		(1,544,330)	(1,423,589)
Council and water rates		(820,291)	(793,854)
Rental expense		(5,039,948)	(4,823,314)
Repairs, maintenance and vehicle running expense		(57,275)	(73,434)
Other operating expenses		(725,709)	(427,916)
		<b>10,453,714</b>	9,513,385
<b>Profit before income tax</b>		<b>1,159,402</b>	1,578,538
Income tax expense		–	–
<b>Profit after income tax</b>		<b>1,159,402</b>	1,578,538
<b>Other comprehensive income for the year</b>		–	–
<b>Total comprehensive income for the year</b>		<b>1,159,402</b>	1,578,538

The accompanying notes form part of these financial statements.

# Statement of Financial Position

As at 30 June 2013

	Note	2013 \$	2012 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,825,166	2,552,895
Other receivables	7	391,393	416,954
Other financial assets	9	6,684,116	4,430,859
Other assets	10	29,571	52,185
<b>Total current assets</b>		<b>8,930,246</b>	7,452,893
<b>Non-current assets</b>			
Property, plant and equipment	11	1,151,720	1,190,931
<b>Total non-current assets</b>		<b>1,151,720</b>	1,190,931
<b>Total assets</b>		<b>10,081,966</b>	8,643,824
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	860,847	549,855
Financial liabilities	14	9,357	9,751
Employee benefits	13	76,950	69,688
<b>Total current liabilities</b>		<b>947,154</b>	629,294
<b>Non-current liabilities</b>			
Trade and other payables	12	50,000	80,000
Financial liabilities	14	15,815	35,203
Employee benefits	13	72,656	62,388
<b>Total non-current liabilities</b>		<b>138,471</b>	177,591
<b>Total liabilities</b>		<b>1,085,625</b>	806,885
<b>Net assets</b>		<b>8,996,341</b>	7,836,939
<b>Members' funds</b>			
Retained earnings		8,816,341	7,656,939
Asset Revaluation Reserve		180,000	180,000
<b>Total members funds</b>		<b>8,996,341</b>	7,836,939

The accompanying notes form part of these financial statements.

# Statement of Changes in Members' Funds

For the Year Ended 30 June 2013

	Asset Revaluation \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2011</b>	180,000	6,078,401	6,258,401
Total comprehensive income for the year	–	1,578,538	1,578,538
<b>Balance at 30 June 2012</b>	180,000	7,656,939	7,836,939
Total comprehensive income for the year	–	1,159,402	1,159,402
<b>Balance at 30 June 2013</b>	<b>180,000</b>	<b>8,816,341</b>	<b>8,996,341</b>

# Statement of Cash Flows

For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
<b>Cash flows from operating activities</b>			
Receipts from tenants and other persons		<b>8,755,231</b>	8,171,464
Payments to suppliers and employees		<b>(9,999,440)</b>	(9,418,135)
Interest received		<b>320,286</b>	339,238
Receipts from government sources		<b>2,558,190</b>	2,514,050
<b>Net cash provided by operating activities</b>	16	<b>1,634,267</b>	1,606,617
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<b>(98,502)</b>	(288,442)
Proceeds from sale of assets		<b>9,545</b>	60,000
<b>Net cash used in investing activities</b>		<b>(88,957)</b>	(228,442)
<b>Cash flows from financing activities</b>			
Proceeds from borrowing		–	38,439
Repayment of finance lease		<b>(19,782)</b>	(9,052)
<b>Net cash provided by financing activities</b>		<b>(19,782)</b>	29,387
<b>Net (decrease)/increase in cash held</b>		<b>1,525,528</b>	1,407,562
<b>Cash at beginning of the financial year</b>		<b>6,983,754</b>	5,576,192
<b>Cash at the end of the financial year</b>		<b>8,509,282</b>	6,983,754

# Notes to the Financial Statements

For the Year Ended 30 June 2013

## 1 Summary of Significant Accounting Policies

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

### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

### Accounting Policies

#### (a) Revenue

Rental revenue is recognised when the rent in respect of services provided is receivable.

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Donations and bequests are recognised as revenue when received.

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

#### (b) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

#### (c) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership that are transferred to the entity, are classified as finance leases.

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

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

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

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

#### (d) Impairment of assets

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

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

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

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

#### (e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

# Notes to the Financial Statements *Continued*

For the Year Ended 30 June 2013

## (f) Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

## (g) Financial instruments

### Recognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at cost which includes transaction costs when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

### Available-for-sale financial assets

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income.

### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

### Held to maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

## (h) Property plant & equipment

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

### Property

Freehold land and buildings were independently valued in the year of acquisition.

The carrying amount of freehold land and buildings is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. An independent valuation will be obtained every three years to determine the market value of the Company's freehold land and buildings.

### Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets

employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour and borrowing costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

### Motor Vehicles

Motor vehicles are generally replaced at the earlier of three years or 100,000 kilometres.

### Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	20%
Furniture & office equipment	6-25%
Motor vehicles	23%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement

## (i) Employee Benefits

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

**(j) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**(k) Comparative Figures**

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

**(l) Members' Subscriptions**

Members' subscriptions received in advance are amounts received from members in respect of subscriptions for 2013 and subsequent years, and are shown in the balance sheet under trade and other payables.

**(m) New Accounting Standards and Interpretations**

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

The company has early adopted AASB 1053 'Application of Tiers of Australian Accounting Standards', AASB 2010-2 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements' and later amending Standards as relevant. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have a significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

***AASB 1053 Application of Tiers of Australian Accounting Standards***

The company has early adopted AASB 1053 from 1 July 2012. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing

general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards – Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurement requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2 and later amending Standards, as relevant.

***AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements***

The company has early adopted AASB 2010-2 from 1 July 2012. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

***AASB 2011-2 Amendments to Australian Accounting Standards arising from the Tran-Tasman Convergence Project – Reduced Disclosure Requirements***

***AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements***

***AASB 2012-11 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments***

The company has early adopted AASB 2011-2, AASB 2012-7 and AASB 2012-11 amendments from 1 July 2012, to the extent that they relate to other standards already adopted by the company. These amendments make numerous modifications to a range of Australian Standards and Interpretations to significantly reduce the company's disclosure requirements.

***AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income***

The company has applied AASB 2011-9 amendments from 1 July 2012. The amendments require grouping together of items within other comprehensive income on the basis of whether they will eventually be 'recycled' to the profit or loss (reclassification adjustments). The change provides clarity about the nature of items presented as other comprehensive income and the related tax presentation. The amendments also introduced the term "Statement of profit or loss and other comprehensive income" clarifying that there are two discrete sections, the profit or loss section (or separate statement of profit or loss) and other comprehensive income section.

**2 Critical Accounting Judgements, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation

# Notes to the Financial Statements *Continued*

For the Year Ended 30 June 2013

to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and other various factors, including expectations of future events, management believe to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

## Estimation of useful lives of assets

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

### 3 Revenue and Other Income

	2013 \$	2012 \$
<b>Revenue</b>		
<b>Operating activities</b>		
Government grants	2,558,190	2,514,050
Interest received	320,286	339,238
Rental income	8,150,936	7,750,080
Other income	583,704	488,555
<b>Total revenue</b>	<b>11,613,116</b>	11,091,923

### 4 Expenses

	2013 \$	2012 \$
<b>Depreciation</b>		
Leasehold upgrade	42,298	38,584
Furniture & office equipment	37,933	39,657
Motor vehicles	48,481	25,841
	<b>128,712</b>	104,082
<b>Finance costs</b>		
Interest on financial liabilities	3,015	3,741
Loss on sale of property, plant and equipment	–	22,309

### 5 Auditor's remuneration

Remuneration of the auditor of the Company for auditing of the financial report:

	2013 \$	2012 \$
Fortunity Assurance	19,284	18,410

### 6 Cash and cash equivalents

	2013 \$	2012 \$
Cash on hand	570	570
Cash at bank	1,824,596	2,552,325
	<b>1,825,166</b>	2,552,895

### 7 Trade and other receivables

	2013 \$	2012 \$
Trade receivables	496,129	516,720
Provision for doubtful debts	(104,736)	(99,766)
	<b>391,393</b>	416,954

### 8 Provision for doubtful debts

Generally receivables are client outstanding rents. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that rental is impaired.

Movement in the Provision for doubtful debts is as follows:

	2013 \$	2012 \$
Provision for doubtful debts as at 1 July 2012	99,766	71,923
Charge for year	4,970	27,843
Provision for doubtful debts as at 30 June 2013	<b>104,736</b>	99,766

## 9 Other financial assets

	2013 \$	2012 \$
Term deposits	6,684,116	4,430,859

## 10 Other assets

	2013 \$	2012 \$
Accrued interest income	13,256	47,773
Prepayments	16,315	4,412
	29,571	52,185

## 11 Property, Plant and equipment

	2013 \$	2012 \$
Land & buildings – at independent valuation	693,489	693,489
Leasehold improvements – at cost	214,854	204,790
Accumulated depreciation	(84,994)	(42,696)
	129,860	162,094
Furniture and office equipment – at cost	263,144	231,207
Accumulated depreciation	(123,062)	(85,129)
	140,082	146,078
Motor vehicles at cost	209,121	203,811
Less accumulated depreciation	(52,745)	(14,541)
	156,376	189,270
Computer upgrade – at cost	31,913	–
<b>Total property, plant and equipment</b>	<b>1,151,720</b>	<b>1,190,931</b>

# Notes to the Financial Statements *Continued*

For the Year Ended 30 June 2013

## (a) Movements in carrying amounts

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

	Land and buildings	Leasehold Improvements	Plant and equipment	Motor vehicles	Computer upgrade	Total
Balance at the beginning of year	693,489	162,094	146,078	189,270	–	<b>1,190,931</b>
Additions at cost	–	10,064	31,936	24,589	31,913	<b>98,502</b>
Disposals	–	–	–	(9,001)	–	<b>(9,001)</b>
Depreciation expense	–	(42,298)	(37,933)	(48,481)	–	<b>(128,712)</b>
Carrying amount at end of year	693,489	129,860	140,081	156,377	31,913	<b>1,151,720</b>

## 12 Trade and other payables

	2013 \$	2012 \$
<b>Current</b>		
Trade payables	<b>581,985</b>	285,456
Rents in advance	<b>248,862</b>	234,399
Licence fees	<b>30,000</b>	30,000
	<b>860,847</b>	549,855
<b>Non-Current</b>		
Licence fees	<b>50,000</b>	80,000

## 13 Employee benefits

	2013 \$	2012 \$
<b>Current</b>		
Annual Leave	<b>76,950</b>	69,688
<b>Non-current:</b>		
Annual Leave	<b>5,415</b>	4,764
Long service leave	<b>67,241</b>	57,624
	<b>72,656</b>	62,388

## 14 Financial liabilities

	2013 \$	2012 \$
<b>Current</b>		
Finance leases	<b>9,357</b>	9,751
<b>Non-current</b>		
Finance leases	<b>15,815</b>	35,203

## 15 Capital and leasing commitments

### (a) Finance Lease Commitments

	2013 \$	2012 \$
<b>Payable: Minimum lease payments</b>		
not later than 12 months	<b>10,292</b>	12,792
between 12 months and 5 years	<b>20,584</b>	39,547
	<b>30,876</b>	52,339
Less future finance changes	<b>(5,704)</b>	(7,385)
Present value of minimum lease payments	<b>25,172</b>	44,954

### (b) Capital commitments

The company has entered into a contract for the supply of new operating software at a total cost over a five year period of \$669,289. The contract cost is made up of the cost of new equipment, software as well as the expected cost of consultants to install and commission.

## 16 Cash Flow Information

### Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax

	2013 \$	2012 \$
<b>Profit from ordinary activities after income tax</b>	<b>1,159,402</b>	1,578,538
<b>Non-cash flows</b>		
Increase/(decrease) in impairment of receivables	<b>4,970</b>	27,843
Depreciation and amortisation	<b>128,712</b>	104,082
Net loss/(gain) on disposal of fixed assets	<b>(544)</b>	22,309
<b>Changes in assets and liabilities</b>		
(Increase)/decrease in trade and other receivables	<b>20,591</b>	(113,023)
(Increase)/decrease in other assets	<b>22,614</b>	18,009
Increase/(decrease) in trade and other payables	<b>280,992</b>	(52,705)
Increase/(decrease) in employee benefits	<b>17,530</b>	21,564
<b>Net cash provided by operating activities</b>	<b>1,634,267</b>	1,606,617

## 17 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2013 \$	2012 \$
<b>Financial assets</b>		
Cash and cash equivalents	<b>1,825,166</b>	2,552,895
Term Deposits	<b>6,684,116</b>	4,430,859
Receivables	<b>407,708</b>	464,727
	<b>8,916,990</b>	7,448,481
<b>Financial liabilities</b>		
Trade and other payables	<b>910,847</b>	629,855
Finance leases	<b>25,172</b>	44,954
	<b>936,019</b>	674,809

The company does not have any derivative instruments at 30 June 2013.

## 18 Key management personnel disclosures

### Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2013 \$	2012 \$
Aggregate compensation	<b>437,498</b>	377,935

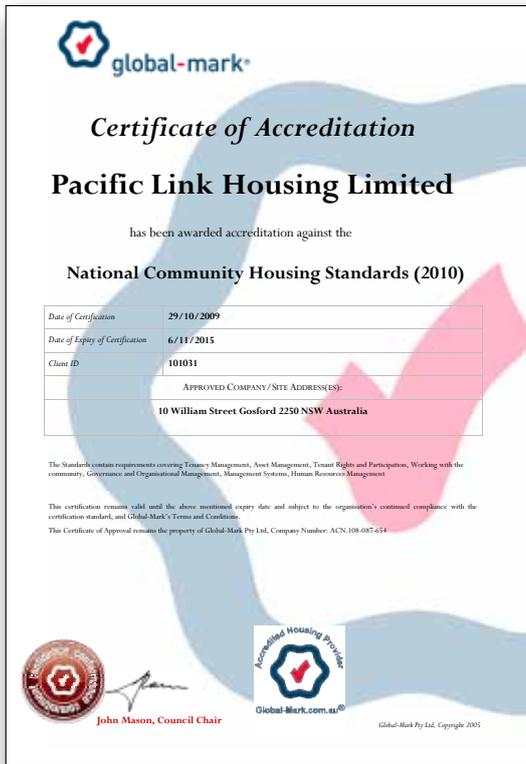
## 19 Financial Reporting By Segments

The company operates predominantly in one industry. The principal activity of the company is that of a provider of low cost subsidised housing to clients on low income.

## 20 Registered Office

The registered office address of the company is:  
Level 1, 10 William Street, Gosford NSW 2250

# Accreditation and Registration and Awards



Pacific Link is an Accredited Community Housing Organisation under the National Community Housing Standards (3rd edition May 2010)

Pacific Link is also a registered community housing provider under the Housing Act 2001 (NSW)



Pacific Link were winners of two awards, and highly commended in a third, at the Australasian Housing Institute Awards 2013 (NSW).



Central Coast Locksmiths have been cutting keys for PLH since 1999 – almost 15 years. That’s a long relationship, a lot of keys and a good local partnership. Hayley has worked in her family business for several years now and has always been reliable and quick to respond, particularly on occasions where people are locked out of their homes or we need those extra property keys in a hurry.



Michelle and Jules enjoying a tenant outing.

**Pacific Link Housing**

10 William Street, Gosford, NSW 2250  
PO Box 1888, Gosford, NSW 2250  
ABN 82 074 394 648

Toll free Number      1300 654 973  
Telephone              02 4324 7617  
info@pacificlink.org.au  
www.pacificlink.org.au



**PACIFIC LINK**  
**HOUSING**

*Home & Community*