

bridge↑housing

annual report
2009

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Editor:
John Nicolades, Judy Hollingworth
and Michael Dolan

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For a copy of Bridge Housing Limited Annual
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Bridge Housing Limited on (02) 9699 6055 or email
reception@bridgehousing.org.au or download from
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Our Mission Statement

To build sustainable communities in the inner metropolitan region through the provision of affordable housing for low to moderate income households.

Our Focus

- **As a Growth provider:** Being a leading housing association engaged in the delivery of quality housing services and develop new areas of business to meet housing demand and enhance the lives of our tenants
- **As an Inner Metropolitan provider:** We operate in a region with high housing costs. We focus on meeting housing demand in the inner metropolitan region to contribute towards maintaining social diversity and improve the quality of life of low to moderate income households
- **To Meet Diverse Housing Needs:** BHL provides a broad range of housing services to meet the needs of the most vulnerable to moderate income households. We work with partners from the not for profit, state and federal and local government and private sectors to meet these needs
- **To Procure and Develop Affordable Housing:** BHL will use its asset base to expand its property portfolio through procurement and development to deliver housing which meets the needs of low and moderate income households.
- **To Assist Social Inclusion:** BHL initiates community development activities to increase engagement with tenants and work in partnership with education, employment and training providers and philanthropic institutions to develop new programs and services to promote social inclusion.

Our Values

- **Professionalism:** Decisions being made honestly and ethically
- **Customer Focused:** Commitment to service
- **Efficiency:** Do the basics really well and use best practice business systems
- **Innovation:** Look to the future and seek to add value
- **Empathy:** Empathises with position of clients and deliver housing services on a fair and consistent basis

2009 Highlights

- Achieved Growth Provider Status. We are one of seven Growth Providers in NSW
- Achieved second consecutive Type 1 Grade A ranking in the NSW Performance Based Registration System. This is the highest possible rating
- Changed incorporation status from a co-operative to a company limited by guarantee and name from South West Inner Sydney Housing Cooperative to Bridge Housing Limited
- Increased property portfolio from 650 to 1180 properties
- Secured the transfer of 117 properties and \$500K from Burwood Area Community Housing
- Completed merger with Eastern Suburbs Rental Housing Association adding a further 347 properties to our portfolio
- Extended our service coverage across the following local government areas: Ashfield, Botany, Burwood, Canada Bay, Canterbury, Leichhardt, Marrickville, Randwick, Strathfield, Sydney, Waverley, and Woollahra
- Purchased and upgraded our first Debt Equity project providing outright title to 8x2 bedroom units
- Secured The Homelessness Intervention Project providing secure accommodation for 15 rough sleepers
- Launched www.bridgehousing.org.au
- Conducted Tenant Survey which shows 96% overall satisfaction rating with BHL services
- Achieved a record surplus of \$1.9 million
- Established a Rent Incentive Scheme, every quarter, one tenant who has paid rent in advance has an opportunity to win \$150.

BHL would like to acknowledge the advice, assistance and support received from the following organisations during 2008-2009

HousingNSW for the provision of housing assets, leasing and management subsidies

Mallesons Stephen Jaques for pro-bono advice on incorporation

The Fred P Archer Charitable Trust managed by Trust Company Limited for the donation of \$20,000 to upgrade our IT infrastructure.



BHL Profile

The purpose of Bridge Housing Limited is to provide quality, affordable housing solutions in the inner metropolitan region to households on low to moderate incomes - to link them with better futures and build sustainable communities in some of the highest cost suburbs in Australia. BHL is now the largest community housing provider in the inner metropolitan region and has the most diverse portfolio of properties under its management.

To achieve these objectives, we work with government, community, local councils and the private sector.

BHL has a history of growth, adaptation and renewal. Our property portfolio has doubled in the past year and now extends across 13 'inner-ring' local government areas. We have been awarded "Growth Provider" status by the Community Housing Division (CHD) of Housing NSW – one of only seven housing associations in NSW to achieve that status. This provides preferred access to housing supply from the State Government and capacity to increase our property portfolio through procurement and development. As part of our growth, we will develop strategies to promote social inclusion and community regeneration. We have a number of key advantages for achieving this: strong financial reserves supported by a strong skills-based board and management team, staff, specialist advisers and a strategic focus on community-building.

In September 2008 BHL assumed management of 117 Burwood Area Community Housing (BACH) properties. BHL had provided management support to BACH from early 2008 after the Association went into administration. This further extended our catchment area into the inner western suburbs. In April 2009, BHL merged with Eastern Suburbs Rental Housing Association (ESRHA) and increased our portfolio by 347 properties, thus becoming the primary community housing provider in the Eastern Suburbs.

Property Portfolio

BHL now manages 1,180 properties housing 2,241 people in a mix of single and family households

Our property portfolio includes

- 594 properties leased from private rental market
- 362 'capital' properties leased from HousingNSW
- 28 'redevelopment' properties on short term leases from HousingNSW
- 35 affordable housing properties through our Social Housing Subsidy Program (SHSP) and debt equity project
- 160 properties managed for other organisations through our fee for service program
- 2 Home Purchase Assistance properties.

Fee for Service Program

We provide housing management services to the following organisations:

Organisation	Tenants
Waverley Council	80
Aids Council of NSW	7
Red Cross	1
Ningana Housing Cooperative	59
Department of Juvenile Justice	6
The Settlement	7

Partnerships

Bridge Housing has a history of successful partnerships with a wide range of support agencies to ensure that vulnerable and high need people enjoy sustainable tenancies. Over 16% of our tenants require support with their living arrangements to continue to live independently and Bridge Housing Limited has set up formal support agreements with over 40 support agencies to help them maintain that independence in our properties.

Governance

On 10 March 2009 South West Inner Sydney Housing Co-operative Ltd (SWISH) changed its name to Bridge Housing Limited (BHL). This was done together with changing the incorporated status of the body corporate to a company limited by guarantee.

As a company limited by guarantee, BHL is regulated by the Australian Securities and Investment Commission (ASIC), subject to the *Corporations Act 2001* and is managed by an eight member skills-based board. Under its revised constitution, BHL's Board can have up to nine members.

Our Constitution requires that BHL appoint directors who have skills in finance, accounting and risk management, law, asset management, community housing management, human resource management, community organisation management, social housing provision and property development.

Public Benevolent Institution

Bridge Housing Limited is a public benevolent institution with deductible gift recipient status.

We are endorsed as a deductible gift recipient under Subdivision 30-BA of the *Income and Assessment Act 1997*.

Our provision for gift deductibility is under item 1 of the table in section 30-15 of the *Income and Assessment Act 1997*.

Registration

All housing associations operating in NSW receiving financial assistance from HousingNSW must now formally register with the Registrar of Community Housing. BHL will apply for Class 1 Registration in October 2009. This will involve ongoing compliance monitoring against the following eight performance areas:

1. Fairness and resident satisfaction
2. Sustainable tenancies and communities
3. Asset management
4. Sound governance
5. Standards of probity
6. Efficient and competitive delivery of Community Housing
7. Protection of Government investment
8. Development projects

Further information on the regulatory regime can be found on the Registrar's website www.rch.nsw.gov.au.



Accreditation

As part of its quality assurance process, BHL undergoes accreditation every three years or so. BHL achieved accreditation in 2000, 2003, 2006 and is scheduled to be re-assessed in 2010.

The quality of our organisational policies, practices and processes are assessed against seven National Community Housing Standards:

- Tenancy management
- Asset management
- Tenants rights and participation
- Working with the community
- Governance and organisational management
- Management systems
- Human resources management.

Legislation

We are also governed by legislation covering business and employer obligations including:

- *Corporations Act 2001*
- *Occupational Health and Safety Act 2000*
- *Privacy and Personal Information Protection Act 1998*
- *NSW Anti-Discrimination Act 1977*
- *NSW Disability Services Act 1993*
- *NSW Workplace Surveillance Act 2005*
- *NSW Housing Act 2001*
- *Income and Assessment Act 1997.*

Staffing

BHL employs 15 staff led by an Executive Officer, who has responsibility for the strategic and operational management of the organisation.

The staff complement consists of

- Manager, Housing Services
- Housing Managers x 6
- Property Asset Manager
- Asset Officer
- Finance and Administration Manager
- Community Development Officer
- Receptionist
- Administrative Officer Accounts x 2
- Administrative Officer, Housing.

Chairperson's Report

I am pleased to report that 2008-2009 was another successful year for Bridge Housing Limited as we continued to deliver our three-year strategic plan for 2006-2009. It is our aim to grow the organisation and consolidate our presence as the largest and most diversified provider of affordable housing in the inner metropolitan region.

Highlights of this year include:

- Merging with Eastern Suburbs Rental Housing Association on 1 April 2009. This followed the absorption of the Burwood Area Community Housing properties in September 2008 and as a result our portfolio has increased from 650 to 1180 properties.
- Completion of the change of our incorporation status from a cooperative to company limited by guarantee on 10 March 2009.
- Changing the name of the housing association from the South West Inner Sydney Housing Cooperative to Bridge Housing Limited to reflect our purpose of "Linking People to a Better Future"
- Purchase and upgrade our first debt equity project of 8 x 2 bedroom units. This is the first property on which we will secure outright title.
- Achieving Growth Providers status - one of only seven housing associations in NSW to secure this status.
- Securing the Homeless Intervention Project to assist 15 street homeless people with long term supported accommodation



There have been a number of important government – lead initiatives this year. HousingNSW has commenced its Property Transfer Process to Housing Associations. In addition, the Commonwealth Government’s Economic Stimulus Package will inject \$2.0bn in NSW for the construction of 5,000 new properties. Once completed, these properties are expected to be transferred to the community housing sector with title. This is a very significant move as title may enable borrowing to build further social housing. Bridge Housing will seek to secure more housing through these initiatives.

A key driver for our growth is to continue to build our organisational capabilities and services to ensure the effective provision of affordable housing in the most high cost and least affordable regions in Australia. We are on the cusp of major change in the way that social housing is delivered in NSW. In the future housing associations like Bridge Housing will play a significantly enhanced role in the delivery of social housing. We do this by providing a range of housing services to meet housing need ranging from very vulnerable to moderate income households.

Housing associations will be expected to play a more significant role in community regeneration and to this end we employed our first community development officer to develop an effective tenant participation strategy and examine options for community rebuilding. One of our first initiatives is our application for philanthropic funding to the Fred P Archer Charitable Trust for our “Bridging the Digital Gap Project”. In conjunction with WorkVentures, we are seeking to place low cost computers with internet access into the homes of 100 tenants who are either training to re-enter the workforce, in education or helping to reduce the social isolation of older tenants. We look forward to a successful outcome of our submission.

We know that good quality affordable housing improves the ability of people to return to work, stable housing enhances educational opportunities for children and secure housing with good support services assist the most vulnerable to re-establish their lives and dignity. We value the partnerships we have with 42 support providers (listed in the Partnerships section below) who assist us in ensuring that we provide secure and affordable accommodation to the most vulnerable people.

It has been a year of tremendous achievement for Bridge Housing Limited and I warmly welcome all our new tenants. I wish to express my thanks for the significant contribution made by the directors who retired over the year: Jean Laut who was a director since 2002 and Chairperson from 2005 to 2008 and Martin Baird who retired as Treasurer in June 2009, after seven years as a SWISH/BHL Director. John Kell and Gary Spreckley efficiently and effectively facilitated the merger with ESRHA and we are delighted they have joined the Bridge Housing Limited Board. Finally, I wish to acknowledge the commitment and dedication of the Bridge Housing Limited team, very ably lead by John Nicolades, and that of my fellow Directors in achieving this year’s outstanding results.

Vicki Allen
Chairperson

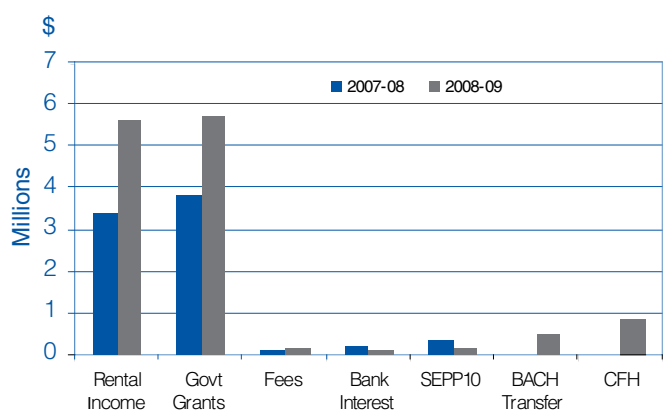
Treasurer's Report

I am pleased to report that BHL produced a record surplus of \$1.9m for 2009. This is an increase of \$1.5m from 2008. The main drivers for our performance are:

- Increase in rent revenue through changes in rent calculation and increased number of properties through the transfer of BACH properties and merger with ESRHA
- A cash contribution of \$0.5m from Burwood Area Community Housing Limited (BACH) upon this entity being liquidated; and
- A HousingNSW grant through the Centre for Affordable Housing (CFAH) for \$855,000 to purchase our first property on which we will have full title.

Of the surplus, \$118k was generated from SEPP 10 Contributions made to Bridge Housing Limited under *State Environmental Planning Policy No 10. Retention of Low Cost Rental Accommodation*. Whilst BHL has collected \$1.1m in developer contributions since 2005, we were limited in using these funds as they had to be spent in the local government area in which they were raised. Following our successful negotiation with the Department of Planning, we will now be able to consolidate these contributions, enabling BHL to use these as equity for an affordable housing development in any area.

BHL Income 2008–2009



Our balance sheet strengthened with total assets growing by \$4m to \$8.3m compared to 2008. The main drivers for this increase were:

- Cash increased by \$1.5m due to the record surplus growth.
- Property, plant and equipment increased by \$1.5m due to the purchase and subsequent upgrade of a property in Wiley Park.
- Debtors increased by 85% to \$1.8m through the increase in property numbers.

Our equity increased by 80% from \$3.7m to \$6.9m. This will greatly assist us to fund maintenance of our property portfolio in the future. An amount of \$2.2m of our equity has been set aside for planned maintenance reserve.



Improving Internal Systems

BHL is constantly seeking to improve its internal financial and business management systems. We have undertaken improvements in our asset maintenance database to facilitate the rapid transfer of data from property scopes into the data base. This has produced more timely assessment of our planned maintenance requirement, identification of future costs and determination of our annual planned maintenance program.

We have introduced an electronic payment processing system in partnership with Sydney Water enabling the payment of water bills and reducing processing time. We are the first Housing Association in NSW to have introduced such a system.

In partnership with Centrelink, we have introduced a multiple deduction system, this enables faster processing of tenants' rent and other payments.

Customised financial reports are now being produced through a new financial reporting system. This enables faster production of financial reports, specialist management reports for our fee for service partner and drilling down to property level detailed income and expenditure reports. The latter is critical in providing financial information for forward asset management planning.

This will lead to greater staff productivity and allow us to take on more tenants and properties without necessarily putting on more staff.

Risk Management

BHL has developed a comprehensive risk management system. Our Risk Management Plan 2008-2010 was revised this financial year and identifies all significant risks to the organisation. To ensure effective oversight and management we identify our top 20 Risks. These are reviewed every six months and by exception through the bi-monthly Executive Officer's Report. In 2009/10 we will introduce a system of internal audits and a Fraud and Corruption policy to strengthen our internal control systems.

Shirley Liew
Chairperson, Finance and Risk Committee

Executive Officer's Report

In 2006, the South West Inner Sydney Housing Cooperative (SWISH) board met to develop an ambitious three year strategic plan - the object of which was to grow the housing association into the largest diversified housing provider in the inner metropolitan region. It is therefore pleasing to be able to report at the 2009 Annual General meeting that we have met or exceeded our three year growth and organisational targets set in 2006.

Portfolio and Programs

Our property portfolio increased by 80% to 1180 dwellings, through the transfer of BACH properties in September 2008 and the merger with ESRHA in April 2009. Both transfer and the merger were done efficiently with no impact on operations or service delivery.

We procured and upgraded our first multi-unit block of 8x2 bedroom units for \$1.7m for which BHL will receive full title on the property. The property was tenanted in April 2009. This project adds to our affordable housing programs through the Social Housing Subsidy Program and management of Waverley Council's Affordable Housing Program.

We increased our service provision to homeless people through the Homelessness Intervention Project which targets chronically homeless people. This adds to our existing service provision through the My Place Initiative and our partnership with Mercy Arms on older homeless women and men.

Our merger with ESRHA broadened our partnership with Waverly Council, in addition to managing the Council's Affordable Housing Program we now manage the Waverley Housing for Older People and The Waverley Community Living Program. This has increased the portfolio from 26 dwellings to approximately 80 dwellings, the largest local government housing program in NSW.



Governance

Our governance structure arrangements underwent a significant change. We transferred our incorporation status from a cooperative to a company limited by guarantee and changed our name from SWISH to Bridge Housing Limited. Through the merger with ESRHA, we increased the maximum number of board members from seven to nine through bringing ESRHA Board members onto the Bridge Board and retaining our skills-based directors from SWISH.

Service Delivery

Through this change process we have ensured that our service delivery to tenants is at the centre of our activities. The results of our Tenants Survey 2009 – our fourth – continue to show a 96% satisfaction rating with our service delivery. We created a new position of Community Development Officer to build the level of tenant participation and opportunities for them to influence BHL's service delivery and develop community-building opportunities. Our first meeting attracted 80 tenants and resulted in the election of two representatives to the state-wide tenant's advisory body. Our "Bridging the Digital Gap Project", our first significant initiative in community building, will provide low cost computers with internet access to assist tenants with training, education and reducing social isolation.

We have a culturally diverse tenant base: 47% of BHL tenants have a culturally and linguistically diverse (CALD) background and speak 42 languages, with Vietnamese and Chinese predominating. This year we translated our appeals and complaints material into Vietnamese.

Our Support Partners are a vital part of BHL's housing program, as over 16% of our tenants require support to ensure that they have a sustainable tenancy. I thank our existing partners and welcome new partners who have joined us as a result of the ESRHA merger. This increased the number of support partnerships we now have from 27 to over 40. Through these partnerships we provide housing to homeless people, people leaving the prison system, people with intellectual disabilities, women escaping domestic violence, and people with HIV/AIDS. The results of our 2nd Support Provider survey show high satisfaction levels with BHL and have also helped us identify where we can deliver service improvements.

The Chairperson's Report outlined the opportunities and challenges facing the community housing sector over the next three years. Bridge Housing is poised for further growth through the Property Transfer Program and the Economic Stimulus Package. The proposed transfer of property title by HousingNSW will enable us to provide more housing by borrowing against our assets. This will also require us to develop new skill sets to effectively manage these new business streams. We will continue BHL's history of renewal and adapting quickly to new circumstances to take advantage of our new operating environment.

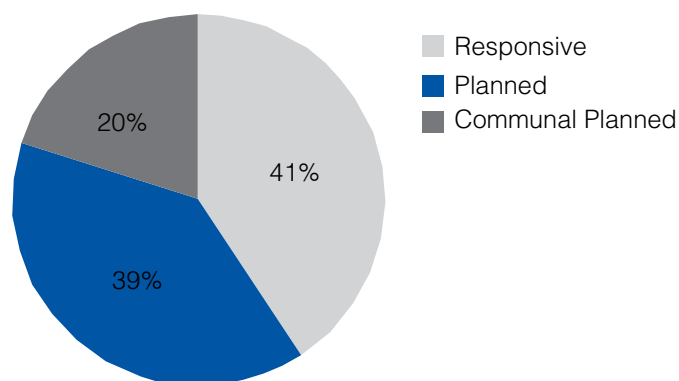
BHL's success is due to a team effort and I thank my staff for their individual and combined contributions towards our achievement and the positive difference they have made to the lives of many people who have been housed by BHL. I also feel very privileged to work with directors whose strong skills and commitment to a strong governance culture enables BHL to be a high performing organisation.

John Nicolades
Executive Officer

Assets

Bridge Housing Limited is very conscious of its responsibilities to ensure its properties are well maintained. This expenditure enables us to ensure that our properties provide existing tenants with quality accommodation and extends the life of the building to meet future housing demand.

Maintenance is divided into responsive and planned maintenance. Responsive maintenance deals with emergency and more immediate maintenance issues raised directly by tenants. Planned maintenance is scheduled works identified through our 20 Year Asset Maintenance Plan and includes gardening, cleaning, fire-safety contracts. This year we spent \$915K (\$583 in 2007-08), in responsive and planned maintenance. The increased expenditure was due to our growing property portfolio and improved identification of works through our Asset Maintenance Plan and Economic Stimulus Package Maintenance Funds.



In 2008-2009 we commenced stage 2 of our capital property maintenance assessment to update our 20 year Asset Maintenance Plan. The property scopes identify backlog works required to bring the properties up to standard and then a program of works over twenty years for each property

Stage 2 has involved the commencement of 343 properties surveys, including BACH and ESRHA properties transferred to BHL management in 2009. Over 80% of the properties were surveyed by June 2009 with the balance to be completed by August 2009. This provides BHL with most update assessment of the cost of the 20 year asset maintenance plan and ensures that we maintain the properties at HousingNSW standards.

To meet these future commitments BHL has built a substantial maintenance reserve of \$2.2m.

Gary Milligan
Chairperson, Asset and Procurement Committee



Governance

Bridge Housing Limited (BHL) is a not for profit company limited by guarantee which incorporated and adopted a new constitution on 10 March 2009. This followed a postal ballot of members on the 23 December 2008 which overwhelmingly voted in favour of the transfer of the body corporate from a cooperative to a company limited by guarantee.

- 93% of voting members approved the application to become registered as a company limited by guarantee and deregister as a co-operative.
- 95% of voting members approved the name of the entity to be changed from South West Inner Sydney Housing Cooperative Ltd to Bridge Housing Limited.
- 96% of voting members approved the current Bridge Housing Limited Constitution.

Bridge Housing is a public benevolent institution with deductible gift recipient status.

Role of the Board

The Board's primary responsibilities include:

- Establishing long term goals and approving strategic plans to achieve those goals
- Ensuring there is an appropriate separation of powers and balance of responsibilities between the board and management
- Selection and retention of the Executive Officer, setting the conditions of service and monitoring performance
- Review and approval of annual budgets, monitoring of management and financial performance and ensuring that the organisation has the skills, resources and support it needs
- Identification of significant business risks and ensuring effective strategies are in place to manage these risks
- Ensuring that there are adequate systems of internal control together with appropriate monitoring of compliance activities
- Review and approval of major strategies, financial objectives and plans, including capital expenditures, acquisitions, developments and divestments

BHL has adopted the following corporate governance principles, based on the *ASX Corporate Governance Council's Principles of Good Corporate Governance* to ensure Directors address their corporate, legal, and financial and audit responsibilities and exercise reasonable care, skills and diligence in carrying out their duties.

1: Lay solid foundations for management and oversight

BHL Directors are aware of their responsibilities under Federal or State legislation and will ensure that BHL abides by its Constitution and obligations as a trading entity, an employer, a contractor and a responsible and ethical corporate citizen.

The Board meets bi-monthly and has established two subcommittees Finance and Risk and Asset and Procurement to assist the Board with consideration and decision-making with operational matters.

2: Structure the Board to add value

BHL board is a skills-based board. Directors are chosen from candidates who have expertise and experience in one or more of the following areas: social housing management; finance; community welfare; property development and procurement; law; social policy development; accounting; asset management; information and technology; human resources management.

The Board will seek and appoint Directors who meet these skill categories to provide the effective governance and direction to the Bridge Housing and who, between them, can reliably carry out all the necessary functions of its board.



3: Promote ethical and responsible decision-making

The Board will ensure that BHL conducts its business to the highest standards of honesty, integrity, respect and fairness when dealing with all its customers and employees. It adheres to the highest ethical principles and these are expressed in our

- Fraud and Corruption Policy
- Code of Ethics for Directors and staff
- Code of Conduct for Directors
- Managing Conflict of Interest Policy
- Register of Interests
- Tenants Rights statement

4: Safeguard integrity in financial reporting

The Board will ensure that BHL's financial statements present a true and fair view of BHL's financial condition and operational results in all material respects and in accordance with international accounting standards.

5: Make timely and balanced disclosure

The Board will ensure that information is made available in a timely manner to BHL's stakeholders, clients, support agencies, regulatory and funding bodies, members and staff, is factual and clearly and objectively expressed.

6: Respect the rights of BHL members

The Board will ensure that BHL has policies, systems and procedures that promote the interests and rights of members and facilitates the effective exercise of those rights.

7: Recognise and manage risk

The Board will ensure that BHL has comprehensive risk management policies, and sound risk management systems and procedures that ensure it has good internal controls.

8: Remunerate fairly and responsibly

The Board will ensure that BHL has remuneration and employment policies and practices in place that assist with retaining and attracting qualified and motivated staff, including its CEO.

BHL Governance Principles and Constitution is available from www.bridgehousing.org.au or by contacting the BHL office on 9699 6055.

Board Members



Vicki Allen,
BBus MBA DFP MAICD

Director since 2007
Chair 2009

Skill Area: Human Resources

Vicki is the Chief Operating Officer at Trust Company Limited. She is currently Chair of Trust Company Superannuation Services Limited and director of a number of other unlisted group companies. Prior to joining Trust, Vicki worked at Lend Lease Corporation and National Australia Bank in a number of senior roles.



John Kell,
BA LLB MEnvStud MAICD

Director of BHL since 2009;
of ESRHA from 2005 to 2009

Skill Area: Law

John is a partner at Hunt & Hunt specialising in corporate and commercial law. In that capacity, he acts for a broad range of private and public sector clients.

John has been involved in community organisations for many years. Prior to the BHL Board, he was a director and later Chairperson of Eastern Suburbs Rental Housing Association Limited (ESRHA). He was instrumental in the merger between ESRHA and Bridge.



John Dunn,
ACA MAICD

Director since 2005
Skill Area: Finance

Member: Finance and Risk Subcommittee

John is a Chartered Accountant by profession, a member of the Institute of Company Directors and has held a number of senior executive roles including Managing Director of an ASX listed public company.



Shirley Liew,
BBus MBA Grad Dip Appl Finance

Director since 2009
Chair of Finance and Risk Committee
Skill Area: Financial and Risk
Management

Shirley has 18 years' experience in financial management, audit, governance, risk and corporate finance, advising in a number of sectors such as manufacturing, infrastructure, construction and not for profits, particularly in aged care.

Shirley is a director with Moore Stephens Sydney, as well as an independent director for a number of other unlisted and not-for-profit entities.

Shirley leads the Business Risks and Internal Audit services at Moore Stephens Sydney. She was also a partner at Grant Thornton prior to being an Associate Director with Ernst & Young for about 12 years.



Gary Milligan,
BSc BEng (Electrical) (Hons 1)
Grad Cert Human Resource
Development MIVMA

Director since 2007
 Chair Asset and

procurement committee

Skill Area: Asset Management

Gary is a professional engineer with over 35 years experience in procurement and asset management of government buildings including schools, technical colleges, hospitals, courts, correctional centres, police stations, housing and other public buildings. He has contributed to all aspects of procurement and asset management processes, covering policy development, investigation, design and documentation, construction and maintenance management and project and policy review.

Previously, Gary has served as a director of several housing service organisations: The Station, Resamen and Marrickville Area Community Housing. In 2007, he completed the AICD Company Directors course. Gary is member of the Institute of Value Management, Australia. He retired from the public sector in 2006.



Dick Persson,
AM BA FAIM FAPI

Director since 2009

Skill Area: Housing policy, Planning and Local Government; Capital Works procurement, Management and

Government Administration; Mediation

Dick is an experienced senior public servant having held Director General positions in Queensland and NSW including Qld Department of Housing, Local Government and Planning, Qld Department of Health, and the NSW Department of Public Works and Services.

Dick was Director of the National Housing Policy Review for the Federal Government, and more recently completed a six year term as Administrator of Warringah and Port Macquarie-Hastings Councils.



Gary Spreckley
B.Com (Legal) BAcc Post Grad Dip
Taxation
Full accreditation in Australian
Taxation and Corporations Law

Director since 2009

Skill Area: Finance and Accounting

Gary Spreckley is a qualified chartered account with over 20 years in finance at a senior level. Currently the Chief Financial Officer of the General Pants Group, he has extensive work experience in both private and public companies in Australia and South Africa, with a particular focus in corporate finance and retail. Gary has previously worked as a senior manager in corporate finance for Investec Bank in Australia and South Africa. Gary was instrumental in the merger of BHL and ESRHA.



Helen Wood,
BSc (Hons) Psychology MRICS MAHI

Director since 2002. Re-elected in 2005
Skill Area: Social housing from the perspective of a provider; Property Development

Member: Asset and Procurement Subcommittee

Helen is a chartered surveyor who has 25 years experience as a property professional specialising in social, affordable and aged housing in the UK and NSW. She was CEO of a charitable housing association in Central London for 9 years working in a framework which used substantial private sector borrowings to acquire and develop housing. Helen has considerable experience in partnerships between the not for profit sector and the private sector.

Since coming to Australia in 1998 she has carried out housing and development consultancy and other advisory work. Most recently she has worked in the aged-care sector developing aged care and seniors housing options. She is currently Manager – Development and Innovation for UnitingCare Ageing NSW/ACT.

**Directors Attendance at Board Meetings
July 2008 to June 2009**

	Eligible to attend	Number attended
John Dunn	6	6
Gary Milligan	6	6
Vicki Allen	6	6
Helen Wood	5	5
Dick Persson AM	4	4
John Kell	1	1
Gary Spreckley	2	2
Shirley Liew	1	1
Jean Laut (resigned 8 December 2008)	2	2
Andrew Penfold (resigned 29 August 2008)	0	0
Martin Baird (resigned 30 June 2009)	4	4



Staff



John Nicolades (Executive Officer)
Bachelor of Arts, Bachelor Social Work
Graduate Diploma in Applied Finance and Investment (FINSIA).

John has worked in the housing and community services sector for 20 years.

John was with the Department of Housing as Director of the Centre for Affordable Housing from 2003, and was inaugural director of Affordable Housing Service in the NSW Department of Planning from 1999-2003. Previously, John held various strategic and operational positions including Community Services Manager at the Uniting Church Board for Social Responsibility 1989-1999, Housing Policy Coordinator with Australian Council of Social Service and Housing Policy Officer with Shelter NSW. He has been on a number of federal and state government committees on housing policy.

Prior to joining BHL in 2005, John undertook consultancy work on affordable housing for the NSW Department of Planning and NSW local governments whilst completing his Diploma of Applied Finance.

John is committed to using his skills and experience to build BHL into a pre-eminent provider of affordable housing.



Kathy Wight (Manager Housing Services)
Bachelor of Arts

Kathy joined BHL in November 2004 and has lead the BHL housing management team. Kathy has

considerable housing management experience with one of the largest social housing providers in the UK: Notting Hill Housing Trust. She worked in social housing in the UK for 20 years.



Becky Chan (Finance and Administration Manager)
Bachelor of Business, CPA

Becky joined Bridge housing Limited in June 2009 with high level accounting experience developed through working as a senior accountant, finance and business analyst in the IT industry (IBM and Sybase) in Sydney and Hong Kong.

Born in Beijing, Becky speaks fluent Mandarin and Cantonese.



John Plater (Asset Manager)
Bachelor of Science, Building Surveying
Master of Arts, Building Rehabilitation Studies.
FRICS (Chartered Building Surveyor)
MCIQB (Chartered Builder)

John has considerable experience in asset management and maintenance and has lectured in this field. He has worked for the Civil Engineering Department of London Transport. He worked for building consultancy and project management firms in the UK before establishing his own consultancy business, where he also undertook work for housing associations.

John joined BHL in 2006 to lead the asset management team. John is committed to improving standards of maintenance to BHL properties, to ensure that both current and future tenants benefit from well maintained properties.

Staff Complement

Housing Managers	Jackie Sailer; Anya Favot; Tracey Hughes; Hannah Arja; Michael Love; Michael el Hassan; Lucille Bernard (until May 2009); Davina Lomas (until August 2008)
Housing Support Officers	Gemma Doherty; Rebecca Johnson
Asset Support Officer	Maree Clancy
Accounts Clerk	Catriona Fraser
Administration Officers	Tammy Honnery (until January 2009); Emma Paul (until June 2009)
Book-keeper	Angela Har (until April 2009)

BHL also employs casual staff, contractors and specialist consultants as needed to maintain service-levels and operational capacity in busy periods and to obtain specialist advice on its strategic projects.





Partnerships

Bridge Housing works with over 40 partner agencies providing support to high needs tenants. We are also developing community projects to provide opportunities for disadvantaged tenants to learn new skills and become active participants in their communities. We have formal support agreements with the following service providers to provide sustainable tenancies to:

Homeless people or at risk of homelessness:

Inner City Homelessness and Support Service (I-CHOSS)
Matthew Talbot Hostel
The Mercy Arms
Norman Andrews House
Jewish Care
The Station
Mission Australia
Wesley Mission
B Miles
Haymarket Foundation

Young disadvantaged people with diverse needs:

Red Cross Young Women's Program
A.L.I.V.E. Program (Catholic Care)
Bondi Youth Association
OASIS (Salvation Army)
Options Youth Housing
THEBA

People living with HIV/AIDS:

Aids Council of NSW (ACON)
Bobby Goldsmith Foundation (BGF)
AIDS Dementia & HIV Psychiatry Service (ADAHPS)

Women and young children escaping domestic violence:

Marian Centre (St Vincent de Paul)
Deli Women & Children's Centre
Pams Place

Indigenous people with diverse needs, including women escaping domestic violence, those on a very low income and older people experiencing homelessness:

Wyanga
Killara Women's Refuge
The Settlement

Young people and adults exiting prison & juvenile justice systems:

Department of Juvenile Justice
Catholic Care
Community Restorative Centre (CRC)

Older people:

Assistance with Care and Housing for the Aged Program (ACHA)
Waverley Housing for Older People (WHOP)

People with intellectual disabilities:

Waverley Community Living Program (Waverley Council)
Independent Community Living Association (ICLA)

Young people at risk of homelessness within the GLBT community:

Twenty10

Transgender people with housing and support needs:

Gender Centre

People with physical disabilities:

Royal Rehabilitation Sydney

“The Marian Centre believes that Bridge Housing plays a big role in the lives of the clients, not only providing housing to the clients but also giving them the options to make positive changes in their lives.”

How We Work with Our Partners

Homelessness Intervention Project (HIP)

The Homelessness Intervention Project was set up by the NSW Premier's Department as part of a cross-agency initiative led by HousingNSW. It includes NSW Health, the Department of Community Services, the City of Sydney, Homelessness NSW and Bridge Housing Limited. Two support agencies, The Haymarket Foundation and Mission Australia, also support the initiative. It aims to provide stable, secure and supported housing for up to 20 chronically homeless people in the inner city and to identify and address barriers to effective housing and related support for these clients. This 'housing first' approach, combined with collaboration between housing and support providers, has enabled people with a long history of homelessness and complex support needs to live independently in their own homes.

“Bridge Housing has played a pivotal role as it has provided a much needed housing response for the clients of the Homeless Intervention Project. The Homeless Intervention model is all about housing the client and providing wrap-around services. Without housing options the project would have come to a standstill”

Darren J L O'Brien JP,
Manager, The Haymarket Centre

“A strong theme to emerge from the Homelessness Intervention Project has been the collaborative working between Bridge Housing and the support agencies. This has allowed clients housed through the program to feel safe and respected and able to develop life skills. Bridge Housing has been a great stakeholder in the process of housing clients, and assisting them to maintain their tenancies.”

Maria Berry,
Service Manager, Women's Services and HIP,
Mission Australia

The Mercy Arms

Catholic Healthcare's Housing Support Team at Mercy Arms provides support to older people who are homeless or at risk of homelessness.

“Mercy Arms Catholic Community Services, a non-government organisation based in Waterloo, provides assistance with care and housing for older people in the inner-city area of Sydney. For nearly ten years Mercy Arms has been working in partnership with Bridge Housing (formerly SWISH) to provide housing and support for homeless men and women. Bridge Housing has been a very important part of enabling older people move out of homelessness and into secure, quality housing. In 2008-09, Bridge Housing and Mercy Arms assisted 15 people who had been homeless into secure accommodation”.

Ruth Melville,
Senior Coordinator, Homelessness and Housing
Support Services,
The Mercy Arms

The Marian Centre

The Marian Centre in Lewisham is a 'special work' of the Society of St Vincent de Paul, operating as a refuge for women and children escaping domestic violence and homelessness. The Marian Centre offers support to 110 clients each day and 70 clients are living in outreach properties which are provided by various community housing organisations. Bridge Housing Limited is one of the largest community housing organisations to support the Marian Centre over the past 9 years. Clients are supported in the outreach properties for up to two years.



Partnerships

The Marian Centre (Continued)

“Over the past 9 years, Bridge Housing has provided excellent quality of service to the clients of the Marian Centre. Bridge Housing has a very caring and compassionate attitude towards the clients and the skills to understand and work with the clients who are not only from disadvantaged groups in the community, but also have very high complex needs. The Marian Centre believes that Bridge Housing plays a big role in the lives of the clients, not only providing housing to the clients but also giving them the options to make positive changes in their lives.”

Ilknur Chaloupka,
Manager

Community Restorative Centre (CRC)

CRC Accommodation Services provides supported housing for men and women exiting jail. Making the transition from life in the prison system to living in the community can often be extremely difficult socially, practically and economically. In addition, many of these clients have mental illness, drug or alcohol problems, poor education and literacy levels and lack social skills. CRC assists this group to obtain accommodation and address those challenges constructively and also to support them through the lengthy process of reintegration to the community.

“Bridge Housing are responsive and good at working within partnerships. Good communication and collaboration when working with clients are key features of their work. Quarterly meetings to keep familiar with staff and get updates contribute to successful housing programs”.

Julia Davis,
Transition Support Coordinator, CRC

Fee for Service Partnerships

We provide tenancy and property management services on a Fee for Service for the following organisations

- Waverley Council
- Aids Council of NSW
- Joint Tenancy Accommodation Program
- Ningana Housing Cooperative
- Settlement

Waverley Council and the Aids Council of New South Wales provide examples of the range of work BHL undertakes through its Fee for Service program

Waverley Council

Waverley Council is committed to providing a range of housing options for Waverley residents or those who can demonstrate a connection to the local area. Services include an affordable housing program, a social housing program for older residents and accommodation for people with a mild intellectual disability.

“Council’s innovative program was developed in the belief that maintaining diversity benefits the whole of the Waverley community. We aim to grow our programs to deliver quality accommodation that is affordable for people on low to middle incomes. Good tenancy management is an important part of a quality program. Bridge has provided professional community housing management services for Council’s Program for a number of years.”

Maree Girdler
Manager
Recreation Community Partnerships and Planning

“The success of this partnership is the result of each party’s clearly-defined responsibilities, the strong working relationships between staff and the shared goal of supporting communities at risk of homelessness. In 2007-08 BHL provided property and tenancy management services to 17 people within ACON housing.”

Aids Council of NSW

ACON and BHL have been working in partnership for over five years to meet the transitional housing needs of people living with HIV/AIDS.

“The success of this partnership is the result of each party’s clearly-defined responsibilities, the strong working relationships between staff and the shared goal of supporting communities at risk of homelessness. In 2008-09 BHL provided property and tenancy management services to 24 people within ACON housing. The strength of the partnership is demonstrated by the continuation of the Management Agency Agreement that includes the provision of very short-term leases to gay, lesbian, bisexual and transgender people within available BHL properties. It has also allowed us to accommodate clients escaping same-gender domestic violence – a new area of work for ACON – and we’re excited and reassured by BHL’s involvement”.

Deb Gavan

Manager, Community Services,
Aids Council of NSW

Community development

BHL has applied for \$30,000 in philanthropic donations to fund our ‘Bridging the Digital Gap’ project. In conjunction with Work Ventures Australia this involves placing refurbished computers with one year’s internet access into the homes of 100 tenants. We have targeted households with members who are undertaking or re-entering education or training, seeking to enter the employment market and older or marginalised tenants who may be experiencing social isolation. BHL will assist Work Directions to train tenants who can train others in IT skills through peer education training. We are also planning a foyer-project with MTC Work Solutions (MTC), a major jobs training organisation, and possible work-training opportunities.

As part of BHL’s tenant participation and involvement policy we are currently consulting with tenants to develop a community-building strategy related to the housing we provide. A Tenant Advisory Group meets regularly to discuss social inclusion concerns. This facilitates communication and interaction between BHL and tenants and provides tenants with opportunities to influence BHL programs.

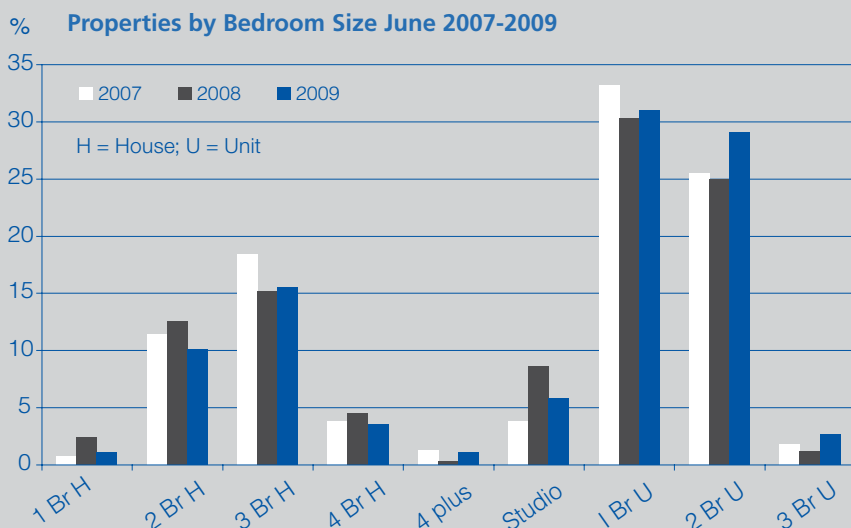
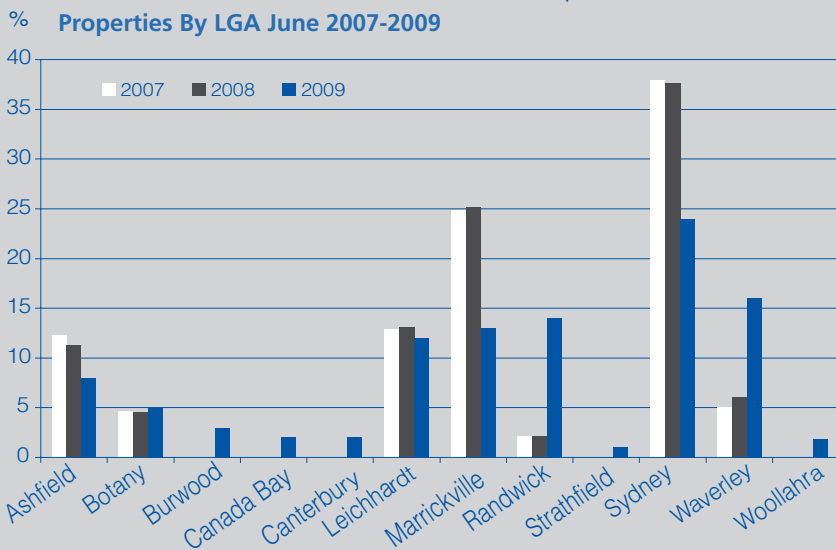
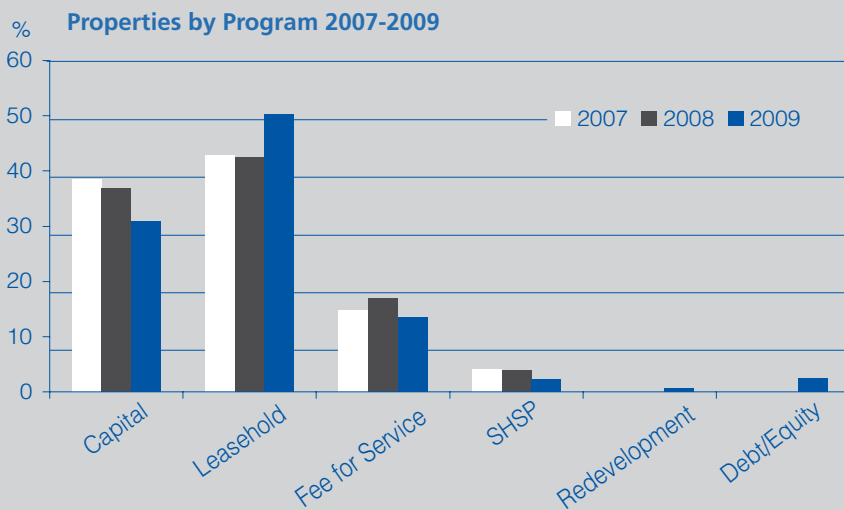
BHL provides formal and informal tenant – participation opportunities, such as:

- smaller focus groups set up to address specific local issues. These are funded and resourced by BHL as appropriate.
- Tenant Survey extended to all tenants, conducted by post.
- Other consultations, some funded by a Community Grants program for tenants from non-English speaking backgrounds. The aim is to link people in with local services and resources and to increase social inclusion within the communities in which our tenants reside.

Report Card

Key Performance Indicators	2009	2008
Tenant Satisfaction		
Overall satisfaction with the organisation	96%	96%
Service Development		
Increases in housing stock	1,144	664
Number of partners	34	18
Supported tenancies	19%	15%
Finance Management		
Staff Management Cost ratio	6.9%	8%
Operating Cost ratio	3.9%	4%
Cash at end of year	\$4.6m	\$3.1m
Net profit	\$2m	\$0.506m
Reserve for future planned maintenance	\$2.2m	\$1.6m
Retained Profit	\$2.9m	\$0.491m
Housing Management		
Arrears	1.3%	0.7%
Market rent loss via vacancy	0.6%	1.2%
Number of tenants exiting the service because of Possession Order enforcement	10	8
Human Resources		
Ratio of staff to lettable properties	1:61	1:58
Number of full time equivalent staff	16	10

Statistics (Properties)



As a result of the merger with BACH and ESRHA in 2008-09 the number of properties under BHL's management at June 2009 had increased to 1180 properties.

Capital properties are leased from the Department of Housing on recurrent five year leases.

Leasehold properties are sourced at market rental from the residential property market mostly through real estate agents. Rental subsidies then make the properties affordable to tenants on low to moderate incomes.

Fee for Service properties are managed on behalf of other organisations for a fee.

Social Housing Subsidy Program (SHSP) properties are targeted to households earning moderate incomes.

Our properties are predominantly located in the inner metropolitan region, and are most concentrated in the City of Sydney, Leichhardt, Marrickville and Randwick local government areas (LGAs).

Through the mergers with BACH and ESRHA, our operations now cover Burwood, Canada Bay, Canterbury, and Strathfield LGAs and extend across a total of 13 LGAs.

As our tenants are mostly single people and sole-parent families (see chart below), our properties are predominantly one and two bedroom units in two, three and four-storey buildings. We also hold a smaller number of two and three bedroom houses in our portfolio.

We seek out properties that will best match the type and size of our tenants' and applicants' households.

Statistics (Tenants)

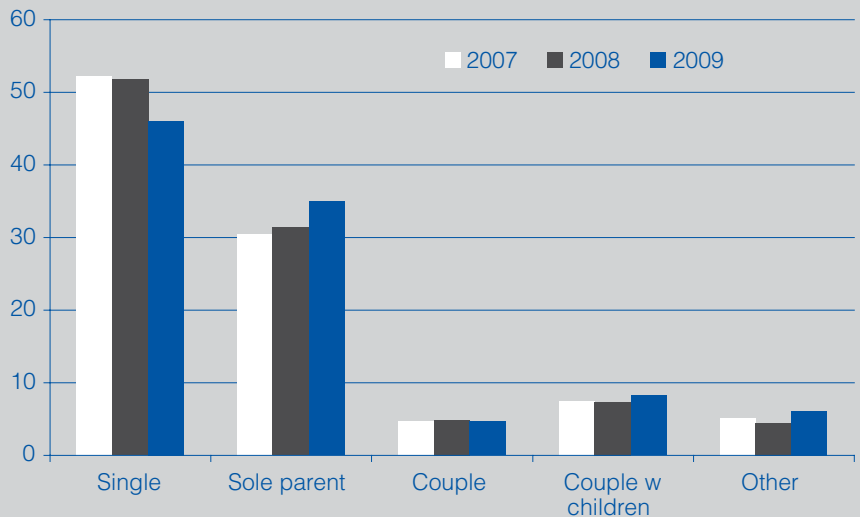
The majority of our tenants are single-person households. The second largest tenant group, sole-parent households is increasing as a proportion of the tenancies we manage.

Couples with and without children constitute 15% of the tenancies we manage.

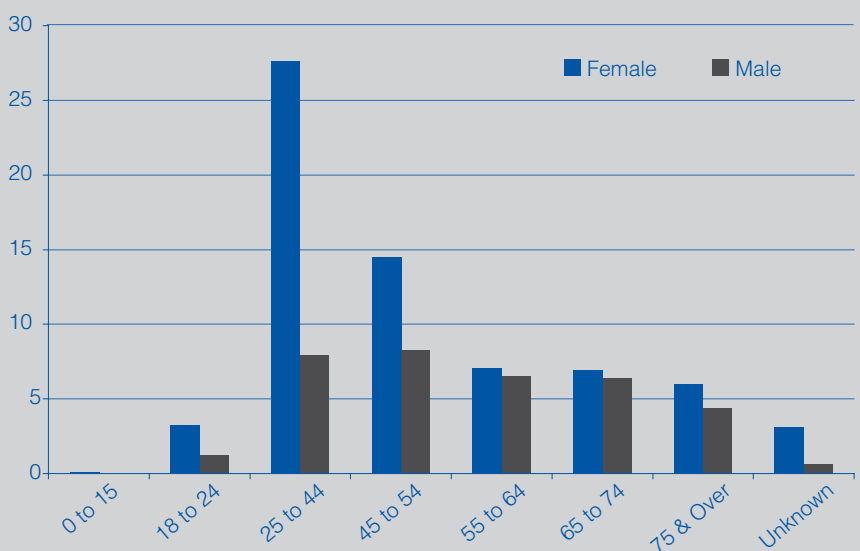
The households we are supporting are predominately headed by women between the age of 25 and 54.

Where our heads of households are aged 55 years or more, the gender balance is almost equal.

% Tenant Household Type 2007-2009

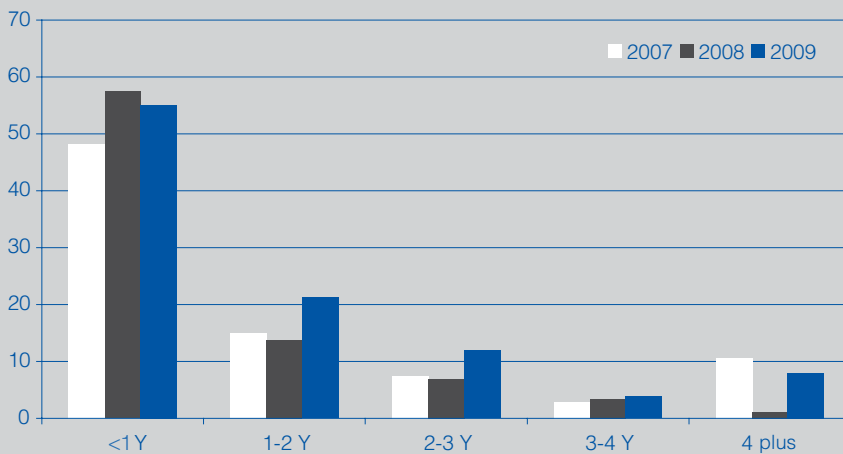


% Gender by Age Head Tenants 2009

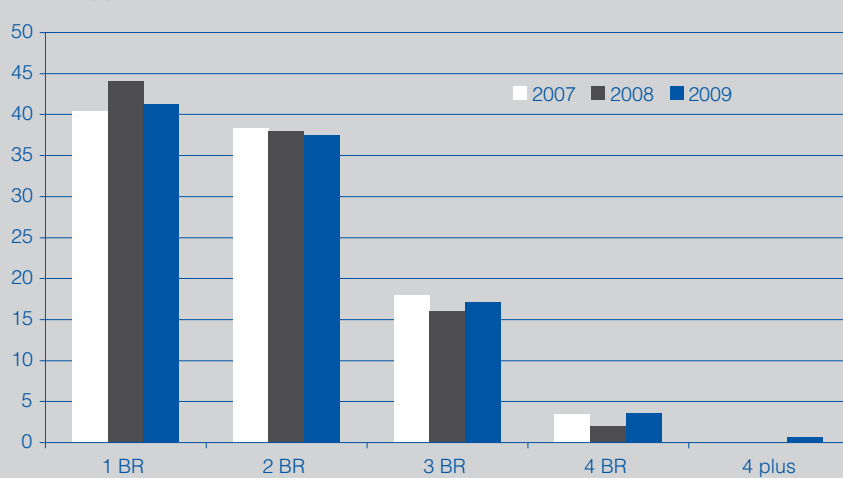


Statistics (Applicants)

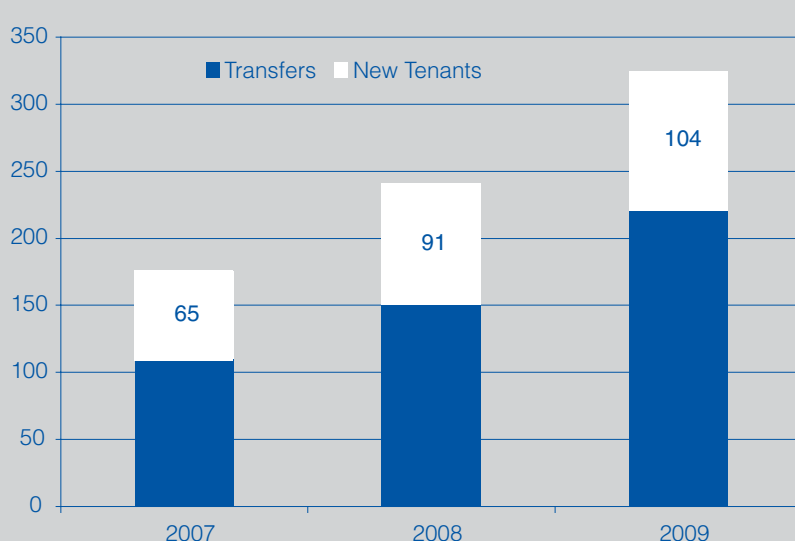
Time on Waiting List June 2007-2009



Applicant Bedroom Demand 2007-2009



New Tenancies and Transfers 2007-2009



At June 2009, we had 695 applicants on our waiting list. This is an increase from 295 in 2008 and confirms that BHL is the largest housing association in the inner metropolitan region.

BHL undertakes annual reviews of its waiting list to ensure all applicants are actively waiting for accommodation and that our waiting list reflects real demand for housing.

As we focus on providing housing in the inner metropolitan area, the people on our waiting list tend to have similar housing requirements as our existing tenants and are mostly smaller households seeking one and two-bedroom units in the inner metropolitan area.

We accommodated 221 applicants in 2008/09 and transferred 104 existing tenants to other housing within the LGAs in which BHL operates.

As tenants' housing needs can change over time, we respond by transferring them to other property or areas that better accommodate those changes. This also makes accommodation available for applicants on our waiting list.

Income; Language and Cultural Identification

Our tenants and applicants are predominately CentreLink beneficiaries.

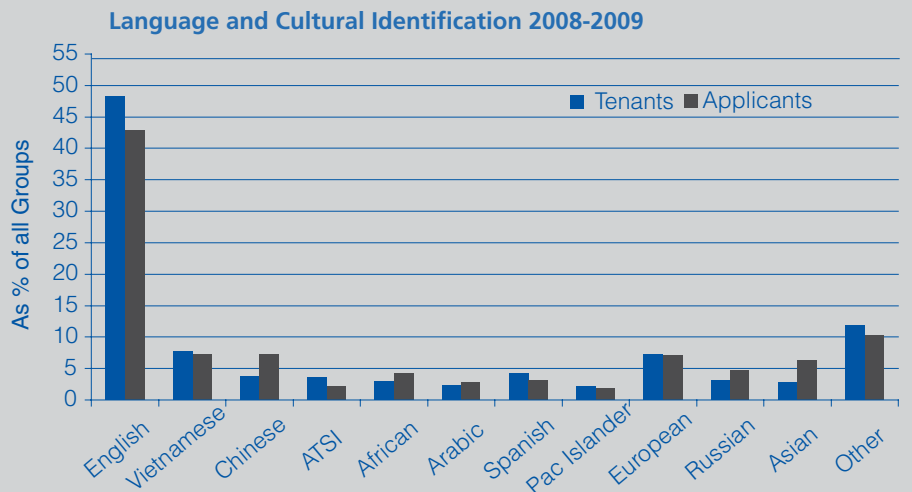
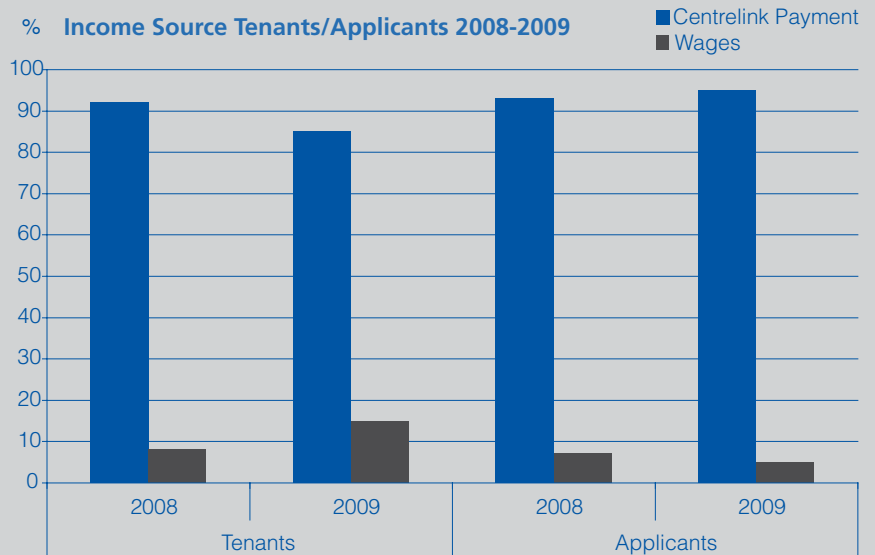
BHL receives two forms of subsidy: Commonwealth Rental Assistance for tenants on low incomes and Housing NSW grants.

These allow us to reduce the cost of housing for low income households and provide quality, affordable housing in one of the highest cost regions in Australia.

There is considerable diversity in cultural and linguistic backgrounds among BHL tenants and applicants. BHL tenants speak over 47 languages.

After English, the predominant languages represented are Vietnamese, Chinese and European languages which together make up almost 22% of all language groups who receive BHL support.

2% are from an Aboriginal and Torres Strait Islander (ATSI) background.



Summary Financial Statement

to 30 June 2009

Income and Expenditure Account

How much we...	Where does all the money come from?	2009 \$	2008 \$
...charged tenants for living in the properties	Rents	5,633,397	3,424,634
...received from Developer Contributions	SEPP 10	118,413	341,235
...received from government	Gross Grants received	6,585,898	3,868,198
...received from investment of surplus funds	Interest	130,214	199,958
...received from other activities	Other	719,747	203,261
		13,187,669	8,037,286
	Where does all the money go?		
...spent renting properties	Rents paid	-7,731,288	-5,041,079
...spent on property rates & utilities	Rates and utilities	-562,610	-384,693
...spent on maintaining the properties	Maintenance	-985,221	-640,175
...spent on other property & tenant expenses	Insurance, depreciation & other expenses	-1,064,626	-2,081,528
...spent providing services to tenants	Management expenses	-848,944	616,730
		-11,192,688	-7,530,745
...have kept to help with future activity	Surplus for the year	1,994,981	506,541
...have retained of previous years' surpluses	Retained profits brought forward	4,994,617	3,278,125
...have transferred to Reserve for PMP	Transfer to Reserve for Planned maintenance program	-4,102,858	-3,293,250
...have retained to help with future activity	Retained Profits Carried Forward	2,886,739	491,416
	Balance Sheet		
...were owed by our tenants and others	Debtors	1,803,010	1,176,009
...had in the bank	Cash assets	4,619,417	3,111,754
...had paid for property ,furniture and equipment	Property, plant and equipment	1,896,695	34,603
...owed to members & others	Liabilities	-1,329,523	-537,700
		6,989,598	3,784,666
...have retained to provide for future planned maintenance program	Reserve	4,102,858	3,293,250
...have retained for future activities	Retained profits	2,886,740	491,416
		6,989,598	3,784,666

This is a extract from our full audited accounts. A Concise Financial Report is included below. The full financial report and auditor's report can be obtained from www.bridgehousing.org.au, the BHL office on 9699-6055 or reception@bridgehousing.org.au

Concise Audited Financial Reports A.C.N. 135 570 955

For The Year Ended 30 June 2009

Director's Report

The Directors of Bridge Housing Limited present their report and the audited financial statements for the financial year ended the 30th June 2009

Directors

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

Director	Occupation	
John Dunn	Finance	
Vicki Allen	Chief Operating Officer	
Gary Milligan	Asset Management	
Helen Wood	Development Manager	
John Kell	Lawyer	Appointed 6 April 2009
Gary Spreckley	Chief Financial Officer	Appointed 6 April 2009
Shirley Liew	Risk and Assurance Consultant	Appointed 18 June 2009
Dick Persson AM	Company Director	Elected 28 November 2008
Andrew Penfold	Company Director	Resigned 29 August 2008
Jean Laut	Consultant	Resigned 8 December 2008
Martin Baird	Accounting	Resigned 30 June 2009

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

Company Secretary

The following person held the position of company secretary at the end of the financial year:

John Nicolades

Principal Activity

The principal activity of the company in the course of the financial year was the provision of the services to the local community in particular in regards to housing. There was no significant change in the nature of this activity during the financial year.

Significant Changes in State of Affairs

Significant changes in the state of affairs of the company for the financial year were as follows:

- On the 10 March 2009 Bridge Housing Limited (BHL) was created through the transfer of the incorporation status of South West Inner Sydney Housing Cooperative Limited (SWISH) from a cooperative to a company limited by guarantee. In this process SWISH also changed the name of the entity to Bridge Housing Limited.
- On 1 September 2008 Bridge Housing Limited (then operating as SWISH) negotiated with Office of Community Housing to transfer to BHL's management, 117 leasehold and capital properties from Burwood Area Community Housing increasing our portfolio to 780 properties. We subsequently negotiated the transfer of \$500K from BACH's balance sheet as the company was liquidated
- On 1 April 2009 the Eastern Suburbs Rental Housing Association merged with Bridge Housing Limited adding another 380 properties, increasing BHL's total portfolio to 1100 properties
- To accommodate the increased staff complement and provide improved access for tenants Bridge Housing Limited entered into a five year lease on new office premises.

Operating Results

Operations for the year resulted in a surplus of \$1,994,981 (2008: \$506,541). There was no income tax expense as the Company is tax exempt.

Review of Operations

There was a considerable expansion in BHL operations in FY 08/09. The increased surplus was driven by the introduction of the increased rent through CRA maximisation, expansion property portfolio from 650 properties to 1100 properties through the transfer of BACH properties and the merger with Eastern Suburbs Rental housing Association.

BHL undertook its first major property purchase with the assistance of \$850K grant as a contribution towards equity under the Affordable Housing Innovations Fund.

Dividends

The constitution of the Company prohibits the payment or distribution of the assets or income of the Company by the way of dividend or bonus to the members of the Company. Accordingly, no dividend has been paid or declared since the end of the previous financial year.

Future Developments

The Company will continue to provide quality affordable housing to low and moderate income earners residing in the Inner metropolitan region of Sydney.

After Balance Date Events

As at the date of this directors' report, the directors are not aware of any matter of circumstance that has arisen that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 30 June 2009.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Meetings of Directors

During the financial year, 6 meetings of directors were held. Attendance by each director during the year are as follows:

	Director's Meetings	
	Eligible to attend	Number attended
John Dunn	6	6
Gary Milligan	6	6
Vicki Allen	6	6
Helen Wood	6	5
Dick Persson AM	4	4
John Kell	2	1
Gary Spreckley	2	2
Shirley Liew	1	1
Jean Laut (resigned 8 December 2008)	3	2
Andrew Penfold (resigned 29 August 2008)	1	0
Martin Baird (resigned 30 June 2009)	6	4

Directors Benefits

Since the end of the previous financial year no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the accounts or received as the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member or with a corporation in which a Director has a substantial financial interest.

Directors Interests

No Director holds any interest, whether directly or indirectly, in a contract or proposed contract with the company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 34.

Signed in accordance with a resolution of the Directors.



Director
Shirley Liew



Director
Vicki Allen

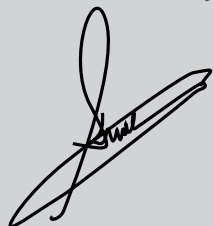
Dated this 15th day of October 2009

Directors Declaration / Auditors Independence Declaration

The directors of the company declare that the concise financial report of Bridge Housing Limited for the year ended 30 June 2009, as set out on pages 35-41:

- a. complies with Accounting Standard AASB 1038: Concise Financial Reports; and
- b. is an extract from the full financial report for the year ended 30 June 2009 and has been derived from and is consistent with the full financial report of Bridge Housing Limited.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Director
Shirley Liew



Director
Vicki Allen

Dated this 15th day of October 2009

Under Section 307C of the Corporations Act 2001 to the directors of Bridge Housing Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009 there has been:

- (iii) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (iv) no contraventions of any applicable code of professional conduct in relation to the audit.

BDO Kendalls Audit & Assurance (NSW-VIC) Pty Limited



Max Perry
Director

Dated in Sydney this 15th day of October 2009

Discussion and Analysis of The Financial Statements

Information on Bridge Housing Limited Concise Financial Report

The Concise financial report is an extract from the full financial report for the year ended 30 June 2009. The financial statements and disclosures in the concise financial report have been derived from the 2009 Financial Report of Bridge Housing Limited. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Bridge Housing Limited financial statements and the information contained in the concise financial report has been derived from the full 2009 Financial Report of Bridge Housing Limited.

Income Statement

The profit after income tax attributable to members for the year is \$1.5 million higher than the results of 2008. This increase is mainly attributable to the following:

- Rent revenue increased due to a the change in the Commonwealth Rent Assistant (CRA) policy introduced in November 2008 which has increased the share of rental income earned by the Company;
- The Company received a cash contribution of \$0.5 million together with the property portfolio from Burwood Area Community Housing Limited (BACH) upon this entity being liquidated;
- On 1 April 2009 the Eastern Suburbs Rental Housing Association Limited (ESRHA) merged with Bridge Housing Limited and transferred its housing portfolio to Bridge Housing Limited, which resulted in the company's property numbers approximately doubling.
- The Company received a grant from the NSW Land & Housing Corporation for \$855,000 to fund a property acquisition in the year. This grant has been recognised in revenue for the year.

Balance sheet

Total assets increased by \$4 million to \$8.3 million at 30 June 2009, representing an increase of 100%. This increase was mainly attributable to the following:

- Cash and cash equivalents increased by \$1.5 million as detail explained in the below note "Cash Flow Statement";

- Property, plant and equipment increased by \$1.5 million due to the purchase and subsequent upgrade of a property in Wiley Park, NSW under the NSW Land and Housing Corporation Debt Equity Affordable Housing Program;
- Trade receivables increased by 85% to \$1.8 million at 30 June 2009 as the result of the increase in property portfolio numbers following the merger with ESHRA and the transfer of properties from BACH.

Total liabilities increased by \$0.8 million to \$1.3 million at 30 June 2009, representing an increase of 147%. This increase was mainly attributable to the following:

- Borrowings increased by \$0.43 million due to a long-term bank loan taken out to fund the purchase of the property in Wiley Park;
- Trade and Other payables increased by \$0.37 million as the result of the increase in property portfolio numbers following the merger with ESHRA and the transfer of properties from BACH.

Cash Flow Statement

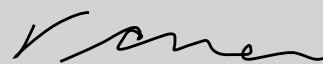
Net Cash inflow for the current financial year is \$1.5 million compared with \$0.35 million in 2008. The Company experienced an increase in operating cash flows through the increase in the property portfolio and rent increase due to the change of CRA policy as disclosed above, together with the receipt of \$1.25 million in cash from BACH and ESRHA. The company spent \$1.6 million to purchase and upgrade the new property at Wiley Park, NSW and received a \$0.8 million government grant under Debt Equity Affordable Housing Program to fund the purchase of the property. This resulted in a \$0.8 million net cash outflow from investing activity. To fund the purchase of this new property, the company also took out a \$0.4 million bank loan.

Statement of changes in equity

The total equity increased by \$3.2 million to \$7 million at 30 June 2009 as the result of \$2.1 million net profit in current year and \$1.1 million in equity transferred from ESRHA on 1 April 2009.



Director
Shirley Liew



Director
Vicki Allen

Dated this 15th day of October 2009

Income Statement / Statement of Changes in Equity

For The Year Ended 30 June 2009

Income Statement	Notes	2009 \$	2008 \$
Revenue	2	12,337,708	7,634,067
Other Income		849,961	403,219
Tenancy and Property Management Expenses	3	(9,942,558)	(6,637,262)
Administration Expenses	3	(1,234,983)	(893,483)
Finance Expenses		(15,147)	-
Profit before income tax		1,994,981	506,541
Income tax expense		-	-
Profit attributable to members		1,994,981	506,541

The accompanying notes form part of these financial statements.

Statement of Changes in Equity	Note	Retained Earnings \$	Reserves \$	Total Equity \$
Balance at 1 July 2007		326,110	2,952,015	3,278,125
Profit attributable to members		506,541	-	506,541
Transfer to/from reserves		(341,235)	341,235	-
Sub-total		491,416	3,293,250	3,784,666
Balance at 30 June 2008		491,416	3,293,250	3,784,666
Profit attributable to members		1,994,981	-	1,994,981
Transfer from ESRHA		518,756	691,195	1,209,951
Transfer to/from reserves		(118,413)	118,413	-
Sub-total		2,395,324	809,608	3,204,932
Balance at 30 June 2009		2,886,740	4,102,858	6,989,598

The accompanying notes form part of these financial statements.

Balance Sheet

For The Year Ended 30 June 2009

	Notes	2009 \$	2008 \$
ASSETS			
Current assets			
Cash and cash equivalents		4,619,417	3,111,754
Trade and other receivables		1,803,010	976,009
Total current assets		6,422,427	4,087,763
Non-current assets			
Property, plant and equipment		1,651,695	34,603
Investment Properties		245,000	200,000
Total non-current assets		1,896,695	234,603
Total assets		8,319,122	4,322,366
LIABILITIES			
Current liabilities			
Trade and other payables		672,493	481,917
Provisions		51,279	55,783
Borrowings		6,702	-
Total current liabilities		730,474	537,700
Non-current liabilities			
Trade and other payables		181,529	-
Borrowings		417,521	-
Total non-current liabilities		599,050	-
Total liabilities		1,329,524	537,700
Net assets		6,989,598	3,784,666
EQUITY			
Reserves		4,102,858	3,293,250
Retained earnings		2,886,740	491,416
Total equity		6,989,598	3,784,666

The accompanying notes form part of these financial statements.

Cash Flow Statement For The Year Ended 30 June 2009

	Notes	2009 \$	2008 \$
Cash flows from operating activities			
Cash receipts from customers		11,621,697	7,899,664
Cash paid to suppliers and employees		(11,076,845)	(7,726,242)
Cash receipts from BACH		500,000	-
Cash receipts from ESRHA		714,390	-
Interest paid		(15,147)	-
Interest received		130,214	199,958
Net cash inflow from operating activities		1,874,309	363,380
Cash flows from investing activities			
Proceeds-sales of property, plant and equipment		-	3,463
Proceeds from government grants		855,000	-
Purchase of property, plant and equipment		(1,645,869)	(14,772)
Net cash outflow from investing activities		(790,869)	(11,309)
Cash flows from financing activities			
Proceeds from borrowings		430,000	-
Repayment of borrowings		(5,777)	-
Net cash outflow from financing activities		424,223	(11,309)
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of period		1,507,663	352,071
		3,111,754	2,759,683
Cash and cash equivalents at end of the year		4,619,417	3,111,754

The accompanying notes form part of these financial statements.

Notes To The Concise Financial Report

For The Year Ended 30 June 2009

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report is an extract for the full financial report for the year ended 30 June 2009. The concise financial report has been prepared in accordance with Accounting Standard AASB1039: Concise Financial Reports, and the Corporations Act 2001.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of Bridge Housing Limited. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Bridge Housing Limited as the full financial report. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The financial report of Bridge Housing Limited complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The presentation currency used in this concise financial report is Australian dollars.

NOTE 2: REVENUE

	2009 \$	2008 \$
Rental Income	5,633,397	3,424,634
Government Grants	6,585,898	3,868,198
SEPP 10 Developer Contributions	118,413	341,235
	12,337,708	7,634,067

NOTE 3: EXPENSE

	2009 \$	2008 \$
Tenancy and Property Management Expenses		
Rent Paid	7,731,288	5,041,079
Provision for Doubtful Debts	11,674	24,108
Insurances	148,611	108,197
Rates and Utility Charges	562,610	384,693
Repairs and Maintenance	985,221	640,175
Other	503,154	439,010
	9,942,558	6,637,262
Administration Expenses		
Salaries, Fees and On Costs	848,944	616,730
Office Rent	67,228	63,137
Office Expenses	110,975	74,913
Consultant Fee	66,287	42,342
Audit and Accounting Services	29,720	30,702
Depreciation	34,227	20,288
Loss on Disposal of Assets	-	1,395
Other Expenses	61,338	39,580
Legal Fees	16,264	4,396
	1,234,983	893,483



INDEPENDENT AUDITOR'S REPORT

To the members of Bridge Housing Limited

The accompanying concise financial report of Bridge Housing Limited comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Bridge Housing Limited for the year ended 30 June 2009 and the discussion and analysis. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Bridge Housing Limited for the year ended 30 June 2009. Our audit report on the financial report for the year was signed on the 15th October 2009 and was not subject to any modification. The Australian Auditing 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 for the year is free from material misstatement.

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

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

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BDO Kendalls

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion, the concise financial report including the discussion and analysis of Bridge Housing Limited for the year ended 30 June 2009 complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

BDO Kendalls Audit & Assurance (NSW-VIC) Pty Ltd

BDO Kendalls Audit & Assurance (NSW-VIC) Pty Ltd

Max Perry
Director

Signed in Sydney this 15th day of October 2009

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