

Annual Report 2010-2011

Link Housing



2010-2011



Vision

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Values

- **Ethical** – transparent, accountable, fair, honest and consistent in everything we do
- **Striving for Excellence** – in housing, services, governance and employment
- **Responsive** – to tenants, applicants, the broader community, and the policy and market environment
- **Respectful** – of tenants, applicants, the broader community and each other
- **Purposeful** – acting strategically based on evidence
- **Accessible** – known for being approachable and caring

Vision

Safe, affordable housing helping people in need to realise a better future

Purpose

Provide socially sustainable housing solutions



About Us

LINK HOUSING LTD | ANNUAL REPORT 2010-2011



About us

Link Housing Ltd is a not-for-profit housing association that provides affordable rental accommodation to people on low to very low incomes.

On 1 July 2010 North Shore Community Housing Ltd and Garrigal Housing Ltd merged, and the combined organisation was named Link Housing Ltd.

Link Housing is managed by a volunteer Board of Directors while the day-to-day activities are managed by the staff team.

Purpose

Link Housing aims to provide a compassionate client-centred service for people at risk of homelessness or unable to afford private rental housing in Northern Sydney. From a handful of properties in 1984, Link Housing now manages around 900 properties across 12 Local Government Areas.

The need

There have been significant increases in rental costs in many suburbs within the catchment area, particularly for smaller one and two bedroom dwellings, which continues to indicate the growing demand for this type of stock and the constrained supply in areas that have historically been lower density environments.

Incomes in most of the LGAs that make up the catchment area are generally higher than the Sydney Statistical Division average, and many show strong signs of gentrification and a much less disadvantaged profile than NSW generally. Nonetheless, there are significant pockets of disadvantage and very vulnerable long-term residents who struggle to remain in the area where they have attachments to community, family or particular service needs.

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Chairperson's Report

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Our strategic direction for 2011-2012 is set. Growth is still important for the survival and sustainability of Link Housing as a company. Link Housing's assets and balance sheet will grow to around \$70M.



Chairperson's Report 2010-2011

The year 2010-2011 is our first year as Link Housing Ltd and it has been a very significant and rewarding year.

Link Housing is one of the larger community housing providers in NSW and the dominant force in northern Sydney. We have around 900 properties and 920 tenants. Link Housing's turnover was \$12M with a balance sheet of \$43M in assets.

Many important strategies were implemented in 2010-2011. We increased our housing stock by gaining the 218 properties through the Nation Building Economic Program, a Commonwealth Initiative conducted in partnership with the NSW State government, for which we successfully tendered last year during the stimulus program. We merged with Ryde Hunters Hill Community Housing, effective 1 July 2011, increasing our stock, staff and profile in northern Sydney. I acknowledge the diligent and consensual approach of the directors and their CEO, Jon Atkins, and welcome the staff of Ryde Hunters Hill Community Housing.

New governance and operational systems were implemented to provide the right framework for the new company and assure Link Housing's focus on the service for our tenants. This has been an essential process throughout this year in preparation for our registration next year.

Fundamental to the operation of Link Housing is our CEO. Dr Phillip Morath joined us in November 2010, and has been the vital force in our growth, restructure and position in the housing industry today.

Our strategic direction for 2011-2012 is set. Growth is

still important for the survival and sustainability of Link Housing as a company. Link Housing's assets and balance sheet will grow to around \$70M, as we will gain the title to the rest of the stimulus properties. Leveraging from our increased assets, we aim to purchase more properties to increase our affordable housing stock. We aim to partner with local governments and developers to provide further housing.

The quality of the service that we provide to our tenants remains a vital strategic direction. A period of system consolidation, implementation and review will occur. In the interim, the team at Link Housing is involved with our current tenants either from a housing management viewpoint or through our new community development manager Claudia Stevens.

The introduction of Pathways during the year has seen a fundamental shift in how community housing providers manage applications and waiting lists. Link Housing now uses a State-based system called HOMES where all applicants are listed for both community housing and Housing NSW. In addition, Link Housing now accepts and processes applications for all Housing NSW and community housing providers.

We welcomed three new directors to the Board – Aldo Manitta, Lois Towart and Josephine Muscolino. We said goodbye to some directors. I thank Beryl Jamieson, Kevin Emanuel, Mary Biddle and Olwen Paul, who were directors for part of the year, for their significant contribution. I take this opportunity to thank all the current directors of Link Housing for their outstanding contribution, often above and beyond the normal duties and responsibilities of a director.

Chairperson's Report

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

On behalf of the Board, I thank Phillip Morath and all Link Housing's staff for their ongoing contribution to the success of Link Housing. I thank also Jack Murphy and Sheryl de Vries, who were Acting Joint CEOs for part of the year. Their unwavering commitment to the new company was much appreciated. We have had a very full year of operational and cultural change and without their dedication Link Housing would not be in the secure place that it is today.

I thank all our members for their continuing support. This is particularly true of the many partner organisations that contribute to our tenants' quality of life. We look forward to welcoming more members in the coming year.

Link Housing's future is bright and we will continue to pursue vigorously our purpose of providing sustainable housing solutions for our tenants.

Julie Savet Ward



Working with tenants

Following the appointment of a dedicated community development manager Link Housing has:

- Set up Regional and Combined Tenant Advisory Groups (TAGs).
- Undertaken a number of community development activities e.g. an art exhibition, gardening competition and tenant meetings.
- Expanded the Education Scholarship program to provide over \$25,000 to tenants who are now working towards qualifications in Law, Teaching and Nursing and more.

Tenants have had input into:

- A new tenant participation process including venues, times and Terms of Reference.
- A tenant forum to be held as part of the AGM.
- The annual tenant satisfaction survey.
- Publications e.g. tenant handbook, newsletters, fact sheets and letters.
- A review of the Education Scholarship program.
- Resolution of day-to-day issues including maintenance.



CEO's Report

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At 30 June 2011 we housed over 900 tenants - a 150% increase in comparison to the year before. Being larger means we have specialist staff to meet requirements of tenants and applicants.



CEO'S Report 2010-2011

The past year has been extremely significant for Link Housing. Over the course of the year, we have changed from a small community housing provider into being the largest community housing company in our region. We are now a key participant across the region in both public housing and affordable housing.

In the 12 months, Link Housing merged with Garrigal Housing and incorporated its staff and the management of all its properties and related responsibilities. In addition, we were awarded 218 new properties under the Nation Building Economic Stimulus Program. These properties were taken over and fully tenanted in the year. As a result, at 30 June 2011 we housed over 900 tenants - a 150% increase in comparison to the year before. During the year, the Board negotiated a merger with Ryde Hunters Hill Community Housing and we were busy with planning and navigating the many processes involved.

As a result of our rapid growth, it is not surprising that our tenants have told us to keep the personal touch that has been the hallmark of our services over the years. In response, we have increased our communication through newsletters, formalised tenant participation and feedback through an increased number of meetings, and set up advisory groups across our region. We now have a community development coordinator working with our tenants and stakeholders.

Being larger means we have specialist staff to meet requirements of tenants and applicants. Tenant benefits include improved speed in responding to maintenance

requests; obtaining leasehold properties faster; and improvements in availability of housing managers to support tenants.

As part of our commitment to Pathways we have two staff members dedicated to processing applications and supporting tenants in relocating into properties.

Housing NSW has transferred to Link Housing the titles to 11 of the 14 sites that were awarded under the Nation Building tender. This has allowed us to extend our role in affordable rental housing. As part of this, we are negotiating with Landcom to buy 28 affordable rental dwellings in Potts Hill. During the year, we worked with developers and Councils across the region to obtain approvals to build affordable rental properties.

All these developments would not have been possible without our dedicated staff who have risen to the challenge of managing so many issues. I thank all of them for their work and commitment. The Board has been extremely professional and diligent in the development of strategy, undertaking the merger negotiations, and monitoring our operations. It has been a pleasure to work with a Chair and Board of such high calibre.

Dr Phillip Morath

Finance Report

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

I am pleased to report that Link Housing's surplus the year ended 30 June 2011 was \$855,102. The income and expenses for the year were in the order of double that of the previous year.



Finance Report 2010-2011

Operations

I am pleased to report that Link Housing's surplus the year ended 30 June 2011 was \$855,102. The income and expenses for the year were in the order of double that of the previous year due to the merger of the company, previously called North Shore Community Housing, with Garrigal Housing.

The total revenue from normal operations for the year was over \$12.6M, which included \$7M rent received from tenants, \$5M in grants and subsidies received from Community Housing Division and other housing partners and \$166,655 in interest. In addition, Link Housing received a one-off grant of \$41M as a part transfer of title to 218 brand new residences from the NSW government through the Nation Building Economic Stimulus Program. At 30 June 2011, Link Housing had received title to 148 of the residences and title to the remaining residences is expected to be transferred in 2011-12.

Total expenses were 11.4M, including \$7.2M in housing rentals paid, almost \$1M in planned maintenance, \$1.2M in other housing expenses such as responsive maintenance, council rates, water rates and insurance and \$1.8M in management expenses.

Financial position

At 30 June Link Housing's equity, represented by the value of assets less the value of liabilities, was \$47M. The increase over the prior year is due to both the merger with Garrigal Housing and the successful tender for the new Nation Building Economic Stimulus Plan residences.

The company's total assets at 30 June were \$48M. This included \$41M land and building value of the Nation Building Economic Stimulus Plan properties that were transferred to Link Housing during the year. Assets also included \$4.5M in cash and term deposits, \$563,853 bonds paid on rental properties, \$481,949 rentals paid in advance to landlords, and \$576,459 grant funding due to Link Housing but not yet received.

Link Housing's total liabilities of \$870,991 included \$246,512 rent received in advance from tenants and \$487,011 in amounts payable and amounts incurred but not yet payable.

Financial and risk management

As part of an overview of Link Housing's corporate governance framework a more comprehensive terms of reference was adopted by the Board for the Audit & Risk Management Committee. This committee monitored the company's financial performance, budget preparation, risk management and the external audit.

During the year Link Housing commissioned a review of internal operations by the company's external auditors and an information technology security review. Recommendations from these reviews are being progressively implemented.

Due to the increase in size and complexity of Link Housing's current and planned operations and the resulting need for more in-house financial expertise, Link Housing employed a part-time Chief Financial Officer, Cheryl Barrett, during the year.

Susan Williams

Chair, Audit & Risk Management Committee

Property Details

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Property Program Details 2010-2011

Program Name	Client Group	No of Properties	No of Tenancies
CHLP Capital	General and some supported	299	310
CHLP Leasehold	General and some supported	293	302
Affordable Housing Thornleigh	Working households	6	6
Affordable Housing Willoughby	Working households	10	10
Crisis Accommodation Program	Supported housing	22	22
HPA	Housing NSW tenants	2	2
North Sydney Council – Joint Venture	General and some supported	29	43
Short term leases	Supported housing	6	6
NBESP properties	General and some supported	218	220
Total		885	921

Property Type

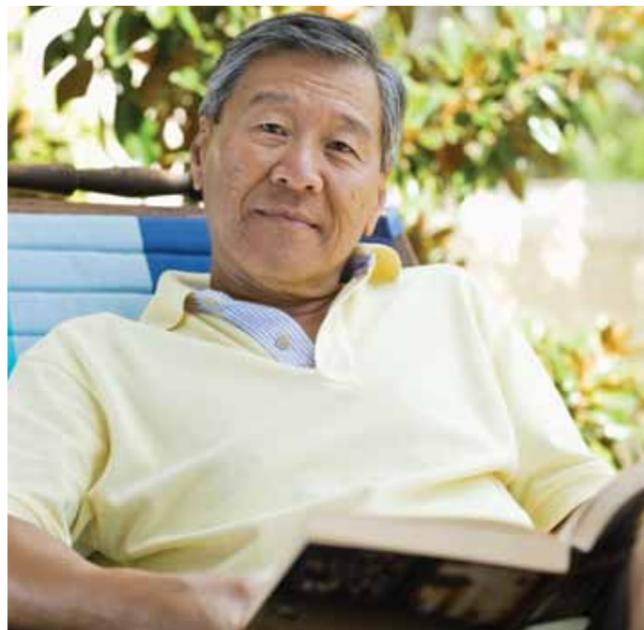
Most properties we manage are units. However Link Housing also manages a number of group homes (in partnership with support agencies that have nomination rights over any vacancies) and two boarding houses.

Turnover

During 2010-2011 we received an additional 218 properties through the Nation Building Economic Stimulus Plan. With that and other vacancies, housing managers signed up 292 new households.

Improved Outcomes

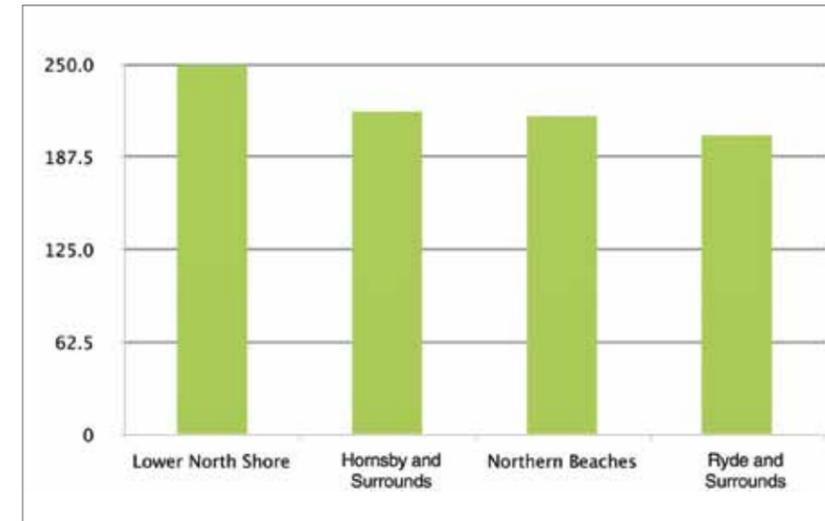
The larger portfolio and new properties have enabled us to provide more flexible solutions to housing needs, work with more partners and house more people with complex needs.



Property Details

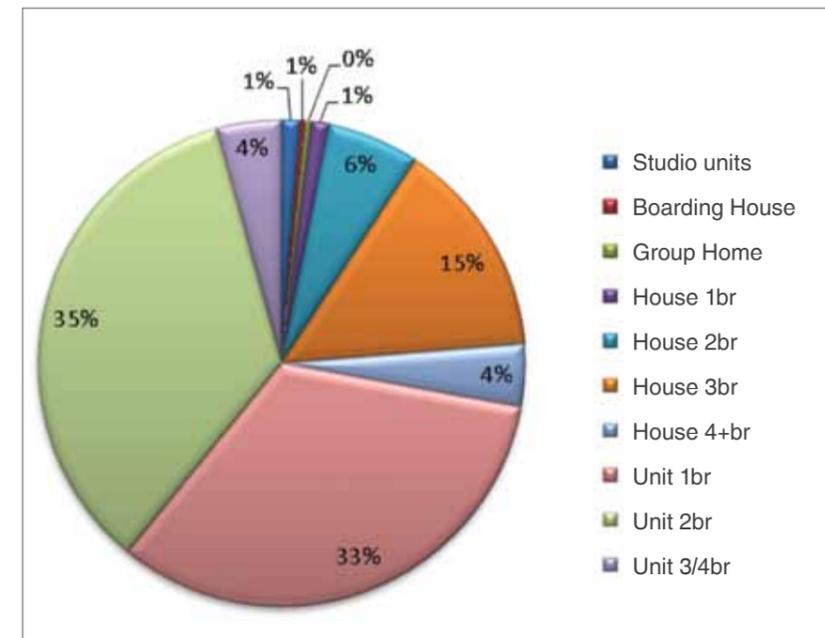
LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Number of Properties by Area



Link Housing properties are well distributed across the region.

Property Size



75% of our properties are one or two bedroom dwellings, mostly units.

“Thank you for all your assistance and for putting your faith in me by choosing me as a successful applicant, as this has happened at the right time for me, and I can see a new career path opening up for me, which is something that I am very excited about”

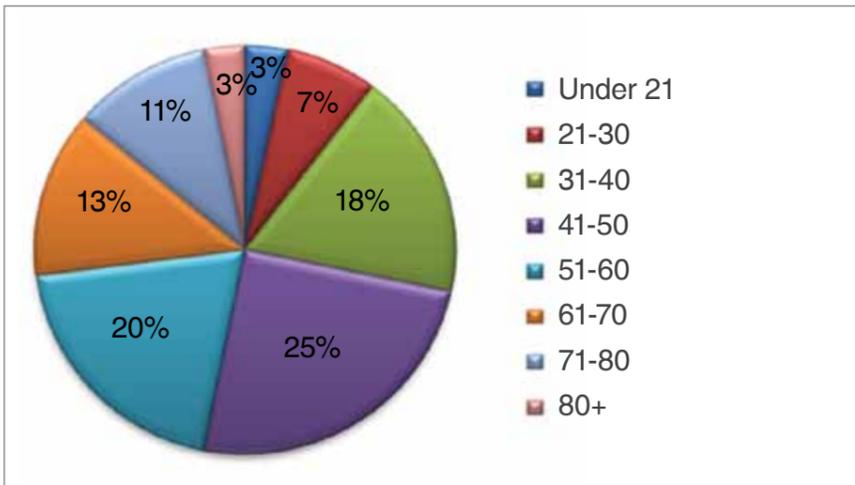
Link Housing Education Scholarship recipient



Our Profile

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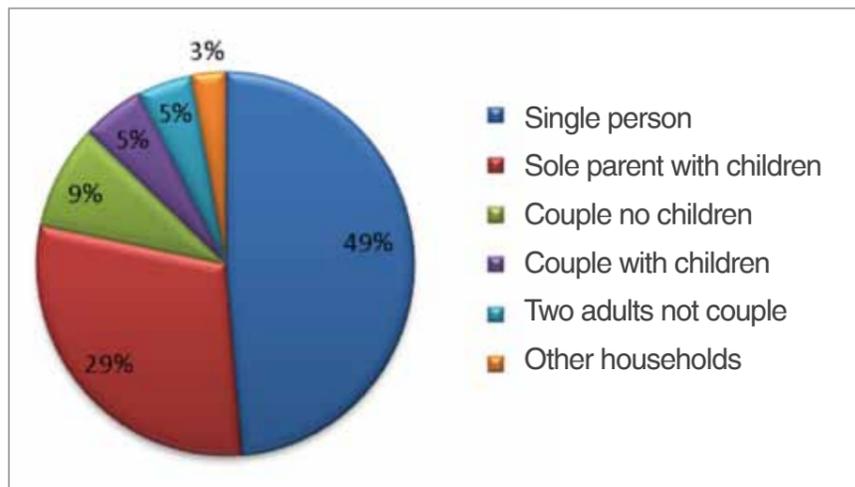
Age of Head Tenant



Almost 50% of our tenants are aged 50 or over, and more than 25% of the tenants are aged over 60.



Household Type



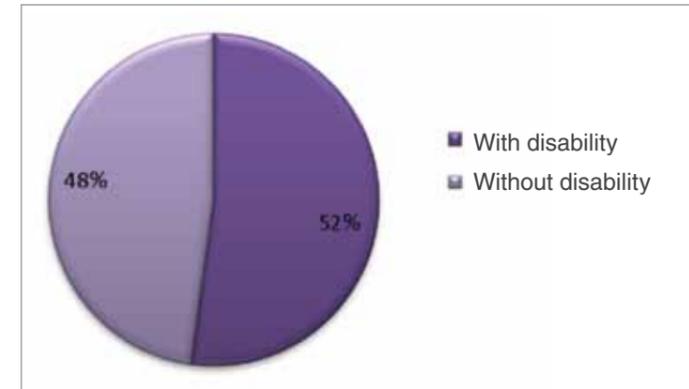
Almost half our tenants are single and living alone.



Our Profile

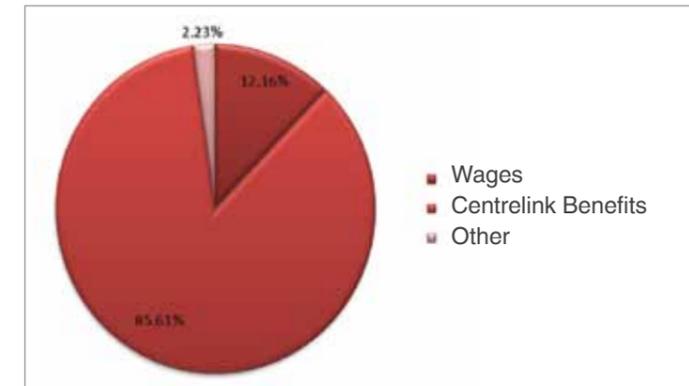
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Household with a Disability



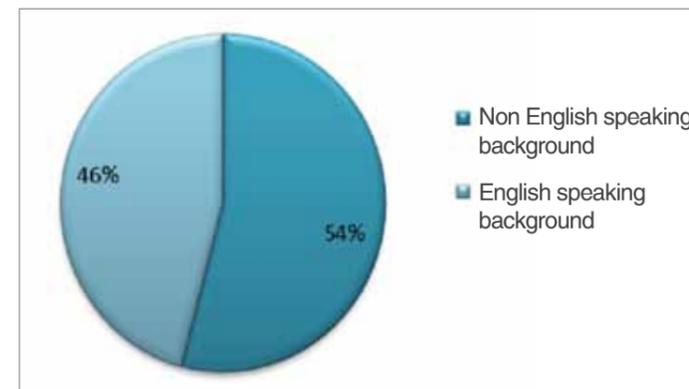
More than half our tenants have a disability – intellectual, psychiatric or physical.

Household Income



More than 85% of our tenants are receiving Centrelink benefits, mainly the Aged Pension and the Disability Support Pension (DSP).

Language



More than half of our tenants speak English as a second language. Link Housing employs staff who speak Mandarin and Cantonese.

“My husband and I (now both in our 60s) thought we would be caring for our daughter during our retirement and until we go into a nursing home or until we both died, but thankfully Link Housing came to our rescue and we can now support our daughter living independently. Knowing that with the extra drop in support by her suitable carer our daughter can manage adequately...”

Aged Pension per week with single pensioner supplement and maximum Commonwealth Rent Assistance (CRA) = \$434.10 per week

Newstart per week with maximum Commonwealth Rent Assistance (CRA) = \$303.10 per week

Source: Centrelink September 2011

Supported Housing Programs

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Supported Housing Programs

Link Housing is proud to have a number of excellent support partners who share our desire to assist those most in need in our community. With our property numbers increased, we were not only able to transfer additional properties to our supported housing programs but could partner with new agencies.

We have a long-term commitment to housing those most vulnerable in the community. The organisation works with various support bodies to provide a range of quality services to tenants in crisis or with complex needs. As well as offering long-term supported housing, Link Housing helps a number of partners to supply transitional accommodation for young people and families who are homeless or at risk of homelessness, as well as new refugees.

Support Agency	Support Type
Northern Sydney Central Coast Health – various departments and programs	Transitional and permanent supported accommodation for clients with mental health issues
The Housing Connection	Housing and support for people with an intellectual disability
New Horizons	Housing and support for people with mental health issues and/or an intellectual disability
Delvena Women's Refuge	Transitional housing DV
Bobby Goldsmith Foundation	Housing and support for people living with HIV/AIDS.
Phoenix Youth Services	Transitional housing for young people who are homeless or at risk of homelessness
Taldemunde Youth Services	Transitional housing for young people who are homeless or at risk of homelessness
The Burdekin Association	Transitional housing for young people and young mothers who are homeless or at risk of homelessness
Lorna Hodgkinson Sunshine Homes – two programs	Housing and support for people with an intellectual disability
Royal Rehabilitation Centre	Modified accommodation and support for adults with multiple disabilities
Community Care Northern Beaches	Housing and support for older clients
Ageing, Disability and Home Care (ADHC)	Permanent accommodation for people with an intellectual disability or acquired brain injury
Achieve Australia	Housing and support for adults with an intellectual disability
Jesuit Refugee Services	Transitional housing for refugees and asylum seekers
House with No Steps – two programs	Housing and support for adults with an intellectual disability
Sunnyfield	Housing and support for adults with an intellectual disability
Wesley Dalmar	Transitional housing for young mothers
Baptist Community Services	Housing and support
Ryde Hunters Hill Older Carers Group	Housing and support for adults with an intellectual disability

Link Housing Ltd is committed to setting aside 20% of its stock for housing and support partnerships, recognising that some people need a combination of both in order to be able to successfully maintain a tenancy in the community.

At 30 June 2011, Link Housing had 143 tenancies under housing and support arrangements. This is approximately 15.5% of all tenancies. That proportion will increase again to 20% over the next few months as tenancies turn over.

Affordable Housing Programs

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Affordable Housing Programs

Service and retail centres in Northern Sydney suburbs such as North Sydney, Hornsby and Chatswood, attract a high number of key workers who would benefit from the ability to live closer to work through more affordable rental opportunities.

At least 40% of privately renting households in our area of operation are categorised as very low, low, and moderate income earners.

Link Housing is dedicated to providing a range of housing options to meet the diverse needs of our community, and this includes affordable rental housing for local workers. We currently manage two affordable housing programs, one in Thornleigh and the other in the Willoughby Local Government Area. Both of these are extremely popular and there was only one vacancy in each program during the 2010-2011 financial year.

Our goal is to increase the amount of affordable housing in the region, given the high cost of home ownership and private rentals (see table). We are constantly seeking new opportunities to increase affordable housing either alone or in partnership with all levels of government, the private sector and other not-for-profit organisations.



Median rents for a one bedroom unit in the private rental market:

Hornsby LGA	\$370
Lane Cove LGA	\$370
Manly LGA	\$450
Mosman LGA	\$395
North Sydney LGA	\$450
Ryde LGA	\$320
Warringah LGA	\$380
Willoughby LGA	\$460

Source: Rent and Sales Report 96, June 2011

Our recent survey of real estate agents in five key areas of Link Housing's catchment indicate that the private rental market remains highly constrained. It is becoming far more difficult for those who need affordable housing in the past 12 months. Very little stock at the 'affordable' end of the market is reported to become available.

Financial Report 2010-2011

Link Housing Ltd



Link Housing Ltd
(formerly known as North Shore Community Housing Ltd)
ABN 62 003 084 928

Financial Statements
For the Year Ended 30 June 2011

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Independent Audit Report

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011



Independent Audit Report to the members of Link Housing Ltd (formerly known as North Shore Community Housing Ltd)

Report on the Financial Report

We have audited the accompanying financial report of Link Housing Ltd (formerly known as North Shore Community Housing Ltd), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 about whether the financial report is free from material misstatement.

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

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 the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Link Housing Ltd (formerly known as North Shore Community Housing Ltd), would be in the same terms if given to the directors as at the time of this auditor's report.

Assurance Partners

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Independent Audit Report

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011



Independent Audit Report to the members of Link Housing Ltd (formerly known as North Shore Community Housing Ltd)

Opinion

In our opinion the financial report of Link Housing Ltd (formerly known as North Shore Community Housing Ltd) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards and the Corporations Regulations 2001.

HILL ROGERS SPENCER STEER
ASSURANCE PARTNERS



JOHN R WILCOX

Partner

Dated this 20th day of October 2011 Sydney

Directors' Report

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Your directors present their report on Link Housing Ltd (formerly known as North Shore Community Housing Ltd) for the financial year ended 30 June 2011.

1. General information

(a) Directors

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

Aldo Manitta	Appointed 25/11/2010
Beryl Marjorie Jamieson	Resigned 25/11/2010
Eija Roti	
George Marton	
Josephine Muscolino	Appointed 24/05/2011
Julie Ann Savet Ward	
Kevin Louis Emanuel	Resigned 25/11/2010
Lois Towart	Appointed 23/05/2011
Mary Biddle	Resigned 25/11/2010
Olwen Paul	Appointed 25/11/2010 and Resigned 19/05/2011
Sonja Paulette Walters	
Susan Joan Williams	

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



Directors' Report

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

(b) Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Aldo Manitta	
Qualifications	BA Macq Uni, Grad Cert in Public Sector Management
Appointment date	25/11/2010
Special responsibilities	Member, HR Committee

Beryl Marjorie Jamieson	
Qualifications	MBA (AGSM) and Master of Art in Migration Studies (Macquarie University), Fellow of the Institute of Company Directors
Occupation	Consultant
Cease date	25/11/2010

Eija Roti	
Qualifications	B.Arts, B.Laws. Admitted as a Solicitor of the Supreme Court NSW 1993
Occupation	Director Dept of Human Services
Special responsibilities	Company Secretary

George Marton	
Qualifications	B.Sc Commerce, MBA International Business, Real Estate License NSW
Occupation	Strategic Property Advisor
Special responsibilities	Vice Chair, Member of Audit & Risk Management Committee

Josephine Muscolino	
Qualifications	BScLLB (Macquarie University 1985) admitted as solicitor of the Supreme Court of NSW and of the High Court of Australia
Occupation	Director
Appointment date	24/05/2011

Julie Ann Savet Ward	
Qualifications	B.Sc.(Applied Phys Geog) M Landscape Planning
Occupation	Company Director
Special responsibilities	Chairperson

Directors' Report

For the year ended 30 June 2011

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Kevin Louis Emanuel	
Qualifications	BA LLB (Sydney University) Admitted as a Solicitor of the Supreme Court on 8 February 1974 and Solicitor of the High Court
Experience	Lawyer
Cease date	25/11/2010

Lois Towart	
Qualifications	Assoc Dip Val (WAIT) BBus (WAIT) FAPI SFin
Appointment date	23/05/2011
Special responsibilities	Member, Audit & Risk Management Committee (appointed 18/8/2011)

Mary Biddle	
Occupation	CEO of Youth Housing Scheme, Co President YAA, Grad AICD
Cease date	25/11/2010

Olwen Paul	
Qualifications	CPA
Appointment date	25/11/2010
Cease date	19/05/2011

Sonja Paulette Walters	
Qualifications	MBA, M.Arts. Migration, B.Soc.Work G Certificate of Mgt (Charles Sturt University)
Occupation	Company Director and Trainer
Special responsibilities	Chair, HR Subcommittee

Susan Joan Williams	
Qualifications	CPA, ACIS, BA(Acc), MBA(Int Bus) Grad Dip Appl Corp Gov.
Occupation	Business Advisor
Special responsibilities	Chair, Audit & Risk Management Committee

Directors' Report

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

(c) Review of operations

The profit of the company for the year ended 30 June 2011 amounted to \$855,102 (2010: \$621,973).

During the financial year as part of the Nation Building Economic Stimulus Program 218 dwellings were transferred to the company. These properties are used to provide social housing to the community. Link Housing is fully committed to increasing housing opportunities in the region.

(d) Significant changes in state of affairs

On the 15th June 2010 the members of NSCH agreed to merge with Garrigal Housing Association Ltd, another community housing provider based in the Northern Sydney region. On the same date the organisation agreed to change its name to Link Housing Ltd. The effective date of this merger was 1 July 2010.

(e) Principal activities

The principal activity of Link Housing Ltd (formerly known as North Shore Community Housing Ltd) during the financial year was the provision of affordable rental housing to low income earners in northern Sydney region of New South Wales.

No significant changes in the nature of the entity's activity occurred during the financial year.

2. Dividends paid or recommended

The company's constitution prohibits the distribution of dividends.

3. Other items

(a) Events after the end of the reporting period

Pursuant to an agreement dated 20 December 2010 between Ryde Hunters Hill Community Housing Coop Ltd (RHHCH) and Link Housing Limited (Link), RHHCH has agreed to merge with Link and transfer its assets, liabilities, and obligations in accordance with the terms and conditions mentioned in the agreement to combine businesses. The effective date of this merger was 1 July 2011.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

(b) Future developments and results

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

(c) Environmental matters

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

Directors' Report

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

4. Meetings of directors

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

Directors' Meetings

	Number eligible to attend	Number attended
Aldo Manitta	7	7
Beryl Marjorie Jamieson	4	3
Eija Roti	11	11
George Marton	11	9
Josephine Muscolino	1	1
Julie Ann Savet Ward	11	11
Kevin Louis Emanuel	4	2
Lois Towart	1	1
Mary Biddle	4	3
Olwen Paul	6	1
Sonja Paulette Walters	11	9
Susan Joan Williams	11	10

Attendances by each director at committee meetings were as follows:

Audit & Risk Management Committee

George Marton	2	2
Susan Joan Williams	2	2

HR Committee

Aldo Manitta	2	2
Sonja Paulette Walters	2	2

5. Indemnification and insurance of officers and auditors

No indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of Link Housing Ltd (formerly known as North Shore Community Housing Ltd). Insurance premiums have been paid during the financial year, for all directors and officers to the extent permitted by the *Corporations Act*.

6. Proceedings on behalf of 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.

Directors' Report

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

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

7. Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2011 has been received and can be found on page 41 of the financial report.

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

Director: 

Director: 

Dated this 20th day of October 2011

Directors' Declaration

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Directors' Declaration

The directors of the entity declare that:

- The financial statements and notes, as set out on pages 25 to 40, are in accordance with the *Corporations Act 2001* and:
 - comply with Australian Accounting Standards; and
 - give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the entity.
- In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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

Director 

Director 

Dated this 20th day of October, 2011

Statement of Comprehensive Income

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

	Note	2011 \$	2010 \$
Revenue	2	53,851,653	5,314,809
Property expenses		(8,385,026)	(3,403,478)
Employee benefit expenses		(1,278,915)	(406,032)
Planned maintenance		(805,643)	(424,823)
Office expenses		(187,415)	(82,129)
Rent expense		(154,252)	(56,530)
Return of surplus funds		(106,931)	(105,000)
Relocation expenses		(84,310)	-
Professional services		(79,381)	(176,992)
Tenancy support expenses		(29,755)	(3,770)
Financial expenses		(23,685)	(8,854)
Other expenses		(18,381)	-
Depreciation and amortisation expense		(18,310)	(21,501)
Loss on disposal of assets		(17,897)	-
Motor vehicle expenses		(4,144)	(3,727)
Profit for the year before transfers to reserves		42,657,608	621,973
Grants NBESP reserves		(41,248,221)	-
SEPP 10 reserves		(355,674)	-
Affordable housing reserves		(29,712)	-
Property maintenance reserves		(168,899)	-
Profit for the year after transfers to reserve		855,102	621,973
Other comprehensive income:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		855,102	621,973

Statement of Financial Position

As at 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

	Note	2011 \$	2010 \$
Assets			
Current Assets			
Cash and cash equivalents	3	4,524,681	2,334,661
Trade and other receivables	4	1,388,554	554,112
Other assets	6	481,949	273,666
Total Current Assets		6,395,184	3,162,439
Noncurrent Assets			
Property, plant and equipment	5	41,384,698	123,450
Total Noncurrent Assets		41,384,698	123,450
Total Assets		47,779,882	3,285,889
Liabilities			
Current Liabilities			
Trade and other payables	7	487,011	330,249
Financial liabilities	8	-	2,524
Shortterm provisions	9	105,967	28,504
Other liabilities	10	246,512	100,035
Total Current Liabilities		839,490	461,312
Noncurrent Liabilities			
Longterm provisions	9	31,501	13,961
Total Noncurrent Liabilities		31,501	13,961
Total Liabilities		870,991	475,273
Net Assets		46,908,891	2,810,616
Equity			
Reserves	11	45,166,616	1,923,443
Retained earnings		1,742,275	887,173
TOTAL EQUITY		46,908,891	2,810,616

Statement of Changes in Equity

As at 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

	Retained earnings \$	Property maintenance reserve - capital \$	Property reserve - affordable housing \$	Capital profits reserve - NSCH \$	Capital profits reserve - Garrigal \$	SEPP 10 reserve \$	Property reserve - NBESP \$	Total \$
Balance at 1 July 2010	887,173	1,460,000	375,000	88,443	-	-	-	2,810,616
Profit before reserves	42,657,608	-	-	-	-	-	-	42,657,608
Transfers to reserves								
Property reserve - NBESP	(41,248,221)	-	-	-	-	-	41,248,221	-
SEPP 10 reserve	(355,674)	-	-	-	-	355,674	-	-
Property reserve - Thornleigh affordable housing	(29,712)	-	29,712	-	-	-	-	-
Property maintenance reserve - capital	(168,899)	168,899	-	-	-	-	-	-
Capital profit reserve on acquisition of entity	-	-	-	-	1,445,123	-	-	1,445,123
Payments made during the year	-	(4,456)	-	-	-	-	-	(4,456)
Balance at 30 June 2011	1,742,275	1,624,443	404,712	88,443	1,445,123	355,674	41,248,221	46,908,891
2010								
Balance at 1 July 2009	745,200	1,040,000	315,000	88,443	-	-	-	2,188,643
Profit attributable to the entity	621,973	-	-	-	-	-	-	621,973
Transfers to reserves								
Property maintenance reserve - capital	(420,000)	420,000	-	-	-	-	-	-
Property reserve - Thornleigh affordable housing	(60,000)	-	60,000	-	-	-	-	-
Balance at 30 June 2010	887,173	1,460,000	375,000	88,443	-	-	-	2,810,616

Statement of Cash Flows

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government subsidies and grants		4,664,291	2,411,138
Payments to suppliers and employees		(11,116,375)	(4,673,524)
Sundry receipts		1,646	66,533
Interest received		157,246	78,608
Rent and other receipts		6,738,629	2,787,401
SEPP 10 receipts		355,674	-
Net cash provided by (used in) operating activities	14	801,111	670,156
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		483	-
Capital profit reserves through acquisition of entity		1,445,123	-
Purchase of property, plant and equipment		(49,717)	(19,644)
Payments from reserves		(4,456)	-
Net cash provided by (used in) investing activities		1,391,433	(19,644)
Net increase (decrease) in cash and cash equivalents held		2,192,544	650,512
Cash and cash equivalents at beginning of financial year		2,332,137	1,681,625
Cash and cash equivalents at end of financial year	3	4,524,681	2,332,137

Notes to the Financial Statements

For the Year Ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

The financial statements are for Link Housing Ltd (formerly known as North Shore Community Housing Ltd) as an individual entity, incorporated and domiciled in Australia. Link Housing Ltd (formerly known as North Shore Community Housing Ltd) is a company limited by guarantee.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board 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 noncurrent assets, financial assets and financial liabilities.

(b) Comparative figures

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

(c) Property, plant and equipment

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

(i) Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against this reserve directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Notes to the Financial Statements

For the Year Ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

(ii) Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

(iii) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on both straight line basis and diminishing value basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated. The depreciation rates used for each class of depreciable assets are:

Furniture, Fixtures and Fittings	20%
Motor Vehicles	22.5%
Office Equipment	10% – 67%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Impairment of non-financial assets

At the end of each reporting year, the company reviews the carrying values 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. Value in use is either the discounted cash flows relating to the asset or depreciated replacement cost if the criteria in AASB 136 'Impairment of Assets' are met. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Assets, other than goodwill that have an allocated impairment loss are reviewed for reversal indicators at the end of each reporting period. After recognition of an impairment loss, the amortisation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount on a systematic basis over its remaining useful life.

Notes to the Financial Statements

For the Year Ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Impairment losses are recognised as an expense immediately, unless the relevant asset is property, plant and equipment held at fair value (other than investment property carried at a revalued amount) in which case the impairment loss is treated as a revaluation decrease as described in the accounting policy for property, plant and equipment.

(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 which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(f) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(g) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Income tax

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

(i) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. The lease is not recognised in the statement of financial position.

(j) Revenue and other income

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Link Housing Ltd (formerly known as North Shore Community Housing Ltd)'s activities.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Notes to the Financial Statements

For the Year Ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Grant revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant, 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.

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.

Link Housing Ltd (formerly known as North Shore Community Housing Ltd) receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue

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

Provision of services

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(k) 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. 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 in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the Financial Statements

For the Year Ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

	Note	2011 \$	2010 \$
2 Revenue and Other Income			
Revenue from continuing operations			
- Rent received		6,969,759	2,776,244
- CHLP rent subsidies		4,969,273	2,395,091
- Interest received		165,655	76,940
- Recovered charges from tenants		136,748	48,762
- Grants HPA		4,677	-
- Miscellaneous income		1,521	17,772
- Membership fees		125	-
- Grants – NBESP land and buildings		41,248,221	-
- SEPP 10 income		355,674	-
		53,851,653	5,314,809
3 Cash and Cash Equivalents			
Cash on hand		500	300
Cash at bank		3,358,488	519,757
Shortterm bank deposits		1,165,693	1,814,604
		4,524,681	2,334,661
Reconciliation of cash			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents		4,524,681	2,334,661
Bank overdraft	8	-	(2,524)
Balance as per statement of cash flows		4,524,681	2,332,137
4 Trade and Other Receivables			
CURRENT			
Rent and non-rent amounts due from tenants		186,667	16,620
Provision for impairment		(16,440)	-
		170,227	16,620
Bonds paid on leased properties		563,853	257,287
Government subsidies receivable		576,459	266,800
Other receivables		78,015	13,405
		1,388,554	554,112

Notes to the Financial Statements

For the Year Ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Note	2011 \$	2010 \$
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5 Property, Plant and Equipment

LAND AND BUILDINGS

Freehold land		
At cost	80,000	80,000
At independent valuation	18,076,000	-
Total land	18,156,000	80,000

Building

At independent valuation	23,172,221	-
Total buildings	23,172,221	-
Total land and buildings	41,328,221	80,000

PLANT AND EQUIPMENT

Furniture, fixture and fittings		
At cost	4,813	86,901
Accumulated depreciation	(3,188)	(83,080)
Total furniture, fixture and fittings	1,625	3,821

Motor vehicles

At cost	32,105	-
Accumulated depreciation	(12,822)	-
Total motor vehicles	19,283	-

Office equipment

At cost	68,989	133,764
Accumulated depreciation	(33,420)	(94,135)
Total office equipment	35,569	39,629
Total plant and equipment	56,477	43,450
Total property, plant and equipment	41,384,698	123,450

During the 2011 year as part of the NBESP program the company received title to land and buildings from Housing NSW for zero consideration. These assets have been recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Notes to the Financial Statements

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

5 Property, Plant and Equipment continued

Movements in Carrying Amounts

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

	Land	Buildings \$	Furniture, Fixtures and Fittings \$	Motor Vehicles \$	Office Equipment \$	Total \$
Balance at 30 June 2011						
Balance at the beginning of year	80,000	-	3,821	-	39,629	123,450
Additions	-	-	-	-	21,371	21,371
Additions through acquisition of entity	-	-	-	24,881	3,465	28,346
Grants recognised at fair value	18,076,000	23,172,221	-	-	-	41,248,221
Disposals	-	-	(1,233)	-	(17,147)	(18,380)
Depreciation expense	-	-	(963)	(5,598)	(11,749)	(18,310)
Balance at 30 June 2011	18,156,000	23,172,221	1,625	19,283	35,569	41,384,698

Balance at 30 June 2010						
Balance at the beginning of year	80,000	-	7,614	-	37,693	125,307
Additions	-	-	1,450	-	18,194	19,644
Depreciation expense	-	-	(5,243)	-	(16,258)	(21,501)
Balance at 30 June 2010	80,000	-	3,821	-	39,629	123,450

Notes to the Financial Statements

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

	Note	2011 \$	2010 \$
6 Other Assets			
CURRENT			
Prepayments		481,949	273,666
		481,949	273,666
7 Trade and Other Payables			
CURRENT			
Unsecured liabilities			
Trade payables		63,422	92,591
Sundry payables and accrued expenses		423,589	237,658
		487,011	330,249
8 Borrowings			
CURRENT			
Secured liabilities:			
Bank overdraft		-	2,524
		-	2,524
9 Provisions			
CURRENT			
Employee entitlements		105,967	28,504
		105,967	28,504
NON-CURRENT			
Employee entitlements		31,501	13,961
		31,501	13,961
10 Other Liabilities			
CURRENT			
Deferred income		246,512	100,035
		246,512	100,035

Notes to the Financial Statements

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

	Note	2011 \$	2010 \$
11 Reserves			
Property reserve – NBESP			
Opening balance		-	-
Additions during the year		41,248,221	-
		41,248,221	-
SEPP 10 reserve			
Opening balance		-	-
Additions during the year		355,674	-
		355,674	-
Capital profits reserve – NSCH			
Opening balance		88,443	88,443
Additions during the year		-	-
		88,443	88,443
Capital profits reserve – Garrigal			
Opening balance		-	-
Additions during the year		1,445,123	-
		1,445,123	-
Property reserve – Thornleigh			
Opening balance		375,000	315,000
Additions during the year		29,712	60,000
		404,712	375,000
Property maintenance reserve – Capital			
Opening balance		1,460,000	1,040,000
Additions during the year		168,899	420,000
Payments during the year		(4,456)	-
		1,624,443	1,460,000
Total reserves		45,166,616	1,923,443

Notes to the Financial Statements

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Note	2011 \$	2010 \$
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12 Capital and Leasing Commitments

Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable – minimum lease payments:

- no later than 1 year	115,017	-
- between 1 year and 5 years	415,543	-
	530,560	-

13 Financial Risk Management

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Net fair values

The fair values of financial assets and financial liabilities have been disclosed in the statement of financial position and in the notes to the financial statements. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.



Notes to the Financial Statements

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Interest Rate Risk

Financial instrument composition and maturity analysis

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Noninterest Bearing		Total	
	2011 %	2010 %	2011 %	2010 %	2011 %	2010 %	2011 %	2010 %
Financial Assets:								
Cash and cash equivalents	-	-	3,358,988	520,057	-	-	3,358,988	520,057
Short term deposits	6.00	6.00	1,165,693	1,814,604	-	-	1,165,693	1,814,604
Receivables	-	-	-	-	1,388,554	554,112	1,388,554	554,112
Total Financial Assets			4,524,681	2,334,661	1,388,554	554,112	5,913,235	2,888,773
Financial Liabilities:								
Bank loans and overdrafts	-	-	-	2,524	-	-	-	2,524
Trade and sundry payables	-	-	-	-	487,011	330,249	487,011	330,249
Total Financial Liabilities			-	2,524	487,011	330,249	487,011	332,773

Notes to the Financial Statements

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011

Note	2011 \$	2010 \$
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14 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

Profit for the year	42,657,608	621,973
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	18,310	21,501
- net loss on disposal of property, plant and equipment	17,897	-
- grants - land and buildings	(41,248,221)	-
- bad debts	-	11,244
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(834,442)	94,301
- (increase)/decrease in prepayments	(208,283)	(22,653)
- increase/(decrease) in trade and other payables	156,762	(55,926)
- increase/(decrease) in deferred income	146,477	-
- increase/(decrease) in provisions	95,003	-
- increase/(decrease) in employee benefits	-	(284)
Cashflow from operations	801,111	670,156

15 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$ 100 each towards meeting any outstandings and obligations of the company.

16 Events after the end of the Reporting Period

Pursuant to an agreement dated 20 December 2010 between Ryde Hunters Hill Community Housing Co-op Ltd (RHHCH) and Link Housing Limited (Link), RHHCH has agreed to merge with Link and transfer its assets, liabilities, and obligations in accordance with the terms and conditions mentioned in the agreement to combine businesses. The effective date of this merger was 1 July 2011.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

17 Company Details

The registered office of the company is:
Link Housing Ltd, Level 12/815 Pacific Hwy, Chatswood NSW 2067

Auditor's Independence Declaration

For the year ended 30 June 2011

LINK HOUSING LTD | ANNUAL REPORT 2010-2011



Auditor's Independence Declaration under section 307c of the *Corporations Act 2001* To the Board of Directors of Link Housing Ltd (formerly known as North Shore Community Housing Ltd)

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011, there have been:

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

HILL ROGERS SPENCER STEER

ASSURANCE PARTNERS



JOHN R WILCOX

Partner

Dated this 20th day of October 2011 Sydney

2010-2011



Link Housing Limited

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