



ANNUAL REPORT **2017-18**
Enhancing lives through community housing

ACKNOWLEDGEMENT

The Board and staff of Link Housing acknowledge and pay their respects to the traditional owners of the land on which we do our business, the clans of the Eora Nation. It is upon their ancestral lands that we undertake the important work of delivering community housing to people in housing need.



Link Housing staff at our NAIDOC 2018
'Because of Her We Can' event

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OUR SERVICES, VISION, MISSION AND VALUES

We are delighted to share this year's Annual Report with you.

In this report you will find information about our services and programs, achievements and financials for the year, stories of our residents, and our key priorities for the year ahead.

WHO WE ARE

We are proud to be one of the oldest and largest not-for-profit community housing providers in NSW. With roots in northern Sydney and the northern beaches, we have grown to now operate in local government areas across metropolitan Sydney.

As a Tier 1 Community Housing Provider, registered charity and Licensed Real Estate Agent, we have been providing safe and affordable homes to those who are at risk of homelessness or are unable to afford private rental housing since 1984.

WHAT WE DO

Link Housing supports people along the housing continuum from homelessness through to affordable housing – prioritising those most in need.

Our vision is “enhancing lives through community housing.”

Our mission is to work together to provide safe and affordable housing that strengthens lives and communities.

We are governed by a core set of values:

- ✓ Ethical
- ✓ Respectful
- ✓ Safety
- ✓ Excellence
- ✓ Accountable
- ✓ Leadership

OUR STRATEGIC DIRECTION

This year, our Board approved a new five year strategy which will provide direction for our organisation through to 2023. Our strategic direction 2018–2023 sets out our key goals for the next five years. These goals focus on People, Partnerships, Places and Performance.

CHAIR'S REPORT

Sonja Walters, Chair, Link Housing



Link Housing experienced the first of our major growth projects with the “go live” of our Specialist Disability Accommodation (SDA) housing in partnership with the Cerebral Palsy Alliance in March this year. We warmly welcome our new tenants and appreciate the opportunity to work more closely with the disability sector.

The preparation for Link Housing’s next significant growth project, the transfer of about 1900 NSW Government homes in the Ryde/Hornsby area is on track for December 2018 and has been the second key focus of activity throughout the organisation. A series of Board, executive and operational governance groups are in place to ensure appropriate resources and focus are allocated to integrate this pivotal project into our existing business. Our pre-planning and up-front investment will see our staff numbers grow from 37 to 110 by January 2019.

The team has worked tirelessly to further strengthen key areas of our business to support this transition from 1,462 homes at June 2017 to almost 4,000 homes by December 2018. I acknowledge and thank not only the project teams for their efforts in preparing for this transfer, but also the staff who have worked hard to ensure that ‘business as usual’ was maintained at the highest level during this time.

Our strategic growth continues with further planned growth through our development pipeline and partnership activity. In the meantime, the primary focus over the next 12 months will be to welcome our new tenants and continue to deliver consistently high levels of service. I congratulate all staff across Link Housing who have helped to support the major projects over this past year.

Our financial results remain positive with total equity of \$115.6 million and an annual cash surplus of \$0.54 million (excluding property revaluation gains) – a figure which takes into account the upfront investment that was approved by the Board ahead of the growth and ramp up to more than double the size of the business. Significant efficiencies and savings against projected expenditure were also achieved across key areas of the Social Housing Management Transfer (SHMT) project. Denise McGrath and her People and Culture team must be congratulated specifically for keeping recruitment costs well below expectation as Link Housing continued to directly attract talented staff. The year saw revenue of \$24.5 million with cash assets sitting at \$12.8 million – positioning us well for future investment in expansion.

We recently attended the annual PowerHousing Conference and were proud to have two staff in the running for awards. Alison O’Neill, Head of Housing Services, was nominated for

the Outstanding Achievement Award and Maddie Wachter, Team Leader Access and Demand, was nominated for the Rising Star Award.

Link Housing continues to develop strong key partnerships across the industry to support ongoing growth, however more importantly, to support our tenants to remain living in their homes and improve their independence. Key new or strengthened partnerships over the past 12 months have included Cerebral Palsy Alliance, Inala, Unisson, The Housing Connection and ACL Disability. We appreciate the opportunity to work with such highly regarded companies.

GOVERNANCE

Our Board of Directors continues to demonstrate a strong commitment to Link Housing for which I thank them. The Board has been refreshed after both Amy Brown and Tim Williams needed to step down due to other commitments. As a result Link Housing has welcomed three new Directors to the Board, Nirmal Hansra, Belinda Bentley and Melanie Leijer. Our focus remains on retaining a well-balanced skills-based board with diversity a key objective.

This will be my last AGM as Chair of Link Housing. It has been a privilege and a pleasure to serve the Board and work with CEO, Mr Andrew McNulty, over the last three years. I have been involved with community housing since 2004 and my tenure will cease at the end of 2019.

It has been an extremely rewarding experience to not only see the growth of Link Housing, but also to see the professionalisation of the sector and the new and innovative ideas which continue to emerge. I feel that our collective voice for the need for housing for those on lower incomes must remain at the forefront of political discussions going forward.

I close by thanking Andrew McNulty as our dedicated CEO, Link Housing staff across the organisation, along with my fellow Directors. I look forward to an exciting 2018/19, a year where Link Housing will emerge as one of the largest community housing providers in NSW and indeed Australia – with an increased capacity to deliver against our vision of ‘Enhancing lives through community housing’.

CEO'S REPORT

Andrew McAnulty, CEO, Link Housing



This year has been an outstanding one for Link Housing. It has been a year that positions us for a positive and strong future – a future with more resources and greater capacity to deliver against our vision of “enhancing lives through community housing”.

Image (left): CEO, Andrew McAnulty and Director, Metropolitan Local Aboriginal Land Council, Ann Weldon at Link Housing's NAIDOC 2018 event

In September 2018, I will have been CEO of Link Housing for five years – it has gone quickly! It is a very humbling place to work. Our team of tenants, staff and Board are all aiming to improve services and do more – we have all been pushing in the same strategic direction.

I joined Link Housing with the clear intention of growing the business and providing better services to more people, and with the support of our tenants, staff and Board, this is exactly what we have been doing. We have grown from 1,000 homes five years ago, to almost 4,000 homes in management by December 2018.

This past year has been one of the most significant in our 34 year history, with the business securing a number of major opportunities, which will significantly strengthen the organisation. With this in mind, I am excited to report that this year we successfully tendered for the management of almost 1,900 social housing properties on behalf of the NSW Government. In addition, we won a tender to manage 235 tenancies and seven respite homes for people with a disability in partnership with the Cerebral Palsy Alliance.

With these two significant contracts, our business now looks very different. While social housing remains at the core of Link Housing, we now operate three distinct business segments along the housing continuum – social housing, disability housing and affordable housing – each with their own set of requirements, clientele, and financial model. You will see this reflected in our financials for the year.

The work undertaken ‘behind the scenes’ to plan and be ready for this growth has been significant. We have invested time and resources early into developing and improving a range of processes, implementing new technology, recruiting and onboarding new teams, and providing staff with more training in areas that will make a difference to our tenants. These are the foundations of excellence in service delivery and whilst sounding individually small, they collectively impact on the day-to-day experiences of our tenants and applicants and will ensure that all receive quality, compassionate and client-centred service.

To continue to provide quality, locally delivered services as Link Housing grows, we needed more space. We have

therefore planned the opening of two welcoming Link Housing offices in Chatswood and West Ryde, which will provide a much improved experience for staff and tenants. The culture of Link Housing is critically important. I am delighted therefore that this year we have continued to receive positive feedback from tenants and staff about our culture. Partnerships and collaboration is also a defining feature of Link Housing and in early 2018, we began exploring Aboriginal housing partnership opportunities with the New South Wales Aboriginal Land Council – an exciting opportunity to listen, learn and share.

I believe that homelessness is a resolvable problem and that with focus and investment it can be eliminated. This year Link Housing held our inaugural fundraising event, “Home Sweet 2017”, a sleepover sponsored by a range of fantastic organisations including Community Sector Banking, Bendigo Bank, Aqualand, Northern Beaches Council, Thomson Geer, and PwC to name but a few. I am delighted that we raised over \$120,000 for one of our very long-standing partners, The Burdekin Association, which provides services to homeless young people. I look forward to doing more in this space with our second Home Sweet event planned for next year.

None of our achievements for the year would have been possible without the wonderful work of Link Housing's staff, and I want to give them all my sincere thanks for their commitment and dedication.

I would also like to thank the tenants of Link Housing, particularly our amazing Tenant Advisory Group (TAG) and our Board of Directors, led by Link Housing Chair, Ms. Sonja Walters, for their guidance, careful deliberations, and support throughout the year.

In ending, I would like to pay my respects for a much loved friend and colleague, Beth Ann Archer, who passed away in November 2017. The fragility of life makes me determined to achieve the most for people in need during our short stay on earth. As highly respected Aboriginal leader and human rights advocate, Ann Weldon has said, I also believe it is important for us to aspire to “leaving legacies and not building empires”. In the case of Link Housing this means driving to provide a legacy of decent homes for those in need.

FINANCE REPORT

Mark McEnallay, Chair, Audit & Risk Committee



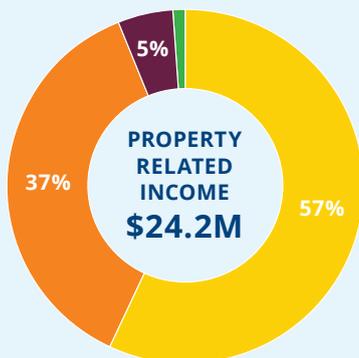
HIGHLIGHTS

- Commenced management of 235 Specialist Disability Accommodation tenancies and 7 respite homes
- Management of 88 additional affordable homes
- Successfully tendering for the management of an additional 1,883 homes for Social Housing Management Transfer program (SHMT).

REVIEW OF THE YEAR

Link Housing's property related revenue excluding the fair value gain on investment properties was \$24.2 million for the year ended 30 June 2018. Compared to the prior year, this represents an increase of 9%. This is largely as a result of the commencement of management of disability properties. Fee for service income grew by 64% to \$1.25 million driven by the increase in management of affordable and specialist disability properties. Link Housing has earned an operating surplus of \$1.6 million (which excludes strategic investment costs).

Link Housing continues to focus on its strategic objective of providing 7,500 homes for those in need by 2023 and has made investments of \$1.1 million for this purpose during the year. It has also been successful in obtaining management of an additional 2,213 tenancies (by the end of the 2018 calendar year).



■ Rent ■ Subsidies
■ Fee for Service ■ Other



■ Property Costs ■ Employee Benefits
■ Repairs & Maintenance ■ Office Admin



■ Investment Properties ■ Borrowings
■ Financial Assets & Cash

A significant increase in planned maintenance on social housing properties occurred during the year, involving the upgrading of properties to enhance tenant experience. We have increased our staff to deliver the new disability management activities, preparing for SHMT and to enhance our ability to deliver services to tenants and applicants.

Link Housing strengthened its financial position with net assets increasing to \$115.6 million and total assets of \$122.2 million including investments properties valued at \$105.1 million. We continue to be well positioned for growth opportunities, holding \$12.8 million in cash and term deposits at 30 June 2018.

Link Housing's debt facility with Bendigo and Adelaide Bank Limited was drawn to \$4.25 million as at 30 June 2018. As illustrated in the Liquidity and Debt diagram above, our borrowings represent only 4% of our total assets.

Our cash position and low gearing provide significant capacity to leverage our balance sheet.

FINANCIAL & RISK MANAGEMENT

Given the substantial growth that Link Housing is about to experience, we have been focusing significant effort on continuing to strengthen our processes, internal systems and other risk management activities. A risk-based approach is adopted with the overriding objective of managing risk in line with the Board's risk appetite. Risks are regularly assessed and recorded in the risk register.

Link Housing continues to meet its Tier 1 compliance requirements (the highest tier of registration under the National Regulatory System for Community Housing).

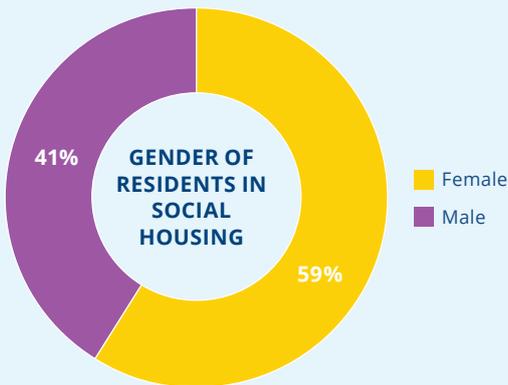
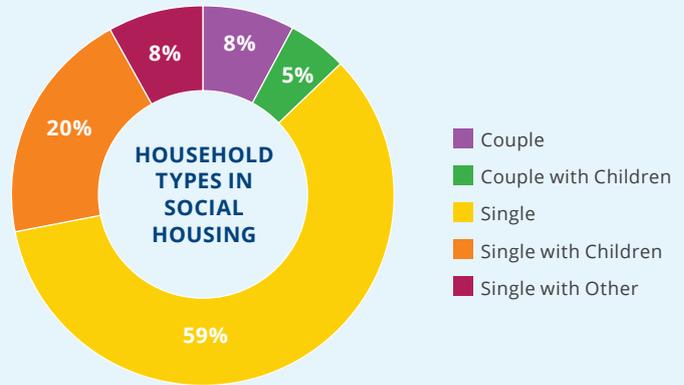
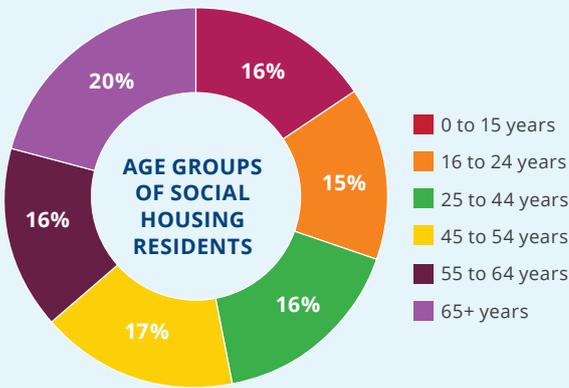
ACKNOWLEDGEMENTS

I would like to thank Link Housing's Finance and Risk teams for their efforts over the year. They have continued to enhance Link Housing's robust financial and risk management activities.

SNAPSHOT OUR PEOPLE

SOCIAL HOUSING

We provide homes to 1,952 social housing residents across Sydney. A majority are single, female, some with children.

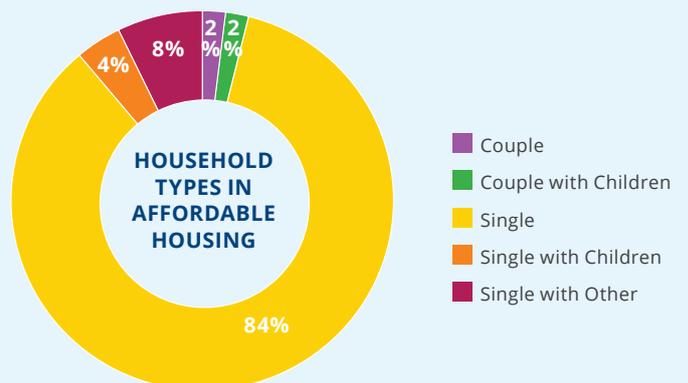
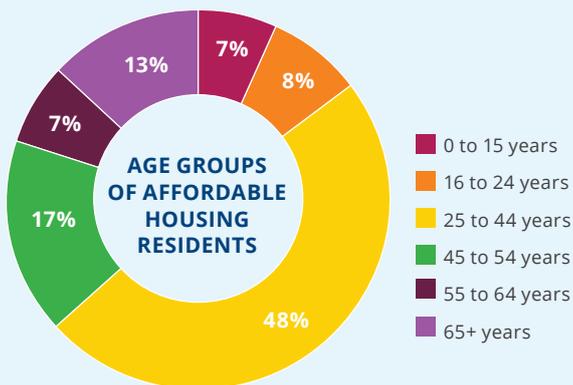


DISABILITY HOUSING

We welcomed new residents who are now living in our 50 NDIS registered Specialist Disability Accommodation (SDA) group homes. A small majority are female.

AFFORDABLE HOUSING

Our affordable housing residents are widely spread across NSW. A majority are female, aged 25 to 54 years and living in single households.



TENANT OUTCOMES

Tenants supported into education through our scholarship program	40
Tenants supported into home ownership through affordable housing	2
New tenancies (includes turnover)	450
Referrals of tenants to our support partners	217

TENANT SATISFACTION

90%	of tenants were positive about the suitability of their home
86%	of tenants felt positive about their neighbourhood as a place to live
86%	of tenants are overall satisfied with Link Housing
84%	of tenants are satisfied with the condition of their property
87%	of tenants feel that they are treated fairly
84%	of tenants feel they receive value for money for the rent they pay
83%	of tenants feel that they were well supported at the beginning of their tenancy

*Link Housing 2018 annual tenant satisfaction survey

“Staff were very respectful of my circumstances.”

“Link Housing gets things done.”

“Staff made it simple to understand the process.”

TENANT STORY

Achieving home ownership

Miriam came to Australia with her husband when she was pregnant with her third child. Like many who leave their homes for Australia, they wanted a better life for their growing family.

Their first neighbourhood in South Australia was so far removed from what they knew in Egypt. But there was little time to adjust. With a baby on the way, Miriam's husband started looking for a job. "It was tough. In Adelaide, most jobs require you to be an Australian citizen. The baby was born soon after arriving in Australia so we had three kids under the age of three and no income."

After months of little success in finding a suitable job, Miriam's husband started searching for roles in Sydney and soon landed a job in telecommunications using his engineering qualifications. For a time, he travelled between the two states. "It was a casual job so we needed to see about the security of it, and we also needed to find somewhere to live in Sydney. The rents in Sydney were a lot higher."

That's when they found Link Housing – the helping hand they needed at a time when searching and applying for rentals online seemed hopeless, and their current landlord had unsympathetically increased their rent.

"Link Housing listened to us. After so many dealings with people who just didn't take the time to explain things to us, and didn't understand how desperate we were, Link took the time. They didn't rush us and were more than happy to explain the rules to us."

Miriam and her family were soon approved for an 'affordable housing' apartment to rent through Link Housing. This meant that they received a 20% reduction in rent.

"We moved here for our family, to give them the best life. That also meant buying our own home so they had somewhere safe and stable to live. The discounted rent and support from Link Housing, meant we could save for our own home."

Earlier this year, just a few years after moving to Australia, Miriam became the proud owner of a townhouse in Sydney's West.

SNAPSHOT OUR PERFORMANCE

TOTAL REVENUE

\$24.5m

PROPERTY RELATED REVENUE

\$24.2m

FEE FOR SERVICE INCOME GROWTH

64% to \$1.25m

OPERATING SURPLUS

\$1.6m

TOTAL SURPLUS

\$2.4m

TOTAL ASSETS

\$122.2m

NET ASSETS

\$115.6m

TOTAL CASH

\$12.8m

NET CASH SURPLUS

\$0.54m

SNAPSHOT OUR PLACES

NUMBER OF PEOPLE PROVIDED WITH HOUSING

2637+

NUMBER OF PROPERTIES OWNED

250

LOCAL GOVERNMENT AREAS

13

'SDA' (NDIS) PROPERTIES UNDER MANAGEMENT

50

NUMBER OF TENANCIES MANAGED

1849

SOCIAL HOUSING 1070

Capital 452

Owned (Nation Building) 218

Leasehold 400

AFFORDABLE HOUSING 503

Leasehold (private owners) 415

Owned (Potts Hill) 32

Fee for Service (Councils, Charities) 56

DISABILITY HOUSING 276

SDA Tenancies 235

SDA Respite Tenancies 35

Other Disability Accommodation 6

SNAPSHOT OUR PARTNERSHIPS

This year has seen a renewed focus on strengthening and building new partnerships with support providers, local councils, real estate agents, corporate entities as well as government.

SUPPORT PARTNERS

Partnerships are key to achieving our charitable mission. In this financial year, we partnered with over 30 support providers, from not-for-profit to government organisations, to ensure our residents had access to the help and support that they needed to sustain their tenancies, and improve their health, wellbeing and quality of life.

After consultation with frontline staff and review of tenant data, we defined three focus areas for the year. These included youth homelessness, mental health and domestic violence.

Working closely with members of the Northern Sydney Region Homelessness Network, as well as specialist youth homeless providers, we helped a number of homeless young people both access and exit transitional housing.

We were also invited to attend the Northern Sydney Safety Action Meetings, and formalised partnerships with services for women and the Northern Sydney Local Health District, resulting in suitable housing for women escaping domestic violence and people with complex mental health issues, respectively.

PARTNERSHIPS AND OUR DEVELOPMENT PIPELINE

Over the year, we have also continued to build our pipeline of development projects in partnership with other organisations. These include:

- Planning with the Inner West Council on the redevelopment of a street car park to deliver 30 affordable housing properties to the Inner West.
- Partnering with Assisted Community Living on the redevelopment of a site in Willoughby which will deliver 40 affordable housing units.
- Partnering with Hyecorp as the developer, to manage the new social housing stock for a property in Lane Cove.



Premier Gladys Berejiklian and Link Housing CEO, Andrew McNulty at the Hyecorp opening

LINK HOUSING AND NORTH SYDNEY COUNCIL

Our long standing partnership with North Sydney Council has resulted in some outstanding housing outcomes, such as the new generation boarding house in North Sydney. North Sydney Council owned the site, Link Housing redeveloped it and it now provides stable housing for seven people over the age of 60. North Sydney Council resolved to lease the property to Link Housing for 50 years as well as giving Link Housing a share in its title.

We were pleased to be invited to be featured in a video about this partnership and our Nicholson Street new age boarding house this year. The video produced by Judith Stubbs and sponsored by the Community Housing Industry Association NSW was a great opportunity for our tenants to share their stories and for us to highlight the absolute need for community housing providers to work in collaboration with council to make affordable housing a priority.

WATCH THE VIDEO >>>

<https://www.linkhousing.org.au/videos.html>



We are undertaking planning work with North Sydney Council and the Land and Housing Corporation on the redevelopment of a site in North Sydney. Results from this work will be achieved and reported next year.

HIGHLIGHT

PREPARING FOR GROWTH

In October 2017, following an immense amount of work over many months, Link Housing won a tender to manage around 1,900 public housing tenancies and properties from the NSW Department of Family and Community Services (FACS) for a 20 year period. This significant increase means that Link Housing will double its portfolio to almost 4,000 properties in less than 12 months.

The transfer to Link Housing is part of a much larger reform to social housing, which will see the NSW Government hand over the management of part of their portfolio of social housing to community housing providers.

From October 2018 to September 2019, 14,000 social housing tenancies will be transferred to community housing providers under the Social Housing Management Transfer (SHMT) program. Properties managed by community housing providers across NSW will jump from 9% to 32%, thereby growing the sector and placing greater responsibility on providers to innovate and improve tenant outcomes.

Once the transfers takes place, Link Housing will be amongst the top ten largest CHPs in Australia (by tenancies in management), and will have a greater responsibility and opportunity to work with our partners to lead in the sector. In embracing this responsibility and opportunity, we have invested significant resources to ensure that we are well prepared to deliver an exemplary service to our future tenants in the lead up to “go-live” and beyond.

As one of the first community housing providers to “go live” with the transfer on the 3rd December 2018, we kicked off our SHMT project in early 2018, and sent our first communication to the transferring tenants in May 2018. Our early tenant engagement activity saw Link Housing host 12 block BBQs over June – a huge success with more than 170 tenants attending. The campaign also included communication and engagement via SMS, social media, support partners and identified influencers who were provided with information to answer tenant questions.

LOCAL PRESENCE IN WEST RYDE

To best engage and support our future tenants through the SHMT process, we began weekly outreach from the FACS office in West Ryde in May and moved a core team of Housing Managers into a temporary space in the same building in June. We thank FACS for accommodating us and congratulate the Link Housing team at the West Ryde office who have made the temporary space their own and delivered an excellent service to each and every tenant.

NEW PRODUCTS AND SERVICES

As part of our growth, we revised a number of programs and services to deliver expanded capacity and capability in the following areas:

- Private rental assistance products under Housing Pathways
- Expanded Access and Demand
- Start Work Bonus Scheme (launching 2019)
- Enhanced policies that provide greater opportunities for our clients
- New online payment methods for greater convenience

Image below: Link Housing Social Housing Team



Throughout the year, we've made some very significant service improvements to provide better, more responsive services to our residents and to ensure we are strongly positioned for the additional households coming on board in late 2018.

A NEW TEAM DEDICATED TO CLIENT SERVICE

A new team was established this year following a review of our service delivery which considered recent tenant survey results, our mystery shopper program, and feedback from the TAG and staff workshops. The team's role is to be the first point of contact for all client and applicant enquiries and efficiently answer questions, address issues, and/or direct calls to the appropriate teams when needed. Following best practice customer service protocols, staff underwent customer service training and developed metrics which are now regularly reported on to ensure that Link Housing is meeting their service commitment standards. The new team is resolving a wide range of matters at first contact including logging of repair requests, rent statement enquiries, payment enquiries, etc. The new approach has resulted in a greater sense of residents' and applicants' satisfaction as ascertained in a newly launched Service Satisfaction Survey initiative.

ENHANCED ASSET MANAGEMENT

Link Housing's Asset Management Team constantly reviews performance and implements improvements. This year the team added a number of new asset-related processes to improve tenant satisfaction. A key focus has been modifications, responsive maintenance and managing tenant damage costs. Managers have been working across teams to ensure faster responses to enquiries, greater information sharing and transparency.

BETTER INFORMATION FOR STAFF TO HELP RESIDENTS

The Housing Team is now signed up to HSNet, a free website available to anyone looking for a service in NSW. The site is mobile-ready and works on any internet-enabled device including tablets and smartphones – 24 hours a day, 7 days a week. Housing Managers have access to a local service network to ensure our clients are linked to appropriate support organisations.

HELPING OUR CLIENTS TO STAY IN THEIR HOMES

Our goal is to help our tenants sustain their tenancies and have a safe and stable place to call home. Rental arrears is a leading indicator of a tenant experiencing difficulties. As such, Link Housing has focused considerable time to investigate and introduce a raft of better practices to address rental arrears. New processes, statements and tools enable

early intervention whereby housing managers work with tenants and their families and refer to trusted partners for financial counselling, budgeting assistance, and other needed support services. Overall there has been a reduction of almost 10 per cent of tenancies experiencing rental arrears.

INVESTING IN CLIENT SERVICE TECHNOLOGY

In late 2017 Link Housing installed contact management software to help us understand how we are managing phone calls and where we need to make changes. The new software provides reports on call volumes, unanswered or abandoned calls, average wait times and average call times.

From this information we identified that we needed to increase resources and focus our energies to improve the caller's experience. A new 'on hold' function was also introduced to assist through peak call periods. Where callers are waiting 'on hold' they will be advised of the expected wait time and will have the option to leave a message after one minute.

STAFF TRAINING TO MAINTAIN BEST PRACTICE

In May, Link Housing staff participated in a Positive Customer Service Workshop facilitated by the Australasian Housing Institute. The workshop helped to further develop our good customer service skills and gave our staff structured time out to reflect and set their own goals for growth in the area. The feedback from staff was overwhelmingly positive.

IMPROVING OUR COMPLAINTS AND APPEALS PROCESSES

Link Housing is committed to listening and responding to the needs of our clients. Our service commitment standards set out timeframes to respond to tenant feedback. This year we worked closely with our Tenant Advisory Group (TAG) and the Housing Appeals Committee to make a number of improvements to the way in which we manage residents' feedback, complaints and appeals. We now have a senior staff member dedicated to overseeing and managing the 'feedback system' which includes a specific email address, 'feedback@linkhousing.org.au'. A new Client Feedback Policy and an amended Appeals Policy have been prepared. This is supported by new information on our website with links to the feedback and appeals forms, and more coaching around good decision making to ensure each case has the best outcome for the tenant.

HIGHLIGHT

ENTERING THE NDIS SPACE

Link Housing has a proud history of providing housing to people with disabilities. This year we expanded our services, becoming an NDIS registered 'Specialist Disability Accommodation' provider and partnering with leading disability provider, Cerebral Palsy Alliance (CPA) to transition 235 NSW Government tenancies for people with a disability to community housing.

In late 2017, Link Housing and the Cerebral Palsy Alliance (CPA) won the tender issued by the NSW Department of Family and Community Services, to provide support, accommodation and respite services in Ryde, Hornsby, Willoughby and the Northern Beaches, as part of the NSW Government's transfer of Ageing, Disability and Home Care services to the National Disability Insurance Scheme (NDIS).

In March this year we formalised the partnership with CPA, and welcomed our new tenants and their families to the Link Housing community. In terms of new assets under management, the partnership represents 49 group homes and a ten bed medical model of support. Additionally, under the agreement, Link Housing manages the maintenance for seven respite properties, each with a number of rooms available to people with a disability for overnight and weekend stays.

The partnership with CPA and management of these tenancies for people with complex disabilities not only represents a very substantial increase to our portfolio, but a significant change and addition to our business. Specifically, as part of this initiative, Link Housing became a registered provider of Specialist Disability Accommodation (SDA) under the NDIS, with greater capacity and capability to have further properties classified as SDA – and ultimately help even more people living with a disability to access appropriate accommodation.

Early indicators suggest our entry into the NDIS space and partnership model will continue to be successful. Our approach from the beginning has been to invest early.

For example, at the time of launch we had allocated one housing manager to 90 tenants – more than twice the focused level of support given to the general tenancy portfolio.

With Link Housing now increasing the size of its portfolio of properties for people with a disability, we are cognisant of the cross over between ageing and disability and the commonality of issues. Ageing is strongly associated with an increasing likelihood of disability, so there is a clear overlap between the two groups of tenants. We want to ensure that accommodation is appropriate for both elderly people as well as people with a disability. We also want, wherever possible, to design accommodation that can be modified if required to suit tenants' changing needs. This allows people to stay in their communities and age in place.

Link Housing is developing aged-focused organisational strategies and processes which will be implemented when the Social Housing Management Transfer takes place in December 2018. This will include a team of specialist support officers, including a social worker to assist people in managing their tenancy.

Our medium-term goal is to establish Link Housing as the housing and asset manager of choice for disability service providers and for older people. In achieving the latter, we also want to build a wide partnership base with aged care services. As we do this, we will further grow our Ageing and Disability Housing Team, build greater expertise in housing modifications, whilst also increasing our property portfolio for people living with a disability or who are ageing.



Image: Link Housing Ageing and Disability Housing Team

TENANT STORIES



A Good Heart

Nadine, a resident of Link Housing for many years has a disability. Once she settled into her modified property she was restless to do something. She started volunteering to help elderly people, people with disabilities, and those at risk of homelessness. Starting on telephone support, Nadine said that often people just wanted someone to talk to.

Seven years later, Nadine continues to volunteer two days a week. She says she doesn't need to be paid because her reward comes from knowing she is helping people. In May this year Nadine was nominated for a City of Ryde Volunteer Recognition Award by her peers at her workplace.

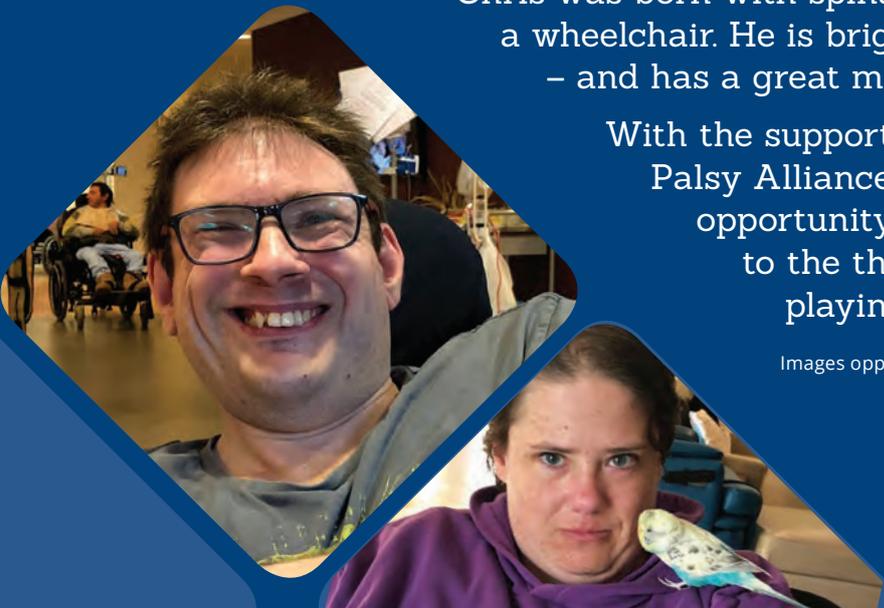
Friendship

Sam, a resident of a group home run by Link Housing and CPA, has a budgie named Blue who is her 'main girl' and who Sam says "is not just my bird, it's all of our bird." Sam's goal is to get a job working with animals and she's studying to get there. Her best friend is Chris. They are the only residents who can talk in the group home of ten people. Sam raves about Chris' work, which hangs in the home.

Chris was born with spina bifida and has lived his life in a wheelchair. He is bright-eyed, warm, curious, cultured – and has a great memory!

With the support of Link Housing, Cerebral Palsy Alliance and his family, Chris has every opportunity to do the things he enjoys – going to the theatre, opera, musicals, doing art, playing music and watching movies.

Images opposite: Chris (top) and Sam (bottom)





HIGHLIGHT HOUSING AFFORDABILITY

Link Housing is committed to doing our bit to change the perception, raise funds and awareness about social housing and homelessness in Australia.

RAISING AWARENESS

This year we confirmed our partnership and support of the Council to Homeless Persons (CHP) 'Everybody's Home' campaign – and will soon start to work more closely with CHP and their other partners on this national campaign to end homelessness.

We also promoted affordable housing and how to access it across Sydney this year, holding sessions at Royal North Shore Hospital, aged care homes, police stations and schools. Many people were not even aware of affordable housing. In August 2017, we sponsored a local Affordable Housing Forum, which was attended by key community leaders and organisations.

In partnership with City of Ryde Council, Link Housing held a wonderful art exhibition on "What a home means to you". Over 150 local people attended the exhibition and there were more than 50 people at the opening event. We received over 35 pieces of art that were displayed, including professional pieces from renowned local artists, as well as Link Housing residents.

HOMELESS STREET COUNT

This year a Link Housing Team worked with the City of Sydney on the biannual Homeless Street Count. The focus is on finding out how many people are 'sleeping rough' in the City of Sydney LGA. Street Counts are an important element in the development of responses to homelessness and working towards long-term solutions.

"My decision to help was based on my genuine interest in making sure that homeless people are looked after. It was interesting to hear the stories of advisers who have been homeless themselves in the past. I was pleased that we only found one rough sleeper in our area – less numbers must mean housing is being provided for them and numbers are down due to this."

– Kerri-Ann,
Link Housing Responsive Maintenance Officer

TANGIBLE CONTRIBUTIONS

In late 2017, Link Housing raised \$120,066 through its Home Sweet 2017 event to support our long-time partner, The Burdekin Association which helps homeless young people on Sydney's Northern Beaches. It was a great event attracting an impressive list of sponsors and 57 people sleeping over at Freshwater Surf Life Saving Club to raise funds. We raised additional funds for The Burdekin Association as a sponsor of their annual charity golf day in May 2018.



AWARDS & RECOGNITION

Link Housing is proud to have had some of our achievements recognised in the media and by reputable organisations over the past year.

In late 2017, Link Housing was named the Most Sustainable Social Enterprise, winning the Better Business Awards. The Awards are a joint initiative between North Sydney, Willoughby and Ku-ring-gai Councils to promote and recognise environmentally sound business practices. Link Housing was successful in the category because of our focus on recycling, development of almost 40 sustainably designed properties, and the fitting of over 200 rainwater tanks to properties.

Good news stories about our Social Housing Management Transfer program and Home Sweet 2017 sleepout were published in the Sydney Observer Magazine, Manly Daily, North Shore Times and Daily Telegraph. We were also thrilled to have the opportunity to promote Home Sweet 2017 on Tim Bailey's weather segment on Network Ten.

This year, Link Housing also took the time to update our brand and communications strategy based on tenant feedback in past surveys. With the primary purpose of better connecting with our growing number of residents, we made slight changes to our brand colours, style and logo. The new strategy will also see Link Housing invest in updating its website.

COMMUNICATIONS SNAPSHOT

NUMBER OF FACEBOOK FANS

815

GROWTH IN FACEBOOK FANS

800%

NUMBER OF TWITTER FOLLOWERS

686

NUMBER OF INSTAGRAM FOLLOWERS

158

NUMBER OF LINKEDIN FANS

2.4m

TENANT EMAIL OPEN RATE

43%



bbp BETTER BUSINESS PARTNERSHIP
Access through sustainability

COMMUNITY ENGAGEMENT

Link Housing has a strong focus on building partnerships, working collaboratively, engaging and working with residents, and linking residents to the broader community. This year saw a number of successes on these fronts.



TENANT ADVISORY GROUP AND TENANT ENGAGEMENT

Meeting quarterly, Link Housing’s Tenant Advisory Group (TAG) has continued to advocate for tenants’ needs, and provide advice and feedback about our policies and practices.

This year the TAG has helped us to begin our journey of growth from the tenant’s perspective. In early 2018, they gave their time and attention to work with Link Housing staff, review documents, and participate in a number of strategic workshops in order to update our Tenant Engagement and Community Engagement Strategy for 2018–2019. The Strategy is now available on the Link Housing website. Visit: <https://www.linkhousing.org.au/tenant.html>. The TAG’s input and insights were also used to inform Link Housing’s tenant engagement and communications strategy for the SHMT program. We thank all of our TAG members for their invaluable feedback.

We also recognised two of our TAG members, John Murray and Linda McLennan, who were invited to speak at the Affordable Housing Conference in Sydney in June 2018. John was part of a panel that addressed community housing as part of a National Plan, and Linda presented on the role of tenants in shaping the community housing sector and services. We congratulate both John and Linda on doing a superb job.

ANNUAL SCHOLARSHIP PROGRAM

Link Housing’s annual scholarship program saw \$35,000 allocated to over 40 residents of Link Housing. This program provides a means by which a broad range of learning interests can be supported. One young student sought assistance so she could undertake dancing classes whereas another resident received a scholarship to complete her degree in law. Another resident used his scholarship to help pay for completion of a Community Service diploma.

Successful applicants were announced at a lovely event held in December 2017. Various dignitaries attended including the Mayor of Willoughby, Gail Giles-Gidney and John Brogden, CEO of Landcom.



LINK HOUSING AND PRESBYTERIAN AGED CARE PROJECT

A very successful project was held for our older residents in late 2017 to help them understand and access government services and programs available to them. In partnership with Presbyterian Aged Care, we invited over 200 older residents to a forum where they were given information about the Commonwealth Home Support Program and Home Care Packages.

Participants were then invited to a one-to-one follow-up session to learn how to navigate their way around the MyAgedCare system. Link Housing staff also attended sessions to build their knowledge about what services were available to help older people stay at home longer.

SENIORS EVENT

Link Housing celebrated Seniors Week at the Dougherty Centre in Chatswood in early July 2017. The focus of the event was health and wellbeing, a priority area for many older residents that had emerged from our health and well-being survey. The event included sessions on healthy living and general nutrition. The first information session was provided by a local Link Housing resident who has made significant improvements in her own health and wellbeing and shared her message on how she managed to make small incremental changes in her lifestyle that resulted in significant overall improvements. The sessions provided residents with a wealth of information on food and nutrition and how they could introduce elements into their diet that would specifically assist them as they aged.



NSW GRANDPARENTS DAY 2017

Link Housing residents and staff celebrated Grandparent's Day in November 2017 with an afternoon of shared gardening and refreshments when they installed new communal gardens at their Hornsby housing complex.

The event, funded by Family and Community Services and Link Housing, was a fun mix of education and activity. Information, assistance, plants and raw materials were supplied by The Royal Botanical Gardens Community Greening Team. Vegepod supplied the low-maintenance garden beds.

The tenant turnout was amazing and everyone really enjoyed building and planting the fabulous self-watering garden beds. The gardens are now well established and thriving thanks to the great work of our residents.

ENHANCED FOCUS ON MENTAL HEALTH

During the year, Link Housing's CEO joined an Expert Mental Health Panel established by one of the not-for-profit community organisations on the Northern Beaches.

Concurrently, in late 2017, Link Housing received funding from Family and Community Services to support long-term inpatients at Macquarie Hospital to transition to stable and appropriate accommodation. We worked closely with the hospital, and successfully housed two inpatients living with severe and persistent mental health conditions.

This has been an important initiative. It allowed us to establish a strong partnership with Macquarie Hospital, and a great working relationship with the hospital's social workers who are now better accessing Link Housing's services.



Health
Northern Sydney
Local Health District



END OF YEAR TENANT PARTY 2017

Link Housing tenants, children and staff enjoyed seasonal celebrations at the Chatswood Club at the end of a very eventful and rewarding 2017. Over 200 people came together to enjoy a delicious meal along with some lively socialising. Fantastic live music was provided by Izayah, an X-factor finalist, accompanied by Maddie from our Access and Demand Team, and our lucky door prize winners took home lovely gifts.

ORGANISATION & CULTURE

SNAPSHOT

TOTAL NUMBER OF EMPLOYEES
BY END OF FY18

62

GROWTH IN NUMBER OF
EMPLOYEES OVER THE YEAR

44%

STAFF WILL GROW TO 110 BY
JAN '19 REPRESENTING GROWTH OF

60%

STAFF HIGHLY SATISFIED
WITH THEIR JOB

91%

STAFF SATISFIED WITH THE
ORGANISATION'S CULTURE

97%

STAFF SATISFIED WITH
THEIR TEAMWORK

91%

People are at the heart of our business.

This year we made changes to our organisational structure to reflect our commitment to our people and maintaining our unique culture as we grow our business. We appointed a new Head of People and Culture to the Executive Leadership Team. Denise McGrath joined Link Housing in 2016 as an HR Advisor and quickly became an integral part of the team. Denise now leads the People and Culture team and, working closely with management and our Board, launched a new strategy that has seen the following new projects and existing programs successfully rolled out across the organisation.

RECOGNISING THE IMPORTANCE OF FIRST RATE ONBOARDING

We have invested significant time and resources into developing a first-rate staff onboarding program that is delivered to new starters in their first few weeks of employment with Link Housing. The program includes a Corporate Induction with sessions with the CEO, COO and Department Heads, E-Learning modules and induction training for specific roles. Delivered online and face-to-face, all staff who go through the program are asked for feedback on completion to ensure continual improvement.

INVESTING IN OUR PEOPLE FOR THE LONG-TERM

Link Housing is committed to developing and retaining its people and building a learning environment that encourages and enables future career opportunities. Staff are encouraged to build on their skills and follow their passions within the community housing sector. Over the year, all staff completed some form of training. Classroom training in Domestic Violence Awareness, Positive Customer Service, Good Decision-Making (delivered by the Housing Appeals Committee) was also completed by various teams. Recognition goes to staff who put in the extra hours to be awarded their real estate license and certificate of registration.

PULSE CHECK ON OUR CULTURE AND STAFF JOB SATISFACTION

Each year, Link Housing checks in with staff to see how they are feeling about working at Link Housing. The last survey, conducted in May 2018, had a 90% response rate and pleasing results as noted above. The survey also helps to uncover areas for improvement and provides the insight needed for management to ensure good leadership and support for their teams as they move into the new year.

RECOGNISING AND REWARDING GREAT WORK AND VALUES

Link Housing's quarterly and annual staff award program had a facelift this year to reflect our new strategic direction 2018-2023 and additional focus on innovation. The staff awards which celebrate achievements across the workforce are nominated by peers and managers alike, and presented to staff at our monthly staff meetings and at a staff event in December each year.

Awards are now given for Leadership and Teamwork, Service Excellence and Innovation.

EXECUTIVE LEADERSHIP TEAM

Link Housing's leadership team reflects the organisation's new organisation structure. We are proud to have a range of expertise on the leadership team from private sector, government and not-for-profit.



CHIEF EXECUTIVE OFFICER ANDREW MCANULTY

Andrew is a respected community housing figure, both nationally and internationally. He has delivered social, affordable and large scale urban renewal outcomes for over twenty years across Australia and the United Kingdom. His experience highlights the innovation and vision required to create cutting edge outcomes for projects which link Government, the private sector and the community housing sector – in order to deliver high quality affordable housing.



CHIEF OPERATING OFFICER MARGARET MALJKOVIC

Margaret is passionate about social housing and has extensive strategic and operational senior leadership experience in working in NGOs and for government in the housing sector. She has led the delivery of high quality client and asset management services including estate regeneration and other strategic initiatives to improve outcomes for vulnerable people and communities.



CHIEF DEVELOPMENT OFFICER PAUL HUNT

Paul is a certified practising Project Director with the Australian Institute of Project Management and has over 27 years of experience managing large complex projects including master-planned communities and high-density urban renewal projects. He brings extensive expertise in strategic planning, rezoning, design and delivery.



CHIEF FINANCIAL OFFICER MARK WOODWARD

Mark has over thirty years experience in banking and accounting, mostly with Westpac and KPMG. Mark has a breadth of commercial, strategic and project management exposure, with strong experience in enabling business growth through development of new operating models, systems, processes and risk frameworks.



HEAD OF PEOPLE AND CULTURE DENISE MCGRATH

Denise has an extensive background in Human Resources. As an HR professional with more than 13 years' experience, she has successfully delivered HR services to a range of organisations. She has specific expertise in HR programs, tools, systems and payroll.

INSIDE LINK HOUSING

Link Housing has an enviable culture thanks to our strong mission and values and the people that make up Link Housing.

To continue Link Housing traditions and in response to staff feedback, our new People and Culture and Marketing and Communications teams worked closely to host a number of staff events over the year. These events provide our people with a platform to support a number of key causes and charities.

Our committees also enhance our culture by giving staff an opportunity to be advocates and take leadership roles within the organisation. Our committees include the WHS Committee, LinkEm-Employee Advisory Group, LinkGreen Environmental Committee, and our White Ribbon Committee. Link Housing is proud to be a White Ribbon accredited workplace with some staff elected White Ribbon Advocates for the national campaign to end violence against women.



Above: Head of Housing Services, Alison O'Neill and tenants who attended our International Women's Day 2018 event

LINK HOUSING DIRECTORS



Sonja Walters, *Chairperson*

Sonja has over 20 years' experience in the housing industry, holding an Executive Director position for a mobile home village in Queensland. Sonja has been involved in the NSW community housing sector as a Director since 2004 and combines this extensive knowledge of the housing sector with her experience as a social worker across many arenas, including a key focus on disability and ageing. As well as being the Chair of Link Housing, she is currently an educator at the Australian College of Applied Psychology.



Simon Maughan Wright, *Director*

Simon is the owner and director of ABSA Corporate Advisory, a mergers and acquisitions advisory business, and a private real estate development business. He has been a director of ANZ Business Sales and Acquisitions (ANZ Investment Bank), Westpac Business Succession Services, as well as group general manager and director of a real estate development and investment group of companies. Simon is a qualified lawyer with post graduate legal and business qualifications and a graduate of the Australian Institute of Company Directors. Simon is Chair of the Development Committee.



Julie Savet Ward, *Director*

Julie has over 20 years' experience on company and project boards in the property, infrastructure and professional services sectors. She is the Chairperson of SGS Economics and Planning, a private consulting company, and on the board of the NSW Environment Protection Authority. Julie is a Fellow of the Australian Institute of Company Directors. She has 25 years' management experience and brings a deep understanding of the planning, approval, design, construction and delivery of property, infrastructure and natural resource projects. Julie is Chair of the HR and Nominations Committee.



Mark McEnallay, *Director*

Mark is the Company Secretary for RSL LifeCare Limited, a large provider of retirement villages and Aged Care Homes across NSW and the ACT. Mark has previously worked with Coca-Cola, Reckitt and Colman, Victa Lawncare and Medical Australia Limited. Mark currently sits on the NSW Care Advisory Committee of Wesley Mission and is a Fellow of CPA Australia and a Fellow of the Australian Institute of Company Directors. Mark is Chair of the Audit and Risk Committee.



Kerry Robinson, Director

Kerry is General Manager of Blacktown City Council, Deputy Chair of Blacktown Venue Management Limited and Board Member of WestPool and United Independent Pools, self-insurance mutuals. Kerry has over 30 years' experience in the property industry with senior roles in corporations and Government. Kerry's experience includes eight years as an Executive General Manager delivering large, complex industrial town centre and residential projects with values of over \$1B, annual expenditure over \$150m, and production of 1,000 lots per year. He has extensive experience negotiating and managing large and complex joint ventures.



Nirmal Hansra, Director

Nirmal has over 35 years senior executive management experience and 11 years of board and corporate advisory experience. He is the Chair of Campbell Page Ltd. and Non-Executive Director of Eureka Group Holdings Ltd., Ku-ring-gai Financial Services Ltd., Have A Voice Pty Ltd, Council of the Aging NSW Inc. and Children's Tumour Foundation of Australia. Recently, he has been appointed Independent Member of the Audit and Risk Committee for the Department of Finance, Services and Innovation and the Property and Advisory Group of the NSW Government. Nirmal held Finance Director/Chief Financial Officer roles in leading companies including Australian Pharmaceutical Industries Ltd., Ruralco Holdings Ltd., Fujitsu Australia Ltd. and Texas Instruments Australia Ltd.



Melanie Leijer, Director

Melanie has had diverse executive level and operational management experience within large 'blue chip' companies and smaller businesses, including roles at Lendlease where she managed their 78 retirement villages. Melanie holds a Bachelor of Economics, Masters in Business Administration, and is a Graduate of the Australian Institute of Company Directors. Melanie is also a Non-Executive Director of Stepping Stone House which supports homeless teenagers, and on an advisory board for a start-up social impact business.



Belinda Bentley, Director

Belinda is the founding director of both a private property development company with mixed use projects across Sydney and a commercial real estate transaction advisory firm. Belinda's experience varies from structuring complex commercial real estate transactions for the NSW Government and private corporations to being responsible for key development projects and portfolios in NSW, Victoria and Queensland, with values ranging from \$30 million to over \$1 billion. Belinda holds postgraduate qualifications in property development from UTS and is a Graduate of the Australian Institute of Company Directors. Belinda is a Director of Blue Knot Foundation and is a member of the Urban Land Institute's Sydney District Council.



Andrew McAnulty, Director and Chief Executive Officer

Andrew is a respected community housing figure, both nationally and internationally. He has delivered social, affordable and large scale urban renewal outcomes for over twenty years across Australia and the United Kingdom. His experience highlights the innovation and vision required to create cutting edge outcomes for projects which link Government, the private sector and the community housing sector - in order to deliver high quality affordable housing. Andrew is Link Housing's CEO and a member of the Development Committee.

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

LINK HOUSING LTD ACN 003 084 928

(A company limited by guarantee)

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DIRECTORS REPORT

The Directors present their report, together with the financial statements of the Company for the year ended 30 June 2018.

DIRECTORS

The names of each person who has been a Director during or since the end of year are:

Sonja Walters	Kerry Robinson	Melanie Leijer (Appointed 14 June 2018)
Julie Savet Ward	Andrew McAnulty	Belinda Bentley (Appointed 14 June 2018)
Lois Towart (Resigned 12 November 2017, Re-appointed 28 November 2017 and Resigned 16 January 2018)	Tim Williams (Resigned 5 May 2018)	
Simon Maughan Wright	Amy Brown (Resigned 15 May 2018)	
Mark McEnallay	Nirmal Hansra (Appointed 12 March 2018)	

COMPANY SECRETARY

Mark Woodward was appointed as a company secretary on 23 August 2018.

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:

SONJA WALTERS

QUALIFICATIONS	MBA, BSW, Post Grad Certificate in Management, GAICD
OCCUPATION	Company Director and Trainer
SPECIAL RESPONSIBILITIES	Chair

JULIE SAVET WARD

QUALIFICATIONS	M Landscape Planning, B.Sc. (Applied PhysGeog) (Hons), FAICD
OCCUPATION	Company Director
SPECIAL RESPONSIBILITIES	Chair, HR and Nominations Committee

LOIS TOWART

QUALIFICATIONS	AssocDipVal(WAIT) BBus(WAIT) FAPI SFin, GAICD
OCCUPATION	Licensed Valuer, Academic
SPECIAL RESPONSIBILITIES	Member, Audit & Risk Management Committee, Member, HR and Nominations Committee

SIMON MAUGHAN WRIGHT

QUALIFICATIONS	Law & Grad Dip, Labour Law, Syd. Uni., Admitted to the Bar of the Supreme Court NSW 1976, MBA, AGSM/UNSW, 2015, FAICD, Real Estate Licence, Certificate in Digital Leadership
OCCUPATION	Principal of ABSA Corporate Advisory, Sydney and a housing property development business and a company director.
SPECIAL RESPONSIBILITIES	Chair, Development Committee, Board real estate licence holder

MARK MCENALLAY

QUALIFICATIONS	B.Com, FCPA, FAICD, FGIA.
OCCUPATION	Company Secretary, Community Services & Health Industry Skills Council Limited (in Liquidation), Company Secretary, RSL Lifecare Limited
SPECIAL RESPONSIBILITIES	Chair, Audit and Risk Management Committee, Company Secretary, resigned 23 August 2018

KERRY ROBINSON

QUALIFICATIONS	Justice of the Peace, Bachelor of Town Planning (Hons), UNSW; Ass. Dip. Valuation, Sydney CAE; GAICD.
OCCUPATION	General Manager
SPECIAL RESPONSIBILITIES	Member, Development Committee and Audit & Risk Management Committee

ANDREW MCANULTY

QUALIFICATIONS	BA (Hons) Housing & Development; Royal Institution of Chartered Surveyors (MRICS); Chartered Institute of Housing (CIOH); GAICD
OCCUPATION	Chief Executive Officer
SPECIAL RESPONSIBILITIES	Executive Director

AMY BROWN

QUALIFICATIONS	BA (Geog), LLB, GAICD
OCCUPATION	Partner, PwC
SPECIAL RESPONSIBILITIES	Member, Development Committee

TIM WILLIAMS

QUALIFICATIONS	PhD. (University of Wales) BA (History) Cambridge, Teaching Certificate (Oxford)
OCCUPATION	CEO
SPECIAL RESPONSIBILITIES	Member, HR & Nominations Committee

NIRMAL HANSRA

QUALIFICATIONS	MComm, FAICD, FGIA, FCANZ, FCPA
OCCUPATION	Board Chair and Non-Executive Director
SPECIAL RESPONSIBILITIES	Member, Audit & Risk Management Committee

MELANIE LEIJER

QUALIFICATIONS	Bachelor of Accounting, Macquarie University, MBA, AGSM/UNSW, GAICD
OCCUPATION	General Manager, Boyce Chartered Accountants, Director, Leijer Consulting providing executive coaching services.
SPECIAL RESPONSIBILITIES	Member, HR & Nominations Committee

BELINDA BENTLEY

QUALIFICATIONS	BSc BA (UNSW) MProDev (UTS) GAICD, Real Estate Licence
OCCUPATION	Founding director of a private property development company and a commercial real estate transaction advisory firm
SPECIAL RESPONSIBILITIES	Member, Development Committee

DIRECTORS REPORT

MEETINGS OF DIRECTORS

During the financial year, 9 meetings of Directors and 16 meetings of Committees of Directors were held. Attendances by each Director during the year were as follows:

DIRECTORS' MEETINGS

	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Sonja Walters	9	9
Julie Savet Ward	9	8
Mark McEnallay	9	9
Simon Maughan Wright	9	9
Lois Towart	3	3
Kerry Robinson	9	7
Andrew McAnulty	9	9
Tim Williams	7	4
Amy Brown	6	6
Nirmal Hansra	4	4
Melanie Leijer	1	1
Belinda Bentley	1	1

AUDIT & RISK MANAGEMENT COMMITTEE MEETINGS

	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mark McEnallay	5	5
Kerry Robinson	4	3
Lois Towart	2	1
Nirmal Hansra	1	1

HR & NOMINATIONS COMMITTEE MEETINGS

	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Julie Savet Ward	6	6
Lois Towart	2	2
Tim Williams	3	3

DEVELOPMENT COMMITTEE MEETINGS

	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Simon Maughan Wright	5	5
Kerry Robinson	1	1
Andrew McAnulty	5	5
Amy Brown	4	1

PRINCIPAL ACTIVITIES

The principal activity of Link Housing Ltd during the financial year was the provision of community housing to low and moderate income earners in New South Wales. During the financial year, we commenced management of 57 group and respite homes providing accommodation for up to 268 people with a disability. No other significant changes in the nature of the company's activity occurred during the financial year.

The Company's activities resulted in maintaining the Company's registration as a Tier 1 Community Housing Provider under the National Regulatory System for Community Housing.

OPERATING RESULTS

The Company increased its property related income by 9% from \$22.2 million to \$24.2 million. This increase was largely the result of an increase of 352 tenancies, including 235 tenancies in Specialist Disability Accommodation taken under management from March 2018.

During the year the Company invested \$1.1 million in strategic business development and service delivery representing an increase of 3% on last year. Through successful tenders, the Company secured management of an additional 1,883 homes under the Social Housing Management Transfer Program (SHMT), 88 affordable homes together with 50 group homes and 7 respite homes for Specialist Disability Accommodation from the NSW State Government. Management of the SHMT properties will commence in December 2018. In order to improve the quality of our property portfolio and enhance tenant experience, the Company increased its maintenance expenditure by 46% to \$1.9 million.

A review of its investment property portfolio resulted in a fair value gain of \$1.9 million. As a result, the Company generated a surplus of \$2.4 million which is being used to further the Company's long-term objective of providing housing to those in need.

Net assets increased to \$115.6 million made up primarily of investment properties and cash. The Company is well positioned for its future growth in providing increased social and affordable housing in NSW.

SHORT AND LONG-TERM OBJECTIVES AND STRATEGY

The short term objectives of the Company during the year were to strengthen our financial capacity and staffing resources so as to allow us to expand housing opportunities. In this respect, we continued to accumulate cash surpluses for future housing investment, repaid \$600,000 of our debt facility with Bendigo Bank and made a number of senior staff appointments during the year. Another 88 affordable rental homes were taken under management.

We also focused on improving services to clients and ensuring our staff had the appropriate skills to work effectively with our tenants. Key achievements during the year included commencing our partnership with Cerebral Palsy Alliance in relation to the management of the group and respite disability properties noted above and our success in winning a New South Government tender to manage 1,883 social housing properties in the Ryde/Hornsby area from December 2018 for 20 years.

The longer term objectives are to improve organisational performance, to ensure we have a robust business model, whilst continuing to focus on a broader range of affordable housing needs which extend beyond the traditional social housing tenant and on a sustainable basis. Under our new strategic direction, we intend to expand the number of social and affordable housing tenancies to 7,500 by 2023.

INVESTMENT PROPERTIES

During the financial year, we carried out formal valuations on 82 dwellings related to the Nation Building Economic Stimulus Properties, vested Potts Hill properties and property owned in conjunction with North Sydney Council. Desktop reviews were undertaken on the balance of the portfolio. Following the formal and desktop revaluation, investment properties increased in value by \$1.879 million across the portfolio.

PERFORMANCE MEASURES

The Company measures its own performance through the use of both quantitative and qualitative indicators. The indicators are used by Directors to assess the financial sustainability of the Company and whether the Company's objectives are being achieved. A number of indicators are analysed in order to measure the performance of the Company. These include EBITDA, tenant arrears, vacancies and voids and asset maintenance standards. These results are reviewed by management and the Board of Directors regularly.

MEMBER'S GUARANTEE

The Company is limited by a guarantee of the members. The limits of the guarantee are provided in Note 22 of the Financial Report.

EVENTS AFTER THE END OF THE REPORTING PERIOD

No matter or circumstance has arisen since reporting date 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 future financial years.

DIRECTORS REPORT

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.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

Deeds of Indemnity have been entered into between the Company and Directors and Officers that indemnify them from financial losses that may occur arising from the performance of their duties. No indemnities have been given during or since the end of the financial year for any person who is or has been an auditor of the Company. Directors' and Officers' insurance premiums are paid by the Company.

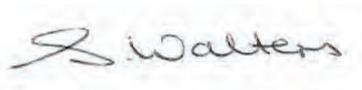
The policy prohibits the disclosure of amounts paid.

AUDITOR'S INDEPENDENCE

The lead auditor's independence declaration in accordance with section 60.40 of the Australian Charities and Not-for-profits Commission Act 2012, for the year ended 30 June 2018 has been received and can be found on page 29.

Signed in accordance with a resolution of the Board of Directors

On behalf of the Directors.



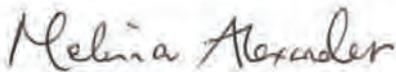
SONJA WALTERS
DIRECTOR

Date: 20 September 2018

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE RESPONSIBLE ENTITIES' OF LINK HOUSING LIMITED
ABN 62 003 084 928**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

- i. the auditor's independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



M A ALEXANDER
Partner

PITCHER PARTNERS
Sydney

20 September 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 \$	2017 \$
Revenue	4	24,502,015	22,624,637
Other income	5	2,092,646	4,621,257
		26,594,661	27,245,894
Expenses:			
Property expenses		(14,485,550)	(13,230,066)
Employee benefit expenses		(5,419,775)	(4,190,107)
Maintenance expenses		(1,930,712)	(1,322,158)
Office expenses		(1,405,143)	(916,971)
Depreciation and amortisation expenses		(254,797)	(248,546)
Finance costs		(230,155)	(255,703)
Other expenses		(442,163)	(1,165,304)
		(24,168,295)	(21,328,855)
Surplus before income tax expense		2,426,366	5,917,039
Income tax expense		-	-
Surplus after income tax expense		2,426,366	5,917,039
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,426,366	5,917,039

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	NOTE	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	1,953,959	638,605
Other financial assets	8	10,904,005	12,695,070
Trade and other receivables	9	1,919,651	1,476,442
Other assets	10	1,364,451	1,430,356
Total Current Assets		16,142,066	16,240,473
Non-Current Assets			
Plant and equipment	11	67,608	47,269
Investment properties	12	105,076,567	103,178,052
Intangibles	13	945,203	1,173,775
Total Non-Current Assets		106,089,378	104,399,096
TOTAL ASSETS		122,231,444	120,639,569
LIABILITIES			
Current Liabilities			
Trade and other payables	14	734,100	1,489,244
Borrowings	15	93,288	-
Provisions	16	506,379	394,901
Other liabilities	17	1,063,790	602,740
Total Current Liabilities		2,397,557	2,486,885
Non-Current Liabilities			
Borrowings	15	4,158,412	4,851,700
Provisions	16	35,832	87,707
Total Non-Current Liabilities		4,194,244	4,939,407
TOTAL LIABILITIES		6,591,801	7,426,292
NET ASSETS		115,639,643	113,213,277
EQUITY			
Reserves	18	2,005,779	1,895,492
Retained surpluses	19	113,633,864	111,317,785
TOTAL EQUITY		115,639,643	113,213,277

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	RETAINED SURPLUSES \$	PROPERTY RESERVE - AFFORDABLE HOUSING \$	SEPP 10 RESERVE \$	TOTAL \$
Balance at 1 July 2016	105,497,642	968,080	830,516	107,296,238
Surplus for the year	5,917,039	-	-	5,917,039
Transfers to and from reserves	(96,896)	96,896	-	-
Balance at 30 June 2017	111,317,785	1,064,976	830,516	113,213,277
Surplus for the year	2,426,366	-	-	2,426,366
Transfers to and from reserves	(110,287)	110,287	-	-
BALANCE AT 30 JUNE 2018	113,633,864	1,175,263	830,516	115,639,643

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Rent and other receipts	14,951,705	14,064,092
Government subsidies and grants received	9,623,698	8,614,819
Sundry receipts	213,431	9,918
Interest received	299,567	445,914
Payments to suppliers and employees	(24,668,092)	(21,750,594)
Interest and other finance costs paid	(230,155)	(255,703)
Net cash provided by operating activities	190,154	1,128,446
CASH FLOWS FROM INVESTING ACTIVITIES		
Transfers (to)/from term deposits	1,791,065	(111,456)
Purchase of property, plant and equipment	(46,565)	(42,250)
Purchase of software	-	(3,389)
Purchase of rent roll	-	(91,553)
Improvements and additions to investment properties	(19,300)	(191,749)
Net cash provided by / (used in) investing activities	1,725,200	(440,397)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(600,000)	(600,000)
Net cash used in financing activities	(600,000)	(600,000)
Net increase in cash and cash equivalents held	1,315,354	88,049
Cash and cash equivalents at the beginning of the financial year	638,605	550,556
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	1,953,959	638,605

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: CORPORATE INFORMATION

Link Housing Ltd ("the Company") is a company limited by guarantee.

The financial report is presented in Australian dollars, which is the Company's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the responsible entities' declaration.

The financial report was authorised for issue, in accordance with a resolution of responsible entities, on 20 September 2018.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to the years presented unless otherwise stated.

a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), as appropriate for not-for-profit entities.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Critical Accounting Estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

b) New, revised or amending standards and interpretations adopted

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

Any new, revised or amending Accounting Standards and Interpretations that are not yet mandatory have not been early adopted.

c) 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 Company and specific criteria have been met for each of the Company's activities as discussed below.

Subsidy and Grant revenue

Subsidy and grant revenues are recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, when it is probable that the economic benefits gained from the grant will flow to the Company and the amount of the subsidy/grant can be measured reliably.

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

The Company 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 profit or loss and other comprehensive income.

Interest revenue

Interest revenue is recognised as interest accrues 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 rent or fees paid on residential accommodation. Rental income is recognised for the period up to the reporting date. Any rent paid in advance is recognised as deferred income.

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

NOTES TO THE FINANCIAL STATEMENTS

d) 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.

e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturity dates of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f) Other financial assets

Other financial assets include term deposits which have an original maturity date greater than three months.

g) Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any provision for impairment.

h) Property, plant and equipment

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

(i) Land

Freehold land is shown at cost.

(ii) Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at historical cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in the statement of profit or loss and other comprehensive income or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 2(i) for details of impairment).

(iii) Depreciation

The depreciable amount of all fixed assets, excluding freehold land and investments, is depreciated on a straight line 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%–33%
Office Equipment	20%–50%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

i) Impairment of non-financial assets

At the end of each reporting period, 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 of disposal 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 profit or loss and other 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.

j) 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.

k) Employee benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, annual leave and long service leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

k) Employee benefits (continued)

The Company's obligations for these short-term employee benefits are recognised as a part of current provisions in the statement of financial position.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Assessment of expected future payments incorporates anticipated future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted at rates determined by reference to market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The Company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations**Defined contribution superannuation benefits**

All employees of the Company receive defined contribution superannuation entitlements, for which the Company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Company's statement of financial position.

l) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term. The lease is not recognised in the statement of financial position.

m) 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the Australian Taxation Office is included in trade and other payables in the statement of financial position.

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 presented as operating cash flows.

n) Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation and are not occupied by the entity. Investment properties are initially recognised at cost, including transaction costs, and are subsequently revalued by an independent valuer on a three year cycle at fair value, based on similar assets, location and market conditions. All out of cycle properties are subject to desktop reviews. Movements in fair value are recognised directly to the statement of profit or loss and other comprehensive income.

The basis of the valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The independent valuer is a member of the Australian Property Institute.

The Valuer has taken into consideration the encumbrance on title for some of the properties which subjects the lands to the provisions of Section 67L of the Housing Act 2001.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner-occupation. The fair value on the date of change of use from investment properties to property, plant and equipment are used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on date of change of use.

Investment properties also include properties under construction for future use as investment properties. These are carried at fair value or at cost if fair value cannot be reliably determined and the construction is incomplete.

NOTES TO THE FINANCIAL STATEMENTS

o) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, that portion of the loans or borrowings are classified as non-current.

p) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including:

- Interest on bank overdraft
- Interest on short-term and long-term borrowings.

q) Intangible assets

Software

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software capitalised at less than \$10,000 has an estimated useful life of three years. Larger value Enterprise software has an estimated useful life of five years. All software is assessed annually for impairment.

Rent Roll

Rent Roll is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Rent Roll has an estimated useful life which is linked to NRAS expiry dates on individual properties.

NOTE 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

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

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Long service leave provision

As discussed in Note 2, the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

NOTE 4: REVENUE	2018	2017
	\$	\$
Rent received	13,803,984	13,093,653
Subsidies	8,857,735	8,124,390
Fee for service income	1,249,345	761,437
Interest received	342,854	382,042
Tenant reimbursements	242,147	243,115
Grants	5,950	20,000
	24,502,015	22,624,637

NOTE 5: OTHER INCOME	2018	2017
	\$	\$
Gain on revaluation of investment properties	1,879,215	4,271,946
Contribution received on property transfer	-	339,393
Sundry income	213,431	9,918
	2,092,646	4,621,257

NOTE 6: EXPENSES	2018	2017
	\$	\$
Surplus before income tax includes the following specific expenses:		
Superannuation expense	424,764	322,742

NOTE 7: CASH AND CASH EQUIVALENTS	2018	2017
	\$	\$
Cash on hand	500	500
Cash at bank	1,953,459	638,105
	1,953,959	638,605

NOTE 8: OTHER FINANCIAL ASSETS	2018	2017
	\$	\$
Bank deposits	10,904,005	12,695,070

NOTE 9: TRADE AND OTHER RECEIVABLES	2018	2017
	\$	\$
CURRENT		
Trade debtors	56,942	-
Rent and non-rent amounts due from tenants	557,563	490,032
Provision for impairment	(436,740)	(280,598)
Total Trade Debtors	177,765	209,434
Bonds paid on leased properties	816,118	761,698
Government subsidies receivable	724,207	412,976
Accrued interest receivable	134,550	91,262
Other receivables	67,011	1,072
Total Other Receivables	1,741,886	1,267,008
TOTAL TRADE AND OTHER RECEIVABLES	1,919,651	1,476,442

NOTE 10: OTHER ASSETS	2018	2017
	\$	\$
CURRENT		
Prepayments	1,364,451	1,071,126
Project costs	-	359,230
	1,364,451	1,430,356

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11: PLANT AND EQUIPMENT

	2018 \$	2017 \$
FURNITURE, FIXTURES AND FITTINGS		
At cost	128,394	107,109
Accumulated depreciation	(87,921)	(74,157)
Total furniture, fixtures and fittings	40,473	32,952
OFFICE EQUIPMENT		
At cost	174,130	148,850
Accumulated depreciation	(146,995)	(134,533)
Total office equipment	27,135	14,317
TOTAL PLANT AND EQUIPMENT	67,608	47,269

Reconciliations

Reconciliation of the written down values for each class of plant and equipment between the beginning and the end of the current financial year:

	Furniture, Fixture and Fittings \$	Office Equipment \$	TOTAL \$
Balance at 1 July 2017	32,952	14,317	47,269
Additions	21,285	25,280	46,565
Disposals	-	-	-
Depreciation expense	(13,764)	(12,462)	(26,226)
Balance at 30 June 2018	40,473	27,135	67,608

NOTE 12: INVESTMENT PROPERTIES

	2018 \$	2017 \$
Investment properties – at fair value	105,076,567	103,178,052
	105,076,567	103,178,052

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening balance	103,178,052	98,374,964
Fair value adjustments	1,879,215	4,611,339
Additions resulting from capitalised development expenditure	19,300	191,749
Closing balance	105,076,567	103,178,052

NOTE 13: INTANGIBLES	2018	2017
	\$	\$
SOFTWARE		
Software - at cost	436,708	436,708
Less: Accumulated amortisation	(253,613)	(167,483)
	183,095	269,225
RENT ROLL		
Rent Roll - at cost	1,089,455	1,089,455
Less: Accumulated amortisation	(327,347)	(184,905)
	762,108	904,550
TOTAL INTANGIBLES	945,203	1,173,775

Reconciliations

Reconciliation of the written down values for each class of intangibles between the beginning and the end of the current financial year:

	Software	Rent Rolls	TOTAL
	\$	\$	\$
Balance at 1 July 2017	269,225	904,550	1,173,775
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(86,130)	(142,442)	(228,572)
Balance at 30 June 2018	183,095	762,108	945,203

NOTE 14: TRADE AND OTHER PAYABLES	2018	2017
	\$	\$
CURRENT		
Trade payables	157,741	290,642
Sundry payables and accrued expenses	576,359	1,198,602
	734,100	1,489,244

NOTE 15: BORROWINGS	2018	2017
	\$	\$
CURRENT		
Bank Loan	93,288	-
NON-CURRENT		
Bank Loan	4,158,412	4,851,700

The Company has a \$6.113 million debt facility from Adelaide and Bendigo Bank Ltd with a maturity date of 24 March 2031. This facility was used for the construction of 32 dwellings at Potts Hill, Bankstown. Current borrowing depicts only 3 months principal repayment as the repayment of both principal and interest commences in April 2019.

Unused borrowing facilities at the reporting date:

Bank loans	1,861,115	1,261,115
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 16: PROVISIONS	2018	2017
	\$	\$
CURRENT		
Employee benefits	456,379	394,901
Provision for leasehold rectification	50,000	–
	506,379	394,901
NON-CURRENT		
Employee benefits	35,832	37,707
Provision for leasehold rectification	–	50,000
	35,832	87,707

Reconciliations

	Employee Benefits	Leasehold Rectification	TOTAL
	\$	\$	\$
Balance at 1 July 2017	432,608	50,000	482,608
Additional provisions raised	433,200	–	433,200
Amount used	(373,597)	–	(373,597)
Balance at 30 June 2018	492,211	50,000	542,211

NOTE 17: OTHER LIABILITIES	2018	2017
	\$	\$
CURRENT		
Subsidies in advance	254,750	3,457
Deferred income	809,040	599,283
	1,063,790	602,740

NOTE 18: EQUITY – RESERVES	2018	2017
	\$	\$
SEPP 10 reserves	830,516	830,516
Affordable Housing reserve	1,175,263	1,064,976
	2,005,779	1,895,492

NOTE 19: EQUITY – RETAINED SURPLUSES	2018	2017
	\$	\$
Retained surplus at the beginning of the financial year	111,317,785	105,497,642
Surplus profit after income tax expense for the year	2,426,366	5,917,039
Transfer to Affordable Housing reserve	(110,287)	(96,896)
	113,633,864	111,317,785

NOTE 20: CAPITAL AND LEASING COMMITMENTS	2018	2017
	\$	\$
OPERATING LEASE COMMITMENTS		
Payable – minimum lease payments		
– No later than 1 year	16,026,985	12,245,143
– Between 1 year and 5 years	16,062,067	898,243
– Greater than 5 years	11,323,098	–
	43,412,150	13,143,386

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with various terms. Increase in lease commitments may occur in line with the consumer price index (CPI). Prior year comparison has been amended to include the general leasehold properties' leasing commitment.

CAPITAL EXPENDITURE COMMITMENTS		
Payable		
– No later than 1 year	–	–
– Between 1 year and 5 years	–	–
	–	–

NOTE 21: CONTINGENT LIABILITIES	2018	2017
	\$	\$
Contingent liabilities	337,512	45,164

Contingent liabilities represent estimates of potential financial effect of liabilities that may become payable and related to bank guarantees provided to third parties for leased properties.

NOTE 22: MEMBER'S 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 outstanding obligations of the Company. At 30 June 2018, the total amount that members of the Company are liable to contribute if the Company is wound up is \$4,900.

NOTE 23: EVENTS AFTER THE END OF THE REPORTING PERIOD

No matter or circumstance has arisen since reporting date 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 future financial years.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 24: KEY MANAGEMENT PERSONNEL DISCLOSURES

COMPENSATION

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

	2018 \$	2017 \$
Aggregate compensation – Directors	101,384	115,134
Aggregate compensation – Executive	1,008,970	874,418

NOTE 25: RELATED PARTY TRANSACTIONS

Key management personnel

Disclosures relating to key management personnel are set out in note 24.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivables from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

NOTE 26: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, borrowings from bank, local money market instruments, short-term investments and accounts receivable and payable.

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

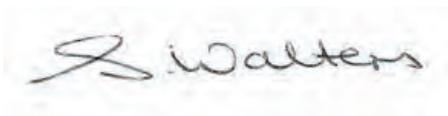
	NOTES	2018 \$	2017 \$
FINANCIAL ASSETS			
Cash and cash equivalents	7	1,953,959	638,605
Other financial assets	8	10,904,005	12,695,070
Trade and other receivables	9	1,919,651	1,476,442
		14,777,615	14,810,117
FINANCIAL LIABILITIES			
Trade and other payables	14	157,741	290,642
Sundry payables and accrued expenses	14	576,359	1,198,602
Borrowings	15	4,251,700	4,851,700
		4,985,800	6,340,944

RESPONSIBLE ENTITIES' DECLARATION FOR THE YEAR ENDED 30 JUNE 2018

In accordance with a resolution of the responsible entities, being the Directors, of Link Housing Limited, the responsible entities of the Company declare that:

1. The financial statements and notes, as set out on pages 24–42, comply with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Company.
2. In the responsible entities' 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 Responsible Entities.



SONJA WALTERS
DIRECTOR

Dated in Sydney, this 20th day of September 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LINK HOUSING LIMITED
ABN 62 003 084 928**

Report on the Financial Report

Opinion

We have audited the financial report of Link Housing Limited ("the Company"), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities declaration.

In our opinion the financial report of Link Housing Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditors report is information included in the Directors Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LINK HOUSING LIMITED
ABN 62 003 084 928**

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Responsible Entities for the Financial Report.

The Responsible Entities are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Responsible Entities are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

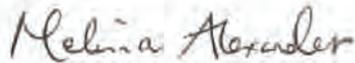
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Responsible Entities.
- Conclude on the appropriateness of the Responsible Entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LINK HOUSING LIMITED
ABN 62 003 084 928**

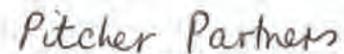
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



M A ALEXANDER
Partner

20 September 2018



PITCHER PARTNERS
Sydney

LINK HOUSING THANKS OUR KEY PARTNERS AND SPONSORS



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