



Helping churches provide affordable housing.



Annual Report 2013

ABOUT US: Vision and Mission

We see the church ministering to their communities through the development of affordable community housing.

We do this by:

Providing consultation, information, inspiration and education in the area of affordable housing to churches of all denominations

Brokering partnerships between churches, government and businesses to facilitate the development of affordable housing

Networking Community Housing Providers with one another, the sector and the church

Advocating for affordable housing as a representative of the ecumenical church to government at all levels.

Churches Housing Inc.

Suite 107, 55 Phillip St,

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Helping churches provide affordable housing.

Report - Chairman

On behalf of the Board of Churches Community Housing Inc. It is my pleasure to present the Annual Report for the year ending 30 June 2013.

For Churches Housing, the past year has been one of organisational change and renewed optimism for the delivery of housing for low to moderate income households.

Derek Yule has been the Executive Officer for the past seventeen years and this year decided it was time for retirement. Since 1996 Derek has guided and facilitated the development of Churches Housing; he established and managed Ecclesia Housing, was a Board member of Community Housing Federation of Australia, retiring as Chairman in July 2013; he has been a passionate advocate for homeless people at all levels of Church and Government in this country. His desire to reduce homelessness inspired him to encourage and assist churches to use their resources to increase the supply of secure affordable housing. In all his endeavours Derek has been motivated by his faith in God and in doing so, has demonstrated that he is a person that seeks justice, loves mercy and walks humbly with his God. We sincerely thank Derek for the dedication and leadership he has given to Churches Housing and we wish him every success in his continuing Christian ministry.

With Derek's departure we have been very fortunate to recruit Magnus Linder, who has accepted the role of Executive Officer. Magnus brings many new skills, enthusiasm, and renewed optimism of what can be achieved by Churches and other agencies working together to increase the supply of housing. We welcome Magnus and we very much support him and the small team of staff who, over the coming

months will be developing a new vision and new strategy to deliver our service.

The crucial challenge for the Board and Magnus in the coming year is to continue the transition of Churches Housing Inc. to be an industry body capable of operating without total reliance on Government funding.

During the year Richard Perkins, Rhonda Gregory, Jill Napier retired from the Board; I want to express our sincere thanks and appreciation to each of them for their generosity in giving their time and expertise to the Board over a long period.

We welcome Michael Kerans and Mike Furner as new Board members;

they bring to the Board a wealth of housing and church sector knowledge and experience. I thank all of the Board members for their support and dedication.

The valuable support of the NSW Churches, the Ecumenical Council, Community Housing Providers and the Community & Private Market Housing Division of Housing NSW is acknowledged.

The potential use of the Church sector resources to increase the supply of social and affordable housing, as well as provide wraparound support services for vulnerable households is very significant. This potential will only be fully realised through collaboration with Government, the private market and other not for profit organisations; our role is to facilitate collaboration and partnerships that can deliver the housing.

Churches Housing Inc. now looks forward to an exciting and no doubt challenging year ahead.

Brian Murnane



Report - Executive Officer

Having commenced my position of Executive Officer at Churches Housing as of the 1st July this year, I am understandably unable to offer much constructive comment on what has happened in the previous year. However, what I do know is that a great amount of thanks and gratitude must be extended to our previous Executive Officer Derek Yule, who has taken this small organisation from very humble beginnings to its now influential and established position as the representative peak body of the church sector in the area of affordable community housing. Thank you Derek for your passion for God and his church, your vision to see the church participating in solutions to the affordable housing crisis and for your perseverance extending seventeen years. Thank you also for your comprehensive handover and for your continued support and words of wisdom for me personally.

I have however, done a little research into our beginnings; the NSW Ecumenical Council formed Churches Community Housing, as we were then known, and initially we used some of their office space and we have continued to enjoy great support from them for the last 15 years. We now receive a significant grant from Housing NSW to act as the peak body for the church sector on housing issues. We represent the church sector on a number of committees and are often asked to comment on, discuss and provide feedback on housing policy, issues and

potential programs. We also assist churches, sometimes individual parishes and at other times on a diocesan or denominational level, to make informed decisions about being involved in affordable housing development. Our advice is free and also comes free from any influence of development dollars. We do not own or manage any housing, but act as a peak advisory body to the church and government, as well as brokering relationships with other industry

professionals. Affordable housing is a particularly important issue for low income earners, disabled, poor, homeless, mentally ill, refugees and indigenous people. Indeed affordable housing is now also impacting moderate income earners, including victims of domestic violence and those recently released from correctional centres.

As we look forward to this current financial year and beyond, one of the first internal projects has been for me to understand who we are, what we do and

how we communicate this. Along with the current staff and board, we have revisited our vision, mission, branding and website. We have been asking ourselves some key questions, including the following, from which has flowed our new vision and mission statement:

So, why does Churches Housing exist and what does it see for the future? ***We see the church ministering to their communities through the development of affordable community***



housing.

How will we do this? We do this by -

- ***Providing consultation, information, inspiration and education in the area of affordable housing to churches of all denominations***
- ***Brokering partnerships between churches, government and businesses to facilitate the development of affordable housing***
- ***Networking Community Housing Providers with one another, the sector and the church***
- ***Advocating for affordable housing as a representative of the ecumenical church to government at all levels.***

Churches Housing is not just looking different thanks to our new logo and presentation, but we hope that we can communicate more clearly and effectively with our key members, the local churches across Australia along with their denominations. Right now our new website is being launched, so please remember to revisit and bookmark our new page, www.churcheshousing.org.au. If your organisation sees themselves as a member or partner with us then we would love to discuss with you how we may be able to promote our website via mutual links to your own.

Churches Housing is also actively pursuing becoming a national peak body for the church in the area of affordable housing and are in discussions with the National Council of Churches about such a move. Why are we considering a move from a state to a national body?

- As affordable housing is an issue in all states and territories, we believe a united voice from the church on this issue will be more effective and powerful in both engaging the church in being part of the solution and also

in lobbying government at all levels for policy change. The Federal government controls most of the levers in terms of financial incentives and tax concessions, although most of the administration is provided by the states. We would like to be recognised as having an advocacy role on a national level in order to influence the federal government's policies on housing.

- Churches from other states already contact us on a fairly regular basis for advice on affordable housing issues as we are the only state body of its kind.
- Housing NSW is encouraging us to explore other avenues of funding and for us to diversify. Being a national peak body will assist us in approaching other state governments as well as the federal government for funding.
- The industry as a whole is moving towards a national model. There is a new National Regulatory System for Community Housing Providers and other NSW peaks are now also exploring how to consolidate on a national level.

Here at Churches Housing we are looking forward! We look forward to a greater level and more effective communication with churches across Australia about the important need for, as well as the opportunities presented by, developing affordable housing on church land. We look forward to greater collaboration and networking across our sector as we build our network of community housing providers. We look forward to advocating on behalf of the church to all levels of government in areas of affordable community housing. Finally, we look forward to a community where housing is treated as a fundamental human need, rather than a wealth creation tool and we hope to see the church innovating, advocating and putting into practice the solutions to our community's increasing levels of housing stress.

Report - Derek Yule

Churches are quite amazing communities, each one uniquely individual and yet all the same in that they are an expression of God's love and concern for His creation; always seeking to fulfil his word that they should share all they have to care for others. *"If anyone has material possessions and sees a brother or sister in need but has no pity on them, how can the love of God be in that person? Dear Children, let us not love with words or speech but with actions and in truth."* (1st John 3:17-18.)

Recently while on holiday I drove the bulk of the Pacific and New England Highways; and as I did so I was reminded of, and saw the many community and affordable housing projects that have been completed over the years by the churches, many in partnership with the government. They are in fact scattered everywhere in the state. The other interesting fact was the number of church organisations that had completed many of the initial Partners In Community Housing (PICH) projects. They now speak of how successful PICH projects are and express a desire to undertake similar projects now; asking "does such a 'product' still exist"? The other exciting area was the number of groups that have developed 'their own' affordable housing project which they have built along with support services and programs for their tenants.



Over the past seventeen years it has been my privilege to work with these churches and many more as they sought to respond to the needs of their communities for safe, secure and affordable housing; congratulations to all who have succeeded and the many more who are still exploring the best way to respond to this critical rental housing shortage.

Many thanks to all the staff, board members, members of Parliament and associates right across the sector who I have had the privilege of knowing and working with; and to all the various churches, church organisations and the Ecumenical Council of NSW, may you continue *"to act justly and to love mercy and to walk humbly with your God."*

*Blessings,
Derek*

"This is how we know what love is; Jesus Christ laid down his life for us. And we ought to lay down our lives for our brothers and sisters." (1st John 3:16.)

"And what does the Lord require of you? To act justly and to love mercy and to walk humbly with your God" (Micah 6:8b.)

Board Member Profiles



Brian Murnane

Brian is the CEO of the newly formed Amelie Housing with 30 years' experience in the community housing sector. From founding Macarthur Community Tenancy in 1983 through its evolution into Argyle Community Housing, Brian has been at the forefront of the development in this sector. While at Argyle, he was responsible for the successful tender and transfer of over 1,000 properties. Brian has also had a distinguished voluntary career with the St Vincent de Paul Society culminating as President and Australian delegate to the SVdP International Council (Paris) in 1991. Brian is a member of the SVdP NSW Social Justice Committee and the NSW Government's Community Housing Advisory Committee.



Myree Harris rsj

BA (Macq), MPS (Loyola), GradDip (Religious Studies) (ACU)

Myree is a sister of the congregation of the Sisters of St Joseph of the Sacred Heart (the Josephites) and has been a member of the CHI board since 1998. She is community leader and public officer of Gethsemane Community Inc. Co-founder and convenor of CASA: Coalition for Appropriate Supported Accommodation for people with disabilities in NSW and Member of the Boarding House Expert Advisory Group (BHEAG). Myree received the OAM in 2011 for service to people with mental illness and to the homeless.



Kevin Hincks OAM

Kevin is a retired pharmacist, having owned a business in Swansea for over 40 years. He has been very active in parish, diocesan and international ecumenical affairs and served on the executive of the NSW Ecumenical Council for over 10 years including a term as vice president. He has been president of the Swansea Meals on Wheels for 27 years. For over 50 years he has been active in Rotary especially with the Youth Exchange Program. He also served as secretary for the Hunter Valley Pharmacy Association. For service to the community Kevin was honoured with an O.A.M. Kevin is married to Bev and they have 4 children, 14 grandchildren and 1 great grandchild. They live on the lovely shores of Lake Macquarie at Belmont.



Michael Kerans

Michael has over 25 years industry experience including 4 years consulting to and researching the development and financing of affordable housing, and prior to this 21 years' experience in the unlisted and listed property trust sectors principally for the ING Group. Within these roles he completed the portfolio management of three unlisted residential property trusts, direct property valuations and acquisitions and was employed in the launch of the integrated \$239m Heine Industrial and \$1.6b Armstrong Jones industrial, office and retail property funds with the Mercantile Mutual portfolios. Michael received a national award in 2009 from the Australian Property Institute for his research into affordable rental housing financing. Michael holds a Bachelor of Commerce (Land Economics), a Graduate Diploma in Property Investment and Finance, a Masters in Applied Science (Building Studies) and is an Associate of the Australian Property Institute. Michael is a registered valuer and licensed Real Estate Agent.



Mike Furner

General Manager Housing & Retirement Living
Baptist Community Services NSW & ACT

Mike joined BCS in 2001 to head up the newly created Aged and Community Care Operations Division and has undertaken GM level roles within the Aged Care operational structures, managing residential and community care and retirement villages. For four years he took on the broader role as GM Strategic Development for the whole Organisation. This role was to improve the Organisation's capability to achieve its strategic objectives through effective long term property planning, research analysis, service design and service delivery models. This led to the establishment of social housing within BCS. Mike is now the GM Housing and Retirement Living Division.

Prior to joining BCS Mike had 20 years senior management experience in the community development, health, rehabilitation and aged care fields in NSW, the Northern Territory and Tasmania. A significant part of his work has been in rural and remote areas of Australia including Aboriginal communities. Social justice issues are an important part of Mike's life. This combined with his qualifications in human services management has led to many opportunities to pursue these social development interests and use of his business management skills.



Financial Reports

CHURCHES HOUSING INCORPORATED

FINANCIAL REPORT

For the year ended

30th June, 2013



CHURCHES HOUSING INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2013

2012 \$		Notes	2013 \$
	CURRENT ASSETS		
145,448.15	Cash and cash equivalents	2	103,586.66
<u>21,677.50</u>	Receivables	3	<u>4,869.16</u>
167,125.65	TOTAL CURRENT ASSETS		108,455.82
	NON-CURRENT ASSETS		
<u>33,908.70</u>	Plant & Equipment	4	<u>28,572.19</u>
33,908.70	TOTAL NON-CURRENT ASSETS		<u>28,572.19</u>
<u>201,034.35</u>	TOTAL ASSETS		<u>137,028.01</u>
	CURRENT LIABILITIES		
<u>101,979.28</u>	Payables	5	<u>92,020.33</u>
101,979.28	TOTAL CURRENT LIABILITIES		<u>92,020.33</u>
<u>-</u>	NON-CURRENT LIABILITIES		<u>-</u>
-			-
<u>101,979.28</u>	TOTAL LIABILITIES		<u>92,020.33</u>
<u>99,055.07</u>	NET ASSETS		<u>45,007.68</u>
	MEMBERS FUNDS		
63,854.07	Retained Profits/(Losses)	6	45,007.68
<u>35,201.00</u>	Reserves	7	<u>-</u>
99,055.07	TOTAL MEMBERS' FUNDS		<u>45,007.68</u>

The Accompanying notes form part of these Financial Statements

CHURCHES HOUSING INCORPORATED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2013

2012		2013
\$		\$
	INCOME	
262,061.63	Government Grants Received	263,502.98
10,432.15	Interest Income	3,592.16
7,999.94	Employee Fringe Benefits Contributions	7,999.94
<u>280,493.72</u>	Total Income	<u>275,095.08</u>
	EXPENDITURE	
520.00	Audit Fees	540.00
1,389.99	Computer Software	1,095.00
3,126.50	Computer Support	3,769.00
12,239.06	Conferences & Meetings	5,861.84
7,987.55	Depreciation	7,449.00
1,063.12	Electricity Expenses	1,073.86
4,131.65	Insurance	6,052.97
713.00	Internet Expenses	-
400.55	Legal Fees	-
-	Loss on Sale of Asset	466.60
71.35	Miscellaneous Expenses	74.02
3,881.77	Motor Vehicle Expenses	6,395.54
4,321.79	Office Supplies	1,541.45
188,698.08	Salaries & Wages	196,333.57
25,696.10	Other Payroll Expenses	-
5,000.00	Promotional Expenses	921.98
(32,609.02)	Provision for Annual & Long Service Leave	(936.85)
540.60	Staff Amenities	673.31
180.00	Staff Development Costs	50.00
272.73	Staff Functions/Gifts	700.04
16,667.92	Superannuation	17,472.08
2,319.51	Workers Compensation Insurance	1,578.13
14,195.35	Fringe Benefits Tax	5,610.00
707.28	Postage & Delivery	323.64
17,963.64	Professional Fees	2,900.00
17,922.95	Rent	21,245.68
4,112.71	Subscriptions	1,006.35
4,085.58	Telephone Expenses	4,045.81
8,091.57	Travel Expenses	7,698.45
<u>313,691.33</u>	Total Expenditure	<u>293,941.47</u>
<u>(33,197.61)</u>	Profit/(Loss) from ordinary activities	<u>(18,846.39)</u>
<u>-</u>	Other Comprehensive Income for the year	<u>-</u>
<u>(33,197.61)</u>	Total Comprehensive Income for the year	<u>(18,846.39)</u>
<u>(33,197.61)</u>	Profit attributable to the members of the entity	<u>(18,846.39)</u>
<u>(33,197.61)</u>	Total Comprehensive Income attributable to members of the entity	<u>(18,846.39)</u>

The Accompanying notes form part of these Financial Statements

CHURCHES HOUSING INCORPORATED
STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 30TH JUNE 2013

	Retained Profits/ Losses	Reserves	Total
Balance as at 1 July 2011	97,051.68	47,027.00	144,078.68
Profit attributable to the entity for the year	(33,197.61)	-	(33,197.61)
Transfer (to)/from Ecclesia Housing Limited	-	(11,826.00)	(11,826.00)
Total Other Comprehensive Income for the period	-	-	-
Balance as at 30 June 2012	63,854.07	35,201.00	99,055.07
Profit attributable to the entity for the year	(18,846.39)		(18,846.39)
Total Other Comprehensive Income for the year	-	-	-
Transfer to Sundry Payables	-	(35,201.00)	(35,201.00)
Balance as at 30 June 2013	45,007.68	-	45,007.68

CHURCHES HOUSING INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2013

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

Financial Reporting Framework

These financial statements are special purpose financial statements which have been prepared to meet the requirements of the Associations Incorporation Act 2009 NSW and for use by the Committee of Management and the member churches of Churches Housing Inc

AASB 1031: Materiality

AASB 110: Events after the Reporting Period

No other applicable Accounting Standards or other mandatory professional reporting requirements have been applied.

The financial statements have been prepared on an accrual basis in accordance with the historical cost convention. Cost is based on the fair values of the consideration given in exchange for assets.

Significant Accounting Policies

Accounting Policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

Recognition of Income

The timing of the recognition of grants, donations, fundraising, entrance fees and annual subscriptions from members depends when control of these monies is obtained, usually receipt of monies.

Investment Income

Investment interest is recognised in the statement of comprehensive income when received.

Income Tax

The Association is recognised as a non-profit organisation for Australian Income Tax purposes and is exempt from Income Tax.

Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on purchases of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense items as applicable.

- receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable, to the taxation authority is included as part of receivables or payables in the statement of financial position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, Plant & Equipment

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

Plant & Equipment is depreciated over the expected economic life of each asset.

The depreciation rates used for each class of depreciable asset are:-

Plant & Equipment 7.5% - 40%

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If such an indication exists and where carrying values exceed the recoverable amount

Employee Benefits

Provision is made for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, and long service leave which will be settled

Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

Payables

Sundry Creditors and Accruals are shown in the Statement of Financial Position at the aggregate value of monies owed for goods and services provided and other amounts unpaid as at 30th June, 2013. These amounts are unsecured and usually paid within 30 days

Cash and

Cash and cash equivalents includes cash on hand and cash held with financial institutions which are subject to insignificant risk of changes in value.

2012

\$

2013

\$

NOTE 2 - CURRENT ASSETS - CASH AND CASH EQUIVALENTS

145,248.15	Cash at Bank	103,386.66
200.00	Cash at Hand	200.00
<u>145,448.15</u>		<u>103,586.66</u>

NOTE 3 - CURRENT ASSETS - OTHER

4,250.00	Security Deposit - Bond	4,250.00
941.28	Prepayments	619.16
737.19	GST Refundable	-
15,749.03	Sundry Receivables	-
<u>21,677.50</u>		<u>4,869.16</u>

NOTE - 4 - NON-CURRENT ASSETS - PROPERTY, PLANT &

16,787.29	Plant & Equipment - at cost	17,408.58	
(6,954.47)	Less: Accumulated Depreciation	<u>(9,510.35)</u>	7,898.23
<u>9,832.82</u>			
32,650.00	Motor Vehicle - at cost	32,650.00	
(8,574.12)	Less: Accumulated Depreciation	<u>(11,976.04)</u>	20,673.96
<u>24,075.88</u>			
<u>33,908.70</u>			<u>28,572.19</u>

NOTE 5 - CURRENT LIABILITIES - PAYABLES

57,420.33	Sundry Creditors	43,071.60
12,061.45	Annual Leave	8,605.86
32,497.50	Long Service Leave	35,016.24
-	GST Payable	5,326.63
<u>101,979.28</u>		<u>92,020.33</u>

NOTE 6 - RETAINED PROFITS

97,051.68	Retained Profits at the Beginning of the Financial Year	63,854.07
-	Less: Transfer to Redundancy Reserve	-
(33,197.61)	Net Profit/(Loss) for the year	(18,846.39)
<u>63,854.07</u>	Retained Profits/(Loss) at the End of the Financial Year	<u>45,007.68</u>

NOTE 7 - RESERVES**REDUNDANCY RESERVE**

47,027.00	Balance at the Beginning of the Financial Year	35,201.00
(11,826.00)	Less: Transfer to Ecclesia Housing Limited	-
-	Less: Transfer to Sundry Payables	(35,201.00)
<u>35,201.00</u>	Balance at the End of Financial Year	<u>-</u>

CHURCHES HOUSING INCORPORATED
STATEMENT BY THE COMMITTEE OF MANAGEMENT

The Committee of Management of the Association has determined that these financial statements are special purpose financial statements prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the Committee of Management of Churches Housing Incorporated (the Association):

- (a) the accompanying Statement of Profit or Loss and Other Comprehensive Income gives a true and fair view of the surplus/(deficit) of the Association for the year ended 30 June 2013;
- (b) the accompanying Statement of Financial Position gives a true and fair view of the state of affairs of the Association as at that date; and
- (c) at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

For and on behalf of the Committee,


BRIAN MURNANE


MICHAEL KERANS

SYDNEY,
18 October 2013

THOMAS DAVIS & CO.

(ESTABLISHED 1894)

CHARTERED ACCOUNTANTS

Liability limited by a scheme approved
under Professional Standards Legislation

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FACSIMILE: (02) 9231 6792
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68 PITT STREET
SYDNEY NSW 2000

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHURCHES HOUSING INCORPORATED

We have audited the accompanying financial report, being a special purpose financial report, of Churches Housing Incorporated which comprises the statement of financial position as at 30 June 2013, and the statement of profit or loss and other comprehensive income and the statement of changes in members' funds for the year ended on that date, a summary of significant accounting policies, other explanatory notes and statement by the Committee of Management.

Committee's Responsibility for the Financial Report.

The Committee of Management of Churches Housing Incorporated is responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporations Act 2009 NSW and is appropriate to meet the needs of the members. The Committee of Management's responsibility also includes such internal control as the Committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



www.thomasdavis.com.au

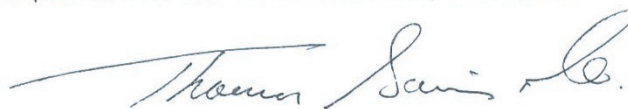


Opinion

In our opinion, the financial report gives true and fair view in all material respects, the financial position of Churches Housing Incorporated as at 30 June 2013 and of its financial performance for the year then ended in accordance with the financial reporting requirements of the Associations Incorporation Act 2009 NSW.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Churches Housing Incorporated to meet the requirements of the Associations Incorporation Act 2009 NSW. As a result, the financial report may not be suitable for another purpose.



THOMAS DAVIS & CO.



S. A. WAGSCHALL PARTNER

Chartered Accountants

SYDNEY,
18 October 2013

Liability limited by a scheme approved under Professional Standards Legislation



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CHURCHES
HOUSING

Helping churches provide affordable housing.