



Helping churches provide affordable housing.



Annual Report 2015

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.

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Helping churches provide affordable housing.

Report - Chairman

With my first report as chair of Churches Housing, I am torn between conflicting emotions. When I consider the apparent unending growth of Sydney's property prices, I feel a sense of rage at those who are profiting at the expense of those not able to fend for themselves. Then I am brought back to earth by considering the words of Jesus' brother, "Everyone should be quick to listen, slow to speak and slow to become angry, because human anger does not produce the righteousness that God desires" (James 1:19-20)

On the surface, it may appear that we are to keep our mouths shut and not react - however, I don't feel that this is what James is getting at. Only a few verses later, he writes "Religion that God our Father accepts as pure and faultless is this: to look after orphans and widows in their distress and to keep oneself from being polluted by the world" (James 1:27)

The message seems clear to me - this isn't a time to get on the soap box and point fingers - but now is the time of action. We are to care for the orphans, the widows, the elderly, the disabled, the victims, and so on. It may well be that the "government" needs to do more, or we need to have the whole of

society to work together to address housing (un)affordability and homelessness - however we also need to take action ourselves, both individually and as the body of Christ.

Our governments are presented with a challenging task to help those that are less fortunate. Let us all rise together to pray for our leaders, at the federal, state and local level and ask that our LORD will show them wisdom on how to best tackle the problem. In addition to praying for our elected leaders, let us also pray for those working in the government departments, and in particular Family and Community Services (FaCS). They are presented with what is probably the most challenging portfolio of the government, and rarely would receive thanks and acknowledgment for the job that they do.

One of the many ways that Family and Community Services fulfils its role is through the funding of peak bodies and Churches Housing is no exception. I would like to take this opportunity to formally acknowledge the funding received by the New South Wales state government, which provides the funds for the majority of our work and to thank them for this provision. Without this valuable assistance, we would not

be able to perform our role in the same manner.

The past twelve months have seen a number of notable decisions and announcements, some of which are positive and some that are not. There has been the announcement of the \$1 billion fund for social and affordable housing, the Premier's Innovation Initiative, the Social Housing discussion paper for NSW, the defunding of Homelessness Australia, the defunding of National Shelter and the defunding of the Community Housing Federation of Australia. Each of these will have an impact on those that we seek to serve and we should remain mindful of those that are in need and how this will impact them.

In addition to these external factors that impact our work, we have also experienced a degree of change within our own organisation.

Firstly, we have formally implemented a change to our membership structure. Previously our membership was shared with that of the New South Wales Ecumenical Council. In practice, the church organisations with a strong social welfare capacity tended to be the most active, whereas others weren't aware of their default participation in Churches Housing. The change of the membership roll more accurately reflects the tangible work of Churches Housing and

its activities in the church sector - while still enabling us to work with all churches to assist in providing accommodation to those in need.

Secondly, we are also privileged to welcome Sue King to the board. Sue has worked with Anglicare Sydney for a number of years and is well known throughout the sector for her advocacy and research work. In addition to a number of other activities, the annual housing affordability snapshot commissioned by Anglicare, is regularly cited amongst government and the church sector highlighting the lack of affordable accommodation options in Sydney and the Illawarra.

Finally, on behalf of the board and staff, we wish to acknowledge and thank Brian Murnane for his role as chair of Churches Housing. Brian stepped up to the role as chair for a period of 6 months, to fill a temporary gap. After 2½ years, Brian has certainly fulfilled his 6 month role.

While on the subject of thanks, we also have the opportunity to acknowledge both Derek Yule and Myree Harris through life membership of Churches Housing.

Derek was pivotal in the creation of Churches Housing as its founding Executive Officer. He was responsible for the shaping of the organisation as it is today (and for the creation of Ecclesia

Housing). He was responsible for brokering a number of partnerships between churches and other parties, which resulted in the creation of many dwellings for those in need. Derek also played a key role in the development of many of the housing policies and programs that exist today.

Myree has been on the board of Churches Housing since its inception (and also that of Ecclesia Housing). Aside from the long term commitment to seeing the development of both of these organisations, it is the unassuming nature of Myree as she performs her mission with the Gethsemane Community focusing on the lives of adults with mental illness that inspires me. Reflecting back on my opening statements from the book of James, Myree provides an excellent role model of true religion.

On behalf of the board, I would also like to express my thanks to Magnus and his team. It goes without saying that without them - the organisation could not function.

In closing, I'd like to share a story told to me by a gentleman who was walking through the streets of Melbourne with his teenage son. His son stopped and looked at the rough sleepers and then turned to his dad and asked why they were sleeping outside. The simple answer of them having nowhere else to

go seemed inadequate. The response from his son then floored him - "Why don't you invite them to your building to sleep at night?" This was the call to action that he needed. He contacted his CEO and prepared a plan for his organisation to fund accommodation for those that were homeless.

As we look to the period ahead of us, I am sure that each of us will agree that there is a challenging task ahead of us. What if it was your son or daughter that provided the challenge to you? What if it was your son or daughter that needed help?

Let us all work together as the body of Christ to bring true religion to our cities and towns.



Rob Burnelek

Chairman—Churches Housing Inc.

Report - Executive Officer

Churches Housing Inc. is much more about you, our members, working together to grow our sector. Churches Housing also plays an important part by providing support, advice, networking opportunities, consultation, information and advocacy. As the peak body we do not own or manage any housing, but work solely for the benefit of our members and the sector.

This year has seen the following highlights:

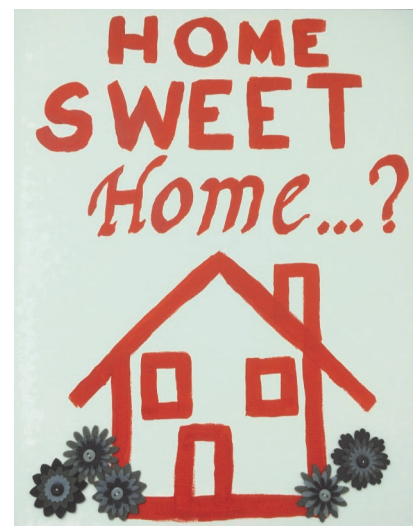
New Constitution: After a new constitution was adopted at our last AGM, our membership has shifted from a membership reflecting a vast mix of denominations to the church social service organisations who have an active interest in housing. This has seen much greater membership participation. This still includes some churches and dioceses who have housing front and centre as a ministry but by and large we have been treating the church as a client rather than a member. Churches who are interested in developing affordable or social housing will still receive our support and advice with a view to seeing new projects underway, but often it is not realistic to see these churches continue to engage with us after a project is completed.

Membership Dues: Churches Housing has successfully transitioned to see a modest income from our first year of charging membership dues. This is an important step to ownership by our members and also boosts a budget that, like many not-for-profits, runs on the smell of an oily rag.

Consultancy Fees: Additionally, more revenue has been generated by supporting our members in a fee-for-service consultancy. All of the hours billed have been from us supporting new members seeking to register for the first time as a CHP (Community Housing Provider). This will see us growing our sector by bringing in new players with new investment.

Partnership in the First NSW Affordable Housing Conference: Churches Housing was a minor partner with the Federation in delivering the first NSW Affordable Housing Conference held at World Square.

Networking Breakfasts: Our popular networking breakfasts have brought together many of our members around the table. We have been challenged in a variety of different areas as we have hosted both industry experts and state and federal politicians. These events are open to all, members and non-members, so please think about joining us if you have not done so already.



Representation on Various Government Committees and One-Off Roundtables and Events:

Churches Housing works closely with both the State Government (predominantly FaCS) as well as other peak bodies. We have regular seats at the Housing Registrar's Advisory Forum as well as FaCS "Sector Development Peak Body Working Group". We continue to collaborate on sector development and have tabled submissions and attended events around the social housing reforms. We look forward to keeping you informed of future developments.

Consultancy With Churches:

Churches and para-church organisations with an interest in developing housing on their land routinely contact us for advice in regards to development and partnership with the sector. This is something we love doing with a view to being a catalyst for new housing development.

There are of course many other activities, events and initiatives that we engage in, too numerous to list. However I do wish to mention my small but valuable staff team Donna, Rob and Kathy - thank you for your good humour and your hard work for a cause you all believe in. And also much gratitude to the Churches Housing board, who provide valuable direction, perspective, personal encouragement and guidance.

The year ahead still sees a lack of clarity from both State and Federal governments in policy development in the social and affordable housing sector. We hope to provide more clarity and information about the "Billion Dollar" (although the correct

wording is "up to" \$1 billion) fund which may provide some much needed impetus to new development.

If you would like to stay in touch or become a member, then please visit our website and subscribe to our newsletter and sign up to become a member. We look forward to working with you for an affordable future for all.



Thanks and regards,

Magnus Linder

Executive Officer

Churches Housing Inc.

Board Member Profiles



Rob Burnelek

Rob is the General Manager of the newly formed Salvos Housing. He heads the community and affordable housing operations of The Salvation Army (East Australian Territory) covering Queensland, New South Wales and the Australian Capital Territory. The Salvation Army has had a long history in helping the needy particularly in homelessness and through his work in Salvos Housing, Rob is seeking to extend this compassion through a range of transitional and affordable housing options.

Prior to joining Salvos Housing, Rob has had a number of roles in the non-profit sector, particularly in the community and affordable housing sector. He previously was a consultant with Churches Housing, and assisted a number of churches in developing strategies for the development of affordable housing. Rob also has extensive experience in a number of government sponsored initiatives to increase the supply of affordable housing in the community, particularly the National Rental Affordability Scheme (NRAS). Rob has directly prepared NRAS submissions for nine NRAS proposals, involving over 500 accommodation units. Before entering the non-profit sector, Rob had 20 year experience in the Financial Services and Information Technology industries.

Rob has a passion for working with churches to assist them realising their mission through the provision of affordable housing.



Brian Murnane

Brian is the CEO of 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 St Vincent de Paul Society International Council (Paris) in 1991. Brian is a member of the St Vincent de Paul Society NSW Social Justice Committee and the NSW Government's Community Housing Advisory Committee.



Sue King

Director of Advocacy and Partnerships
ANGLICARE Sydney

Sue and her team in the Social Policy Research Unit develop a strong evidence base using primary research to develop an advocacy agenda. The focus of their work has been on the most marginalised and socially excluded groups of people in our community and a key area of research has been both food and housing insecurity and the links between the two. Her team has also conducted an annual Rental Affordability Snapshot which monitors the number of affordable rental properties across Sydney for people on Newstart, single parent and low income families. ANGLICARE has a fundamental belief that secure and affordable housing is one of the most significant pathways out of entrenched disadvantage.



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.



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 and a member of the Australian Catholic Disability Council. 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.



Mark Khoo

Mark is a Partner at Salvos Legal, which is an award winning law firm owned and run by The Salvation Army. Salvos Legal practises in commercial/property law and uniquely, all of its profits are used to fund Salvos Legal Humanitarian, which provides free 'legal aid' services to the disadvantaged and marginalised, primarily in the areas of criminal law, family and children's law, debt, migration/refugee law, social security and of course, housing. Mark has over thirteen years' experience as a property lawyer, nine of which were gained in leading/top tier firms (most recently at Minter Ellison). Mark has all round experience in housing, having acted for community housing providers, developers, financiers and residential 'mums and dads'. Mark also has the privilege of having been an Associate to Justice Murray Wilcox at the Federal Court of Australia. He graduated from law school with first class honours in 2001. Mark is also a Fellow of the Australian Property Institute.



Michael Kerans

Michael has over 30 years property industry experience including 8 years consulting to and researching the development and financing of affordable housing, 2 years in community housing management, 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.



Financial Reports

CHURCHES HOUSING INCORPORATED

FINANCIAL REPORT

For the year ended

30th June, 2015



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 2015;
- (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;
- (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;
- (d) the financial statements have satisfied the requirements of the ACNC Act.

For and on behalf of the Committee,

ROBERT BURNELEK



MICHAEL KERANS



SYDNEY,

9 October 2015

The Accompanying notes form part of these Financial Statements

CHURCHES HOUSING INCORPORATED

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2015

2014 \$			2015 \$
		Notes	
	CURRENT ASSETS		
36,802.55	Cash and cash equivalents	2	46,214.70
<u>4,529.84</u>	Receivables	3	<u>4,250.00</u>
41,332.39	TOTAL CURRENT ASSETS		50,464.70
	NON-CURRENT ASSETS		
<u>5,175.14</u>	Plant & Equipment	4	<u>4,845.88</u>
5,175.14	TOTAL NON-CURRENT ASSETS		<u>4,845.88</u>
<u>46,507.53</u>	TOTAL ASSETS		<u>55,310.58</u>
	CURRENT LIABILITIES		
<u>17,355.86</u>	Payables	5	<u>16,677.46</u>
17,355.86	TOTAL CURRENT LIABILITIES		16,677.46
-	NON-CURRENT LIABILITIES		-
-			-
<u>17,355.86</u>	TOTAL LIABILITIES		<u>16,677.46</u>
<u>29,151.67</u>	NET ASSETS		<u>38,633.12</u>
	MEMBERS FUNDS		
<u>29,151.67</u>	Retained Profits/(Losses)	6	<u>38,633.12</u>
<u>29,151.67</u>	TOTAL MEMBERS' FUNDS		<u>38,633.12</u>

CHURCHES HOUSING INCORPORATED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2015**

2014		2015
\$		\$
	INCOME	
262,061.64	Government Grants Received	272,780.25
1,702.69	Interest Income	1,411.76
-	Membership Fees Income	800.00
-	Fee for Service Income	531.25
1,074.82	Miscellaneous Income	697.95
<u>769.23</u>	Employee Fringe Benefits Contributions	<u>-</u>
265,608.38	Total Income	276,221.21

EXPENDITURE

-	Audit Fees	1,400.00
1,424.80	Computer Software	694.77
3,713.00	Computer Support	3,420.50
4,387.64	Conferences & Meetings	6,033.16
3,012.02	Depreciation	1,732.28
780.25	Electricity Expenses	1,001.38
3,290.91	Insurance	3,636.36
300.00	Internet Expenses	340.00
7,657.76	Loss on Sale of Asset	-
93.88	Miscellaneous Expenses	151.68
1,889.62	Motor Vehicle Expenses	2,166.72
2,227.29	Office Supplies	437.14
234,350.09	Salaries & Wages	188,593.35
969.35	Promotional Expenses	-
(40,063.70)	Provision for Annual & Long Service Leave	1,480.89
1,190.00	Staff Amenities	885.82
763.18	Staff Development Costs	936.63
1,772.14	Staff Functions/Gifts	309.14
17,766.68	Superannuation	17,916.47
1,437.03	Workers Compensation Insurance	1,606.37
6,995.33	Fringe Benefits Tax	7,383.43
174.54	Postage & Delivery	-
20,166.28	Rent	19,935.98
844.55	Subscriptions	2,070.26
1,997.03	Telephone Expenses	2,361.01
4,324.72	Travel Expenses	2,246.42
281,464.39	Total Expenditure	266,739.76
(15,856.01)	Profit/(Loss) from ordinary activities	9,481.45
-	Other Comprehensive Income for the year	-
(15,856.01)	Total Comprehensive Income for the year	9,481.45
(15,856.01)	Profit attributable to the members of the entity	9,481.45
(15,856.01)	Total Comprehensive Income attributable to members of the entity	9,481.45

CHURCHES HOUSING INCORPORATED

STATEMENT OF CHANGES IN MEMBERS' FUNDS

FOR THE YEAR ENDED 30TH JUNE 2015

	Retained Profits/ Losses	Reserves	Total
Balance as at 30	45,007.68	-	45,007.68
Profit attributable to the entity for the	(15,856.01)	-	(15,856.01)
Total Other Comprehensive Income for the period	-	-	-
Balance as at 30	29,151.67	-	29,151.67
Profit attributable to the entity for the	9,481.45	-	9,481.45
Total Other Comprehensive In-	-	-	-
Balance as at 30	38,633.12	-	38,633.12

CHURCHES HOUSING INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2015

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 Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act) and for use by the Committee of Management and the member churches of Churches Housing Incorporated. The Committee has determined that the Association is not a reporting entity and hence these statements have been prepared in accordance with the following applicable Accounting Standards and other mandatory professional reporting requirements.

AASB 1031:	Materiality
AASB 110:	Events after the Reporting Period

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

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

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 applica-

- 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%
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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, the asset is written down to the recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use.

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 after one year, have been measured at the amount expected to be paid.

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, 2015. These amounts are unsecured and usually paid within 30 days of recognition.

Cash and cash equivalents

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

2014
\$

2015
\$

NOTE 2 - CURRENT ASSETS - CASH AND CASH EQUIVALENTS

36,602.55	Cash at Bank	46,014.70
<u>200.00</u>	Cash at Hand	<u>200.00</u>
<u>36,802.55</u>		<u>46,214.70</u>

NOTE 3 - CURRENT ASSETS - OTHER

4,250.00	Security Deposit - Bond	4,250.00
<u>279.84</u>	Prepayments	<u>-</u>
<u>4,529.84</u>		<u>4,250.00</u>

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

17,408.58	Plant & Equipment - at cost	18,811.60	
<u>(12,233.44)</u>	Less: Accumulated Depreciation	<u>(13,965.72)</u>	4,845.88
<u>5,175.14</u>			
<u>5,175.14</u>			<u>4,845.88</u>

NOTE 5 - CURRENT LIABILITIES - PAYABLES

7,967.60	Sundry Creditors	11,639.79
3,558.40	Annual Leave	5,039.29
<u>5,829.86</u>	GST Payable	<u>(1.62)</u>
<u>17,355.86</u>		<u>16,677.46</u>

NOTE 6 - RETAINED PROFITS

45,007.68	Retained Profits at the Beginning of the Financial Year	29,151.67
<u>(15,856.01)</u>	Net Profit/(Loss) for the year	<u>9,481.45</u>
<u>29,151.67</u>	Retained Profits/(Loss) at the End of the Financial Year	<u>38,633.12</u>

THOMAS DAVIS & CO.

(ESTABLISHED 1894)

CHARTERED ACCOUNTANTS

Liability limited by a scheme approved
under Professional Standards Legislation

PLEASE ADDRESS ALL LETTERS TO
BOX 492 G.P.O.
SYDNEY, N.S.W. 2001

TELEPHONE: (02) 9232 1188
FACSIMILE: (02) 9231 6792
EMAIL: mail@thomasdavis.com.au

LEVEL 20
68 PITT STREET
SYDNEY NSW 2000

CHURCHES HOUSING INCORPORATED

**Auditor's Independence Declaration to the Committee of Management of Churches Housing
Incorporated under section 60-40 of the Australian Charities and Not-for-profits Commission Act
2012 (ACNC Act)**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been:

- (a) no contraventions of the auditor independence requirements of section 60-40 of the ACNC Act in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

Thomas Davis & Co.

THOMAS DAVIS & CO.

J.G. Ryan

J.G. RYAN

PARTNER

Chartered Accountants

Sydney

9 October 2015

THOMAS DAVIS & CO.

(ESTABLISHED 1894)

CHARTERED ACCOUNTANTS

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under Professional Standards Legislation

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BOX 492 G.P.O.
SYDNEY, N.S.W. 2001

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LEVEL 20
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 2015, 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 Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act) 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.

Independence

In conducting our audit, we have complied with the independence requirements of the ACNC Act.

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 2015 and of its financial performance for the year then ended in accordance with the financial reporting requirements of Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act), complying with Australian Accounting Standards to the extent described in Note 1.

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 ACNC Act. As a result, the financial report may not be suitable for another purpose.


THOMAS DAVIS & CO.

J.G. RYAN PARTNER

Chartered Accountants

SYDNEY,
9 October 2015

Liability limited by a scheme approved under Professional Standards Legislation



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Helping churches provide affordable housing.