



better together



ANNUAL REPORT
2022 - 2023

We are pleased to present Common Equity Housing Limited's (CEHL) Annual Report for 2022-23. This report provides an overview of CEHL's performance for the past financial year. It also summarises the extensive work undertaken across the organisation, and highlights our commitment to increasing impact and value to the Victorian Community Housing sector and promoting rental housing Co-operatives as a key part of the solution to Australia's affordable housing crisis.



Fiona Herman
CEHL Chairperson



Elizabeth Thomas
CEHL Managing Director



Acknowledgement of Traditional Owners

In the spirit of reconciliation, CEHL acknowledges Aboriginal and Torres Strait Islander peoples as Australia's First People and Traditional Custodians of the land we work on and the land where our housing is located.

Visit www.cehl.com.au for more information about our housing program and activities.

If you would like more information about any item in this report email info@cehl.com.au or phone 1800 353 669.

Write to us at: PO Box 504, Carlton South, VIC 3053.



Embracing social and cultural diversity

CEHL is committed to embracing diversity and eliminating discrimination. Our workplace and housing services are inclusive, and we welcome everyone irrespective of ethnicity, lifestyle choice, faith, sexual orientation, and gender identity.

CO-OPERATIVE HOUSING

It's more than just housing!

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From the Chair | Fiona Herman & Managing Director | Liz Thomas

This report celebrates 2022/23 as a year in which CEHL and our Member Co-ops and Co-op Members renewed and strengthened connections.

The year's theme, "*Better Together: Building Our Co-operative Future*", focussed on the spirit of connection and cooperation that underpins the co-operative movement and provided an opportunity to acknowledge the adaptability, resilience, determination and commitment of the CEHL Co-operative community. We commend the Member Co-ops' willingness to work with CEHL to navigate and overcome challenges to create positive change.

CEHL's achievements during the year in review are all important steps towards our collective vision of building a sustainable and affordable housing future for the CEHL housing community. Rental housing co-operatives are a key part of the solution to Australia's housing affordability crisis. CEHL, through the Australian Co-operative Housing Association (ACHA), is driving the national dialogue on sustaining and strengthening best practice co-operative housing in each state and territory and increasing co-operative housing from 3% to 10% of Australia's social housing stock.

We are also pleased to highlight CEHL's continued operational and financial stability, with an operating surplus of \$604,151. Following a significant peak in the value of CEHL's property portfolio in 2021/22, this year the property portfolio recorded a downward adjustment of \$38m. Operating expenses increased, mainly due to the impact of inflation on operating costs and costs related to property maintenance.

Two development and construction projects funded through the Social Housing Growth Fund were completed this year, delivering four new homes and a further 36 homes will be delivered in 2023/24. The

Housing Australia Future Fund will offer expanded funding opportunities in the coming year. Work is well underway to develop an understanding of member, co-op and regional housing needs to inform CEHL's portfolio development strategy.

The Board of CEHL is responsible for managing a \$1bn property portfolio and the good governance of CEHL as a Registered Housing Association and Public Benevolent Institution. Recognising this responsibility, the Board has had an increased focus on modernising its governance frameworks and practices. We have also continued to grow our technology, information, and data management capacity so that our management team can use improved data analytics and dashboarding tools to drive better business insights. A 15 month Information and Communication Technologies Strategic Plan was developed in March 2023, outlining a technological roadmap to increase information security and reporting accessibility, and transparency for CEHL and our Member Co-ops.

A special thank you to our Member Advisory Committees who have advised the Board on the CEHL Co-operative housing program throughout the year. We also acknowledge CEHL Board Directors for their insight and commitment to CEHL and the vital work we do. This year, the Board has overseen the development of a focused and innovative three-year strategic plan, to best position CEHL to maintain and grow its housing portfolio and organisational impact. Importantly, the plan reiterates CEHL's commitment to delivering affordable housing and fostering rental Co-operatives to thrive.

In December 2022, we welcomed Fiona Herman as Board Chair, as Heidi Lee passed the baton after four successful years. We sincerely thank Heidi for her stewardship of the Board and acknowledge her calm and thoughtful approach as Chairperson of the Board and her deep commitment to the international, Australian and local Co-operative housing movement.

The CEHL team has continued to demonstrate a capacity to positively embrace change as CEHL moves forward in supporting our rental housing Co-operatives to thrive.

The renewed strategic plan outlines the road ahead for CEHL to meet the service expectations of Member Co-ops, and to better align our service delivery model with the International Co-operative Principles. Changes aligned with the Strategic Plan include changes to the Co-op Member selection processes, a review of learning and development needs for Co-ops and their members, a new *Member and Renter Housing Plan* to better plan for future housing needs, and better responsiveness to member inputs. It is reassuring to see that this refocus on the needs of Member Co-ops is beginning to have an impact, as evidenced in the 2023 Member and Renter Satisfaction Survey results.

The 2022/23 theme "*Better Together*" encapsulates our core belief that CEHL's achievements are not solitary pursuits but the result of a robust, vibrant and connected co-operative community. In the year ahead, CEHL will continue to grow our involvement with the community housing sector to increase the visibility of the Co-operative housing model as a key part of Australia's affordable housing strategy and to advocate for its viability, growth, and success.

Thank you for your unwavering support, dedication, and belief in the power of co-operation. Together, we have achieved remarkable milestones and will continue to build a resilient, innovative, Co-operative community for future generations.

In co-operation,



Fiona Herman

Liz Thomas



Better Together | The year in review

\$1,111,405,552

Total asset value
(6% decrease from 2021/22)

\$27,630,196

Operating revenue
(14% increase from 2021/22)

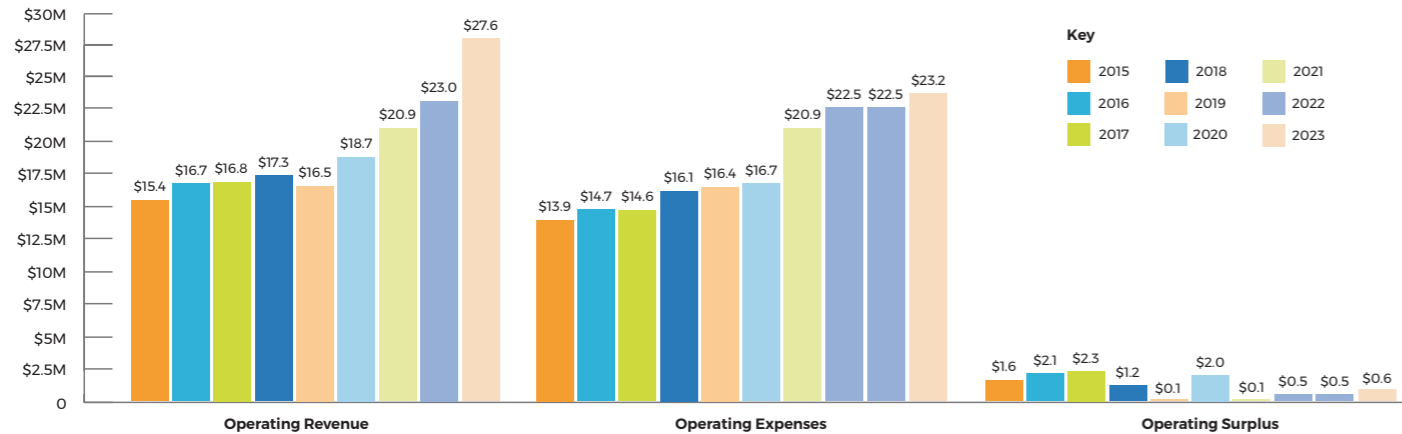
\$23,173,915

Operating expenses
(3% increase from 2021/22)

\$604,151

Operating surplus
(before capital grants)

Financial results summary



4210

people housed

97

housing Co-ops

25%

CEHL direct Renters

445

property upgrades

94%

Renters satisfied with maintenance completed through Stimulus Works Project

59

years - median age of Renters

12

years - average tenancy

39

years - longest tenancy (1984)



Key performance measures

CEHL is a Registered Housing Association (RHA). As a Registered Housing Association, CEHL must comply with performance standards established under the Housing Act 1983 (Vic) and administered by the Victorian Housing Registrar. These standards have been established to protect housing assets and ensure quality services to CEHL Renters (including Co-op Members). They represent the standard of operation required of an RHA.

CEHL submits an annual report of performance against the standards to the Victorian Housing Registrar.



112

new tenancies

94.8%

of tenancies maintained for the full FY

98.4%

of total properties occupied

27.9

days turnaround to tenant a property following vacancy

1.7%

of total tenancies ended by eviction

1.7%

of total rent (\$) outstanding from current tenants

86%

urgent repair requests completed on time

85.1%*

non-urgent repair requests completed within 14 days

84.5%

complaints responded to within 30 days

* Data relates to maintenance services provided by CEHL and CERCs.



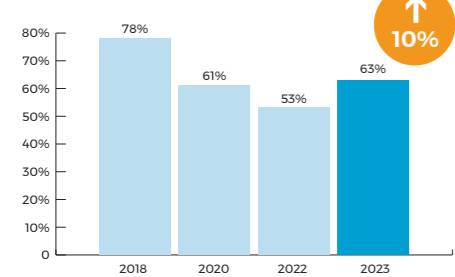
Co-op Member and CEHL Renter Satisfaction Survey

The Member and Renter Satisfaction Survey, conducted in May/June 2023 demonstrated an improvement on the 2022 results across all categories. A total of 679 Co-op Members and CEHL Renters participated, which is a record number of survey completions for CEHL.

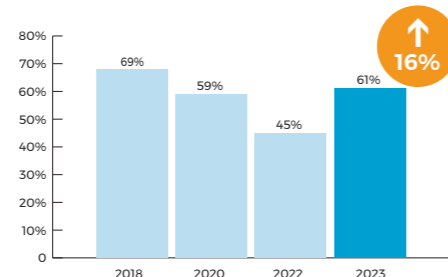
The Housing Registrar requires three standard questions on satisfaction with services, maintenance and repairs, and consideration of views to be included in the survey. To improve our understanding of survey results, this year CMC and CERC Members responded to questions as a reflection of their experience with CEHL and with their Co-op.

- How satisfied are you with the services provided by CEHL/your Co-op?
- How satisfied are you with the way CEHL/your Co-op manages repairs and maintenance?
- How satisfied are you that your views are being taken into account by CEHL/your Co-op?

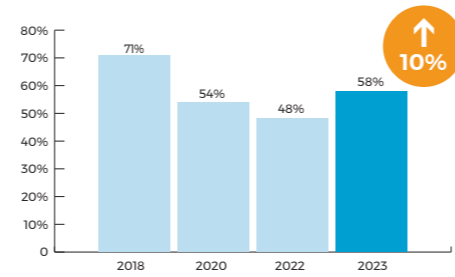
How satisfied are you with the services provided by CEHL/your Co-op?



How satisfied are you with the way CEHL/your Co-op manages repairs and maintenance?



How satisfied are you that your views are being taken into account by CEHL/your Co-op?



CEHL | Our Values

Our work is underpinned by our commitment to our core values of being responsible, caring, working together and making a difference.

WE ARE RESPONSIBLE

We take pride in what we do, we are responsible for our actions.

We make and support business decisions through informed experience and good judgement.

WE CARE FOR ONE ANOTHER

We treat everyone with care and value their contribution.

We build trust and understanding through open and honest interaction with our team members, stakeholders and associates.

WE WORK TOGETHER

We work together to achieve a positive impact in our community.

We share perspectives, concerns and information to create considered solutions in the work we do.

WE MAKE A DIFFERENCE

Our history informs our future, we learn and adapt.

We believe that meaningful change comes from looking at challenges and opportunities from new angles.

Strategic Plan | 2023/24 – 2026/27

CEHL provides appropriate, secure, and affordable housing and fosters rental housing Co-operatives to thrive, so that more Victorians experience the dignity of a home in a community guided by the seven International Co-operative Principles.

Our 3-year strategic objective is to position CEHL to sustainably maintain and grow our portfolio, and our organisational impact.

The strategy will be implemented through eleven strategic actions that relate to three pillars.

1

Meeting the needs of the CEHL community

Ensuring that the voices of our Member Co-ops, Co-op Members, and direct Renters, are heard

- Strengthen ways of working with Member Co-ops, Co-op Members, and direct Renters
- Implement improved service delivery model for Member Co-ops, Co-op Members, and direct Renters
- Co-design and implement good governance guidelines for thriving Co-ops

2

Leading by example

Demonstrating leading practice as a Registered Housing Association guided by the Co-operative principles

- Develop and implement a compliance framework
- Develop and implement social and environmental impact measurement approach
- Proactively increase visibility and grow advocacy for the Co-op model as a solution for affordable housing
- Develop a roadmap for CEHL governance to better incorporate Co-operative principles

3

Operational and financial sustainability

Empowering our team and leveraging our portfolio to support impactful delivery over the longer term

- Implement the right systems, tools, and ways of working to support our team to develop and grow
- Refine and implement portfolio mix guidelines that align with our purpose
- Refine and implement portfolio management guidelines to ensure maintenance leading practice
- Develop a 10-year portfolio growth strategy that meets the diverse housing needs of the CEHL community



Better Together | Engagement with Co-op Members and CEHL Renters

In recent times, CEHL has strengthened its focus on listening to Members and Renters and hearing their voice. The following is a snapshot of engagement in 2022/23 and plans for the year ahead.

Listening sessions and Engagement Coordinators

In 2021/22 CEHL undertook Listening Sessions across Victoria. We learned that Members wanted to feel heard and have an impact on decisions, they wanted improved engagement and communication, more face-to-face events, and improvements in the maintenance of their homes.

Nine Co-op Member Engagement Coordinators then undertook a project to work with Members on identifying the “Benefits of Living in a Co-op”. Their work was essential in the development of a draft Member Value Statement and Outcomes Framework.

Better Together Engagement

In the 2022/23 FY, to respond to and take action on the preliminary work of the Engagement Coordinators and Listening Sessions, the “Better Together” engagement and events program was launched.

More than 400 Co-op Members and CEHL Renters were involved in the engagement activities, which included:

- over 25 HIF (household information form) HUBS, Common Connections and Regional Consultations, bringing together CEHL Board Members, executives and Renters to discuss important issues
- online engagement through ‘Hot Topic’ sessions on insurance, financial reporting, solar power, succession planning, heating and cooling
- easy to read Co-operatively Speaking newsletters, with stories about Co-ops and Members, and information for Co-op directors
- Engagement Coordinators designing and leading engagement
- development of new ‘Member & Renter Housing

Plans’ to support Co-ops and CEHL to plan for future housing needs

- a ‘Strengthening Co-op Voice’ project led by Members to identify engagement activities
- finalisation of the Member Value Statement and Outcomes Framework to inform how CEHL responds to Co-op needs, create positive impacts and measure tangible outcomes.
- ‘Better Together Conference’ which featured training sessions, networking activities, guest speakers, a community concert and exhibition and workshop activities.
- Gathering feedback at the Annual General Meeting. Co-op Program Committee Members ran an interactive feedback session after the AGM. Members were asked to express how important ideas accumulated from the Regional Consultations were to them by placing dots along a scale line. There was also an opportunity for Members to add comments.

Engagement findings and Member and Renter feedback are documented and reported through the Co-operatively Speaking newsletter.

Looking ahead

In response to what we’ve learned in 2022/23 we will focus on regional engagement and on Co-operative learning, growth, and support to increase the functional and operational capacity of Co-ops. We will continue with information and learning opportunities through the online ‘Hot Topic’ events.

We will continue to evaluate the impact of in-person events and be responsive to Member and Renter engagement preferences.

The roll out of a Regional Service Delivery Model will allow for more targeted and direct engagement to support Co-ops in a way that is adaptable to their unique needs and preferences.



Regional Consultation session in Box Hill.



Kakadu CERC pilot Member & Renter Housing Plan at St Mary's Terrace Community Hub.



Maintenance Workshop at the Better Together Conference.



Above: (l to r) - Sharon, Trudy, Sandra, Kim, Kim, Bev, Anette and Debra at the Bendigo HIF HUB.



Above: CEHL's Mark and Ilona with Christine and Simone from Stockaders CERC at the Ballarat HIF HUB.



Above: (l to r) - Debra, Robyn, Alyce, Sharon, Kim, Anette and Carol at Bendigo Common Connections.



Above: (l to r) - Kaye, Kay, Darren, Gale, Taegan, Liz with her mother and Heather at Morwell Common Connections.



Above: Gathering feedback at the 2022 AGM.



Above: (l to r) - Janice, Elba, Bruce, Liz, Ben, Glenda, Sally and Rosemary at Geelong Common Connections.

Better Together | Measuring our impact

In 2022, extensive consultation was undertaken with CEHL Co-op Housing Members to understand the 'Benefits of Living in a CEHL Co-op'. This has informed the development of a Member Value Statement (MVS), to guide CEHL and Co-ops on how we can positively impact the lives of Members and measure tangible outcomes.

How do Co-ops provide value to their Members?

- **Affordable and secure housing** – having housing that is affordable with an ongoing lease.
- **Maintenance** – Co-op housing is well maintained.
- **Influence** – Members have a say in how the Co-op is governed, and how resources are used.
- **Accountability** – Co-op leadership is accountable and transparent.
- **Connection** – feeling connected to Members of your Co-op and being part of a supportive community.

How does CEHL provide value to our Member Co-ops?

- **Accountability** – CEHL leadership is accountable and transparent.
- **Communication** – CEHL shares important and relevant information with Member Co-ops, in ways that are easy to access and understand.
- **Co-op resources and support** – Member Co-ops are provided with resources, policies and support, along with accurate and consistent advice.
- **Training for Members** – CEHL supports learning and growth for Members to be able to manage their Co-ops.
- **Maintenance** – Co-op housing is well maintained.
- **Houses for Members** – CEHL manages a property portfolio that allows Co-ops to access new properties, or hand-back properties that are too expensive to maintain or are no longer needed. CEHL secures funding and develops new housing that enables Co-ops to grow.
- **Advocacy** – CEHL represents Co-ops to the wider community and advocates for Co-op housing.



How has CEHL provided value to Member Co-ops in 2022/23?	
What we heard (MVS)	What we did
<p>Accountability – CEHL leadership is accountable and transparent.</p>	<ul style="list-style-type: none"> Invested in Quality Control and Compliance, with growth in CEHL team members Improved data and reporting systems Improved policy consultation through online sessions with Co-ops Stronger focus on feedback and complaints including dashboard reporting Created a 'feedback' button on the website and renter portal Increased in-person and online engagement sessions where Renters and Co-ops can provide feedback or ask questions.
<p>Communication – CEHL shares important and relevant information with Member Co-ops, in ways that are easy to access and understand.</p>	<ul style="list-style-type: none"> Improved understanding on how Members and Renters would like to be communicated with Increased the number of Co-operatively Speaking publications, resulting in increased readership Improved email format for bulk communications making key documents easy to locate Improved accessibility in language and increased variety of formats for correspondence Hot Topic sessions hosted for learning and open discussion.
<p>Co-op resources and support – Member Co-ops are provided with resources, policies and support, along with accurate and consistent advice.</p>	<ul style="list-style-type: none"> Regional Service Delivery Model planned for roll out in 23/24FY Increased consistency in messaging through Co-operatively Speaking and online information sessions Updated resources and materials for Co-ops.
<p>Training for Members – CEHL supports learning and growth for Members to be able to manage their Co-ops.</p>	<ul style="list-style-type: none"> Refreshed, user-tested Director's Guides Topic specific training sessions online and in person CEHL Conference with in-person training opportunities.
<p>Maintenance – Co-op Housing is well maintained.</p>	<ul style="list-style-type: none"> Increased investment in maintenance Dedicated person employed to manage repairs and maintenance for vacant properties Board reporting on vacancy and asset inspection data Increased engagement of third-party providers for asset inspections.

How has CEHL provided value to Member Co-ops in 2022/23?	
What we heard (MVS)	What we did
<p>Houses for Members – CEHL manages a property portfolio that allows Co-ops to access new properties, or hand-back properties that are too expensive to maintain or are no longer needed. CEHL secures funding and develops new housing that enables Co-ops to grow.</p>	<ul style="list-style-type: none"> Developed a maintenance budget planning tool to assist Co-ops to plan maintenance Developed a 3-year plan to review the property portfolio in order to provide additional investment in maintenance and to achieve sustainable growth of the portfolio.
<p>Advocacy – CEHL represents Co-ops to the wider community and advocates for Co-op Housing.</p>	<ul style="list-style-type: none"> Increased appearances at industry conferences including the: <ul style="list-style-type: none"> CHIA Vic 2023 Conference Business Council of Co-operatives and Mutuals Summit and events Supported research on the benefits of Co-operative housing Held Co-op Information Sessions on the value of Co-ops for potential Renters and other organisations Collaborated with the Community Housing Industry Association of Victoria and Homes Victoria to promote community housing through social and local media outlets Partnered with local government authorities to promote access to Co-operative housing Led the reinvigoration of the Australian Co-operative Housing Alliance, including the development of the Alliance's first Strategic Plan.



Better Together | Planning for our environment, social & governance responsibilities

In 2023, the CEHL Board approved CEHL's commitment to Environmental, Social and Corporate Governance (ESG) with the release of an ESG Statement. In embedding ESG principles and committing to this statement CEHL recognises the importance of these key intersecting factors in delivering sustainability and ethical impact across our organisation.

CEHL Environmental, Social & Governance Statement

CEHL is committed to leading practice, transparency, accountability, and continuous improvement in the community and Co-operative housing sectors.

We recognise that climate change and adaptation, and housing affordability, impact people's lives and quality of life. By prioritising environmental responsibility, social equity, and ethical governance, we can reduce costs of living, and our collective carbon footprint, and increase access to Co-operative and affordable housing for people on lower incomes. That's why we are integrating Environmental, Social and Corporate Governance (ESG) principles across our work.



Environmental

- climate change adaptation
- reduced carbon footprint
- reduced energy consumption.



Social

- equitable access to quality housing that is comfortable to live in
- shared outcomes – support for community initiatives and research, creating opportunity for increased impact
- financial benefits for members and renters.

Governance

- exemplifies corporate responsiveness to community interest in sustainability
- transparency and participatory reporting measures provide evidence for decision making.

ESG in action - CEHL & Mount Alexander Sustainability Group, Retrofit Pilot Project Case Study

In 2021 CEHL was approached by a Co-op Member in Castlemaine about participating in a project with a local community group, the Mount Alexander Sustainability Group (MASG). MASG are working towards zero carbon emissions in their community and wanted to work with a local community housing provider to test the process for retrofitting homes to reduce carbon emissions.

At Mount Alexander properties, CEHL worked to retrofit 10 homes to:

- reduce energy costs and carbon emissions,
- increase comfort and affordability for the occupants, and
- collect data on the effectiveness and costs of retrofits, and to consider how this can be repeated in more homes.

Environmental sustainability retrofits included:

- installing energy efficient hot water heat pumps
- replacing inefficient heating with energy efficient split systems that provide heating and cooling
- installing insulation in ceilings and under floors
- putting external awnings on windows for summer shade
- installing curtains and pelmets for winter warmth
- draught sealing doors, windows, gaps and cracks to prevent loss of winter warmth and heat from entering the house in summer
- replacing gas cooking with electric appliances
- removing gas connections
- installing 5.4kW solar systems.

Measuring success

A 12-month result monitoring period will conclude in September 2024. Monitoring includes measuring internal temperature and humidity, solar production and energy consumption, as well as lived experience reports from Renters. Early testing and Renter feedback suggests the project is succeeding. Members are reporting that houses are warmer in cold weather and are more comfortable inside. Electricity bills have decreased or even gone into credit. CEHL looks forward to the final results and a review of how retrofits and energy efficiency measures can be budgeted for and applied to other CEHL homes.

Before the works commenced all the homes had a Residential Efficiency Scorecard assessment undertaken. The assessments have been repeated to compare the before and after results.

	BEFORE RETROFIT	AFTER RETROFIT
Average scorecard rating	6 stars	10 stars
Average energy consumed	355.9 MJ/sqm	-109.9 MJ/sqm
Average Greenhouse Gas emissions kg per sqm	29.6 kg/sqm	-34.2 kg/sqm
Average energy cost (estimated)	\$940.26 per annum	-\$510.35 per annum
Average air changes per hour (measured by blower door tests)	17	50% of homes achieved target of 10 or less

Better Together | Growing our housing portfolio

CEHL has 55 new homes under construction which will be completed between 2024 and 2026. We look forward to welcoming new Co-op Members to these homes and the CEHL Co-operative community.

New housing scheduled for completion in 2023/24 includes 20 new homes jointly funded by CEHL and Homes Victoria, and a further 16 homes which CEHL and the Victorian Property Fund jointly fund.

In 2024/25 CEHL will deliver nine new homes in regional areas and a further ten homes across metropolitan Melbourne in 2025/26. The Housing Australia Future Fund will provide valuable opportunities for the growth of the Australian community housing sector. CEHL is committed to utilising the support of Federal and State Government partnerships to continue the strategic growth of our portfolio and make more Co-operative rental housing available to people on low incomes.

New properties completed in 2022/23

Grovedale (Greater Geelong)

2 x 2 bedroom single storey units



Frankston

2 x 2 bedroom double storey townhouses



Delivering quality builds and design

In the coming year CEHL will work with Co-ops to undertake a post-occupancy evaluation of newly constructed homes, to assess their performance and inform a review of the CEHL Design Guidelines.

The CEHL Design Guidelines describe a clear and consistent set of principles in design, scope, and quality of the development and maintenance of homes, and they establish a mutual understanding of expectations between CEHL, Co-ops, Members and building contractors. A review of the Guidelines will help to shape future developments, maintenance works and property upgrades.

Design features in new homes

Safety and security features include common area lighting, a street fence adjoining the footpath and front gardens for street facing units, as well as security doors and deadlocks to all external doors, and dual block out roller blinds with privacy sheers on bedroom windows.

Universal design considers the needs of people with varying abilities. Access to the home is provided by a continuous, step-free pathway from the street entrance and/or parking area to a level home entrance. Room sizes, corridor and door widths can be readily adapted for improved accessibility.

Energy efficiency and conservation is achieved by including LED lighting, wall, floor and ceiling insulation, and double glazed windows and sliding doors, resulting in reduced energy consumption for heating and cooling. Water is conserved with a 2000 litre rainwater tank plumbed to toilets.

Nationwide House Energy Rating Scheme (NatHERS)

means homes are constructed to a minimum target of a seven star rating. The homes cost less to heat and cool, are more comfortable to live in and are more resilient to extreme weather.



Livable Housing Australia

Silver Level design elements ensure the future flexibility and adaptability of the home in all stages of life. This way Members can reduce or avoid the costs associated with retrofitting a home to improve accessibility.



Under construction

The foundations and basement for CEHL's build in Brunswick are complete. This 7-storey block will include 16 apartments, a commercial space and a communal rooftop garden. The project is jointly funded by CEHL and the Victorian Property Fund and will open its doors in mid-2024.



CEHL | Honour Board

Congratulations to **Christine Tenney** (Southern Cross Co-op) on being recognised to the CEHL Honour Board at the 2022 Annual General Meeting.

“Christine does not expect anything in return for all that she does. She is extremely positive and caring.”

Christine was a Member of the CEHL Policy Advisory Committee and also worked as an Engagement Coordinator. She is passionate about housing Co-ops and has served as Maintenance Director for four years, a role she undertakes with her trademark enthusiasm and gusto!

Christine has acted as a representative of Co-ops in meetings and presentations throughout the year, including CEHL’s International Co-operatives Day celebration. She also collects information about other local community organisations to share with Co-op Members and helps people by taking them to appointments and referring them to support agencies. Congratulations Christine!



Two very special posthumous Honour Board Awards were also presented at the 2022 AGM.

We will be forever grateful for their service.

Barbara Sullivan

Barbara was a founding Member of St Euphrasia’s Co-op and was a Member of St Joseph’s Co-op since the mid 1990s.

She actively supported her Co-op community and the broader community for over 20 years by coordinating support agencies in her local area, providing food, clothing and housing assistance to people in need.

She made a significant contribution to the setting up of the Gipps Street Housing Project and worked closely with CEHL to create a lasting and positive impact on the CEHL community.

Barbara’s daughter Patricia accepted the award.

Percy Leake

Percy was the most wonderful resident, helper, and person in the Herbert Street Co-operative Community. His fellow Co-op Members remember him as being exceptionally generous with his time and energy. Percy’s hard work and dedication on the Herbert Street Board will be his lasting legacy.

At the AGM, outgoing CEHL Chair Heidi Lee recalled how Percy once asked her if Members of his Co-op could visit Earth CERC. Heidi recalled being a little surprised when Percy turned up with a bus full of Herbert Street Co-op Members who were all warmly welcomed!

CEHL | Study Grants

CEHL Study Grants provide financial support to CEHL Members and Renters to further their study and pursue their dreams.

Eight study grants worth \$2000 each were awarded in 2023. Congratulations to all recipients, we wish them the very best as they pursue their personal development and career goals. The decision panel were very pleased to be able to award four recipients a grant for a second consecutive year.



Co-op Development Award

This is the first year of the Co-op Development Award. The inaugural award is given for studies that enhance or support improving Co-op practices and program engagement. This award was given to **Mark Morris of Endeavour Co-operative** for his studies in Financial Accounting and Reporting.

2023 Study Grant Recipients

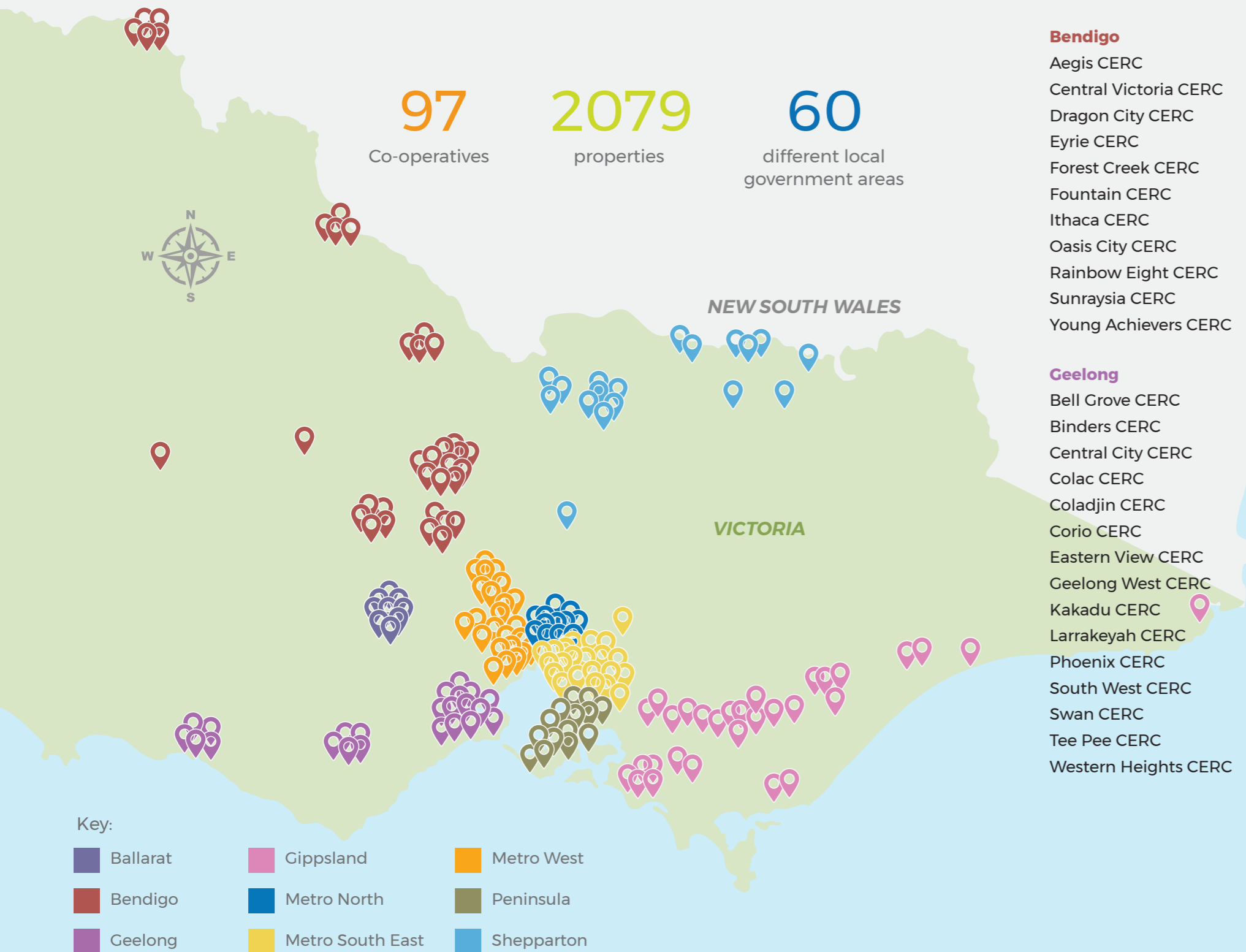
Co-op Member	Co-op	Area of study
Bianca Yankov	Cut Paw Paw	Diploma of Community Services
Rachel Purcell	Swan	Certificate IV in Accounting and Bookkeeping
Michael Skutenko	VicWide	3rd year - Bachelor of Music
Susan Nuttall	Diamond Valley/Whittlesea RHC	Bachelor of Nursing
Colleen Ray	Swan	Nutrition and Health - post graduate
Melanie Abrams	Earth	Introduction to Community Development
Jocelyn Osorio	Endeavour	Bachelor (Hons) Industrial Design/Environment and Sustainability
Liza Dezfouli	Liberty	Arts - Creating Cabaret

About | CEHL Co-operatives

Co-operative Housing Models

Common Equity Rental Housing Co-operative (CERC): The Housing Co-operative leases its properties from CEHL. Tenancy management and maintenance are carried out by the Co-operative, under the direction of the Co-operative's Board of Directors.

Community Managed Co-operatives (CMC): CEHL manages the tenancies and maintenance of the Housing Co-operative properties. Members participate in the Co-op community.



Where are CEHL Co-operatives located?

Ballarat

- Canadian Place CMC
- Serenity CERC
- Southern Cross CERC
- Southerners CERC
- Stockaders CERC
- Victory CERC

Bendigo

- Aegis CERC
- Central Victoria CERC
- Dragon City CERC
- Eyrie CERC
- Forest Creek CERC
- Fountain CERC
- Ithaca CERC
- Oasis City CERC
- Rainbow Eight CERC
- Sunraysia CERC
- Young Achievers CERC

Geelong

- Bell Grove CERC
- Binders CERC
- Central City CERC
- Colac CERC
- Coladjin CERC
- Corio CERC
- Eastern View CERC
- Geelong West CERC
- Kakadu CERC
- Larrakeyah CERC
- Phoenix CERC
- South West CERC
- Swan CERC
- Tee Pee CERC
- Western Heights CERC

Gippsland

- Lakesdale CERC
- Mallacoota CERC
- Maryvale CERC
- Morwell CERC
- NASA CMC
- Tarra CERC
- Thomson River CERC
- Traralgon United CMC
- Valley CERC
- Warratraf CERC
- Wirn Wirn Dook CMC
- Wonthaggi Pioneers CMC
- Woorayl CERC

Metro North

- Access CERC
- Carringbush CMC
- Diamond Valley CMC
- Dwellers CERC
- Earth CERC
- FKN CERC
- Liberty CERC
- Merri CERC
- Northern Alliance CMC
- St. Euphrasia's CERC
- St. Josephs CERC
- Stockbridge CERC
- Sun CERC
- Wattletree CMC

Metro West

- Advance CERC
- Cut Paw Paw CERC
- Keilor CMC
- MCISG CERC
- NWK CERC
- Satellite CERC
- Sun Valley CERC
- Thoroughbreds CERC
- Werribee CERC
- Wyndham CERC

Metro South East

- AFE CERC
- As Salam CMC
- Castle CERC
- CERC 13 CERC
- Cranny CERC
- Endeavour CERC
- Entity CERC
- Herbert Street CMC
- Impact CERC
- Lakewood CMC
- LARC CERC
- Ranges CERC
- Sherbrooke CERC
- Start Polish CERC
- Tamil Senior Citizen CERC
- Victoria-Polonez CERC

Peninsula

- Carinya CERC
- Dolphin CMC
- Dromana CERC
- Mangroves CERC
- Seagull CERC
- Ti Tree CERC

Shepparton

- Fruit City CERC
- Glenworth CMC
- Goulburn Valley CERC
- KY CERC
- Linger Longer Country CERC
- Solar City CERC

Better Together | CEHL's Corporate Governance Framework

CEHL's Corporate Governance Framework is a system of rules, procedures and relationships that underpin the way we are organised and conduct our activities as a:

- Registered Victorian Housing Association;
- charitable, Public Benevolent Institution, regulated by the Australian Charities & Not for Profits Commission;
- public company (limited by shares), registered with the Australian Securities & Investments Commission operating in accordance with the CEHL Constitution.



Our board committees

The board has established the following committees to assist it in exercising its authority.

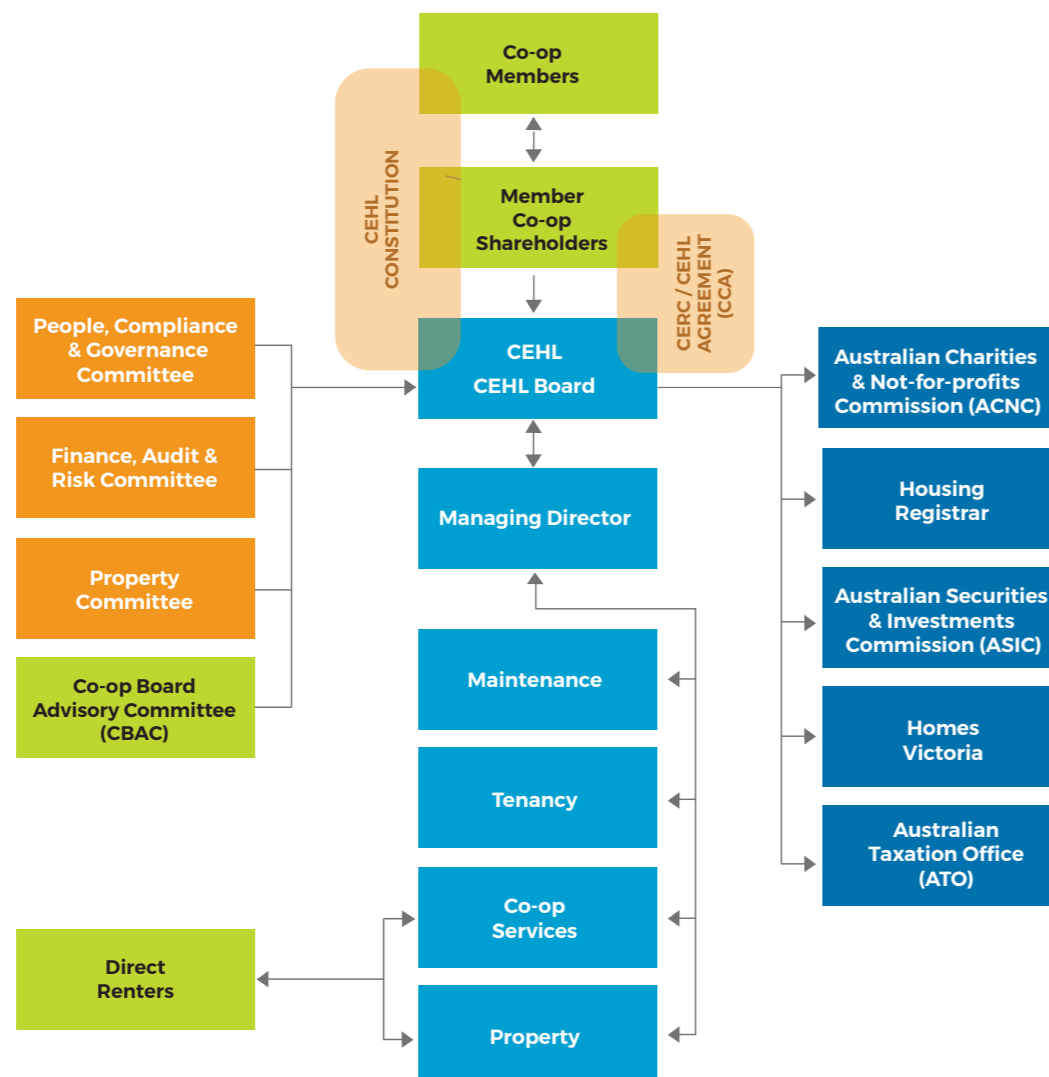
These committees include:

- the Finance, Audit and Risk Committee,
- the People Culture & Governance Committee, and
- the Property Committee.

In March 2023, the Co-op Board Advisory Committee was formed as an advisory committee to the CEHL Board and the Co-op Program Committee and Policy Advisory Committee, were disbanded.

We thank everyone who participated in board and member committees over the last financial year for their insights and contributions.

CEHL's Corporate Governance Framework is illustrated below:



Our board

The CEHL Board is comprised of 11 directors, which is made up of Co-op Elected Directors, Technical Directors, and the Managing Director. Each CEHL director serves on one of our board committees.

CEHL | Board of Directors

We extend our sincere appreciation to the committed members of the CEHL Board. Thank you.



Fiona Herman | Elected Director since 2015 | Chair

Fiona Herman holds a Bachelor of Health (Nursing) and a Master of Health and Human Services Management and has been an integral CEHL Co-operative member since 1999. She is currently a member of Endeavour CERC.



Keith Bayliss | Independent Technical Director since 2019

Keith Bayliss has over 30 years of experience in the property industry and as Chairperson of the CEHL Board Property Committee, he offers valuable expertise and insights. Keith's qualifications include being a Graduate of the Australian Institute of Company Directors, an Associate of the Australian Property Institute, a Member of the Royal Institute of Chartered Surveyors and a Certified Practicing Strata Manager. He holds an Associate Diploma in Valuations.



Tony De Domenico OAM | Independent Technical Director since 2013

Tony De Domenico is the chairperson of the People, Culture, and Governance Board Committee. He has a broad range of industry experience, including as Chair of Australian Housing and Urban Research Institute (AHURI), Deputy Chair of Development Victoria, and CEO of the Urban Development Institute of Australia (Vic). He is currently a Director of Housing Australia.



Damian Dickson | Elected Director since 2022

Damian Dickson's background as a Welfare and Community Development worker has influenced his contribution to the CEHL co-operative housing community. He is Chair of Sun CERC and a past member of Earth CERC; he was also a member of the planning committee for the Murundaka housing development. Damian is a board Finance, Audit, and Risk Committee member.



Robyn Evans | Elected Director since 2019

Robyn Evans is a member of Merri CERC and has a Graduate Certificate in Business Management and professional experience in project management. Robyn was elected to the CEHL Board in November 2019 and in 2022, she was appointed the inaugural Chairperson of the Co-op Board Advisory Committee. Robyn is also a Finance, Audit, and Risk Board Committee member.



Sylwia Greda Bogusz OAM | Elected Director 2016 - November 2022

Sylwia has been a Castle CERC Member since 2013. She was a member of the Australian Multicultural Advisory Council (2008-2012), a member of the Department of Human Services Victoria Multicultural Advisory Committee and a member and Deputy Chair of the Australian Multicultural Centre for Women’s Health. Sylwia is also the Chair of PolCare, an aged care service provider. Sylwia received an Order of Australia Medal in 2019 for her contributions to the Polish community of Victoria.



Gordon Kieselbach | Elected Director since 2018

Gordon has been a CEHL Co-op Member for 23 years, including a time as an active member of the Southwestern Association of CERCS, the Co-op Training Advisory Committee and the Co-op Program Committee. Gordon’s professional background includes service with the South Australian Police Department and working in the insurance industry. He is a member of the People, Compliance and Governance Board Committee.



Heidi Lee | Elected Director since 2015

Heidi Lee holds a Master of Architecture (Research) and a Bachelor of Arts (Architecture) with Honors. She has been an active member of a CEHL Co-operative community since 2011, and is currently a member of Merri CERC. Heidi was elected to the CEHL Board in November 2015 and was Chairperson from November 2018 to November 2022. She continues to contribute her expertise as a member of the board Property Committee.



Jean Nankin | Independent Technical Director since 2021

Jean Nankin’s qualifications include a Bachelor of Economics from Monash University, a Graduate Diploma in Urban & Regional Planning from RMIT, and a Graduate Diploma in Property from RMIT. With over 25 years of professional experience in property acquisition and development in the retail, social housing, and state government sectors, Jean makes a valuable contribution as a CEHL Board Property Committee member.



Michael Pearce SC | Independent Technical Director since March 2023

A barrister and senior counsel, Michael Pearce, brings an important legal perspective to the board’s deliberations. He is strongly committed to social justice, which aligns well with CEHL’s core purpose. Michael is a member of the CEHL Board Property Committee.



Elizabeth Thomas | Managing Director since 2021

Liz Thomas became Managing Director of CEHL in November 2021, leveraging her extensive leadership and governance expertise gained over two decades as a CEO and professional Company Director. Liz holds a Bachelor of Arts Degree and is a Graduate of the Australian Institute of Company Directors.



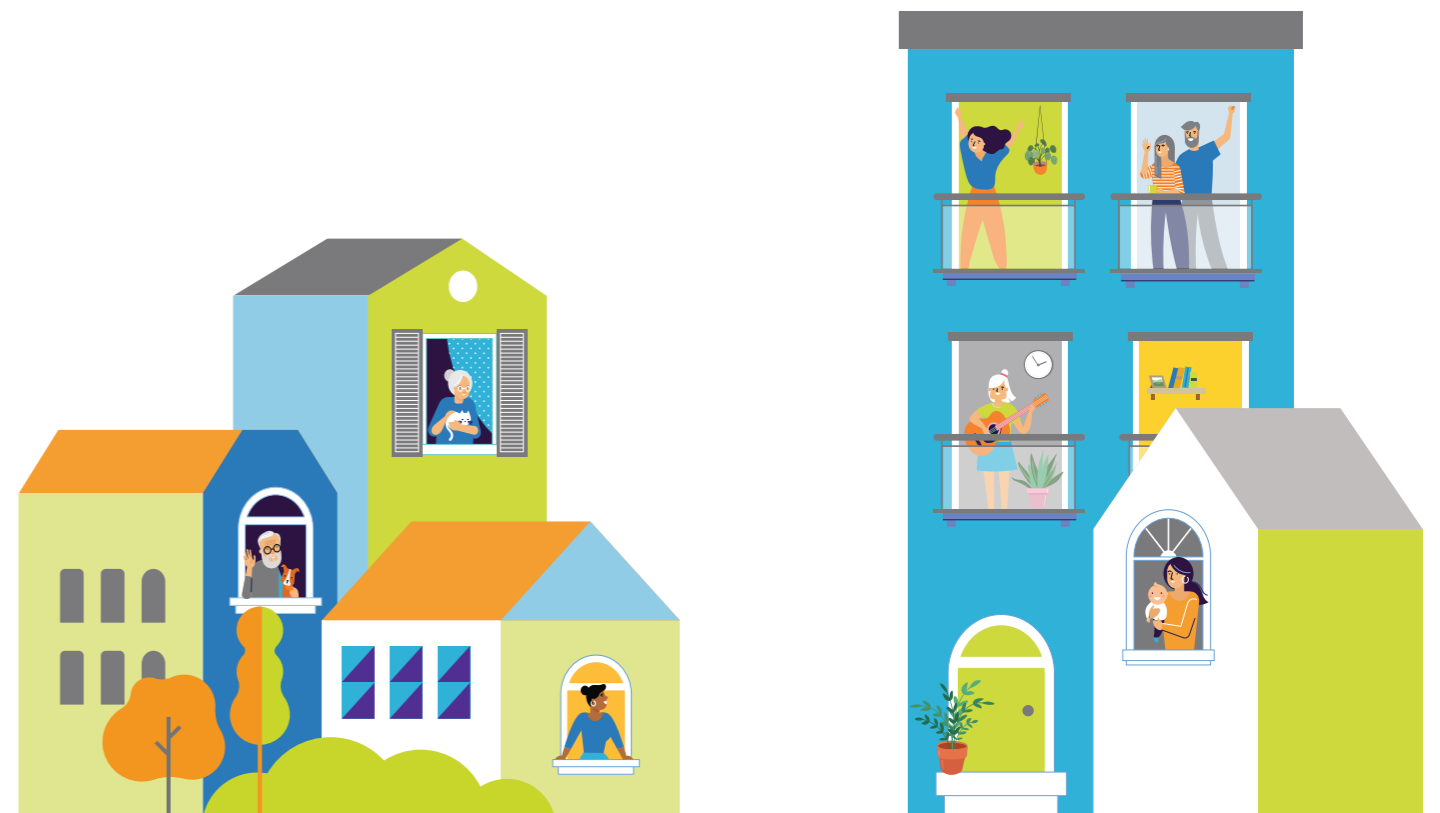
Samantha Winter | Independent Technical Director since 2019

Samantha Winter’s qualifications include a Master of Business Administration and a Bachelor of Economics. As a Chartered Accountant and a Graduate of the Australian Institute of Company Directors, she brings extensive finance and risk experience to board deliberations and her role as Chair of the Finance, Audit, and Risk Committee.



Brodie Woodland | Independent Technical Director 2015 - March 2023

Brodie Woodland has a Master’s in Public Administration, a Bachelor of Law (LLB) with Honors, and is a Graduate of the Australian Institute of Company Directors. During her time as a CEHL Board Director, Brodie was well regarded for her analytical decision-making approach and astute observations, contributing to board discussions.





Elizabeth Thomas
BA GAICD
Managing Director



Brad Hosking
MGSM AssocDipACC
General Manager
Strategic Growth



Michelle Lee
DipSocSc
General Manager
Organisational Development



Alyce Holmes
BC GDBA
General Manager
Co-op Services



Stephen Yiu
CA BMCS GDPM
General Manager
Corporate Services



Richard Thomas
BPA
General Manager
Asset & Housing Services



Indiana Bridges
LLB (Hons), Grad Dip (Legal Practice), MAICD
Legal Counsel & Company Secretary



Extracts from our audited Financial Report

Set out on the following pages are the extracted pages from our Financial Statements for the year ended 30 June 2023:

- Directors' Report page 1
- Directors' Declaration page 31
- Statement of Surplus or Deficit and Other Comprehensive Income page 7
- Statement of Financial Position page 28
- Statement of Cash Flows page 10
- Independent Auditor's Report page 32

All amounts are expressed in Australian dollars.

Principal activities and significant changes in nature of activities

The principal activities of Common Equity Housing Limited during the financial year was the management of residential properties leased to housing Co-operatives, the management of the Co-operative housing program and the development of properties for the Co-operative housing program.

There were no significant changes in the nature of Common Equity Housing Limited's principal activities during the financial year.

Review of operations

The gross surplus of the Company amounted to \$4,456,281 (2022: \$4,068,368). The deficit after property portfolio transactions and fair value adjustments was \$32,855,171 (2022: Surplus \$138,003,957).

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

No matter or events have arisen since the end of the financial year which significantly affected or could

significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

The Company expects to maintain the present status and level of operations.

Environmental regulation

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

Shares under option and issued under the exercise of options

There were no unissued ordinary shares of the Company under option outstanding at the date of this report.

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2023 and up to the date of this report.

Company Secretary

The Company Secretaries are Bradley Hosking (since retired), Indiana Bridges and Timothy Dart.

Extract from the Audited Financial Statements

	2023	Restated 2022
Operating Surplus	\$604,151	\$2,841,762
Capital Grants	\$3,852,130	\$1,226,606
GROSS SURPLUS FROM OPERATIONS	\$4,456,281	\$4,068,368
Fair value property adjustments	(\$38,471,327)	\$127,818,664
Other adjustments	\$1,159,875	\$6,116,925
SURPLUS (DEFICIT) FOR THE YEAR	(\$32,855,171)	\$138,003,957

Meetings of directors

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

	Directors' Meetings		Finance & Risk Committee		People, Culture & Governance Committee		Property Committee		Other Committees**	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
*Heidi Lee	11	9	4	4	3	2	7	2	-	-
*Fiona Herman	11	10	3	3	3	3	3	3	3	3
Gordon Kieselbach	11	10	-	-	2	2	-	-	8	7
Tony De Domenico OAM	11	11	-	-	6	6	-	-	-	-
Samantha Winter	11	11	6	6	-	-	-	-	-	-
Keith Bayliss	11	10	-	-	-	-	7	7	-	-
Jean Nankin	11	11	-	-	-	-	7	7	-	-
Elizabeth Thomas	11	11	6	6	6	6	7	5	8	8
Michael Pearce Senior Counsel	4	4	-	-	-	-	1	1	-	-
Damian Dickson	6	6	2	2	-	-	-	-	8	8
Sylwia Greda-Bogusz OAM	4	4	-	-	-	-	-	-	6	4
Robyn Evans	11	11	2	1	-	-	4	4	2	2
Brodie Woodland	7	7	-	-	4	4	-	-	-	-

* There were two directors who held the role of Chairperson during the year ended 30 June 2023. Heidi Lee held the role until 13 December 2022 at which time Fiona Herman was appointed Chairperson. The Chairperson is eligible (but not required) to attend any meeting of the Committees of the Board

** Other committees include Policy Advisory Committee, Co-op Program Committee, Training Advisory Committee (TAC) and Co-op Board Advisory Committee CBAC.

Indemnification and insurance of officers and auditors

The Company had insurance provided on its behalf by the Victorian Managed Insurance Authority during the financial year to indemnify the Directors and Officers of the Company against liability incurred as a director or officer, to the extent permitted by the Australian Charities and Not-for-profit Commission Act 2012.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses as such disclosure is prohibited under the terms of the contract. The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

Proceedings on behalf of Company

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

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

Directors' Declaration

The directors of the Company declare that:

- The financial statements and notes, as set out on pages 7 to 30 the financial report, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - comply with Australian Accounting Standards - Simplified Disclosures and the Australian Charities and Not-for profits Commission Regulations 2022; and
 - give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.
- In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director: 
Fiona Herman

Director: 
Samantha Winter

Dated: 12 October 2023

The following statements are extracted from the full version of our audited financial statements for the year ended 30 June 2023.

Summary Financial Report

Statement of Surplus or Deficit and Other Comprehensive Income

For the year ended 30 June 2023

	2023 \$	Restated 2022 \$
Revenue	27,630,196	24,331,982
Administrative expenses	(10,793,178)	(10,121,346)
Finance costs	(1,178,786)	(1,125,732)
Depreciation and amortisation	(423,380)	(402,842)
Property expenses*	(10,778,571)	(8,613,694)
Gross surplus	4,456,281	4,068,368
Gain/(loss) on disposal of assets	(189,679)	6,116,925
Fair value adjustment - investment property	(38,471,327)	127,999,024
Fair value adjustment - other financial assets and liabilities	1,349,554	(180,360)
(Deficit)/surplus for the year	(32,855,171)	138,003,957
Other comprehensive income for the year	-	-
Total comprehensive (loss)/income for the year	(32,855,171)	138,003,957

* An additional \$3M in maintenance expenses have been classified as asset in the Balance Sheet in FY2023 in accordance to the Australian Accounting Standard, brings the property expenses total to \$13.8M in FY2023.

Statement of Financial Position as at 30 June 2023

	2023 \$	Restated 2022 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	27,904,282	30,694,840
Trade and other receivables	4,436,510	4,743,652
Other financial assets	-	1,260,000
Prepayments and accrued income	176,088	649,444
Non-current assets held for sale	1,497,809	1,383,000
Total current assets	34,014,689	38,730,936
Non-current assets		
Other financial assets	264,180	131,556
Property, plant and equipment	8,734,126	6,840,046
Investment properties	1,111,770,540	1,141,228,776
Total non-current assets	1,120,768,846	1,148,200,378
Total assets	1,154,783,535	1,186,931,314
LIABILITIES		
Current liabilities		
Trade and other payables	5,934,117	5,265,925
Borrowings	303,470	210,000
Short-term provisions	1,200,000	-
Employee benefits	1,191,252	1,054,900
Total current liabilities	8,628,839	6,530,825
Non-current liabilities		
Borrowings	89,683,859	90,993,173
Employee benefits	34,475	115,783
Total non-current liabilities	89,718,334	91,108,956
Total liabilities	98,347,173	97,639,781
Net assets	1,056,436,362	1,089,291,533
EQUITY		
Issued capital	106	111
Reserves	550,214,308	550,214,303
Retained earnings	506,221,948	539,077,119
Total equity	1,056,436,362	1,089,291,533

Statement of Cash Flows

For the year ended 30 June 2023

	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from rental income and grants	27,344,420	23,402,098
Payments to suppliers and employees	(19,850,462)	(23,045,421)
Interest received	864,081	89,336
Finance costs paid	(1,138,546)	(1,093,377)
Net cash provided by/(used in) operating activities	7,219,493	(647,364)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of plant and equipment	104,397	11,227,893
Proceeds from disposal of investment property	7,002,779	3,970,925
Purchase of property, plant and equipment	(2,347,019)	(5,977,640)
Payment for investment properties and projects	(16,030,208)	(16,832,920)
Proceeds from sale of nomination rights	1,260,000	-
Share capital bought back	-	(4)
Net cash (used in)/provided by investing activities	(10,010,051)	(7,611,746)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Movement in borrowings	-	50,672
Net cash (used in)/provided by financing activities	-	50,672
Net increase in cash and cash equivalents held	(2,790,558)	(8,208,438)
Cash and cash equivalents at beginning of year	30,694,840	38,903,278
Cash and cash equivalents at end of financial year	27,904,282	30,694,840



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Independent Auditor's Report to the Members of Common Equity Housing Limited

Opinion

The accompanying summary financial report of Common Equity Housing Limited (the Company), which comprises the summary statement of financial position as at 30 June 2023, the summary statements of surplus or deficit and other comprehensive income, and cash flows for the year then ended, related notes, and the directors' declaration is derived from the audited financial report of the Company for the year ended 30 June 2023.

In our opinion, the accompanying summary financial report derived from the audited financial report of the Company for the year ended 30 June 2023 are consistent, in all material respects, with that audited financial report, and has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), and complies with Australian Accounting Standards, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Summary Financial Report

The summary financial report does not contain all of the disclosures required by the ACNC Act. Reading the summary financial report and auditor's report thereon, therefore, is not a substitute for reading the full financial report and the auditor's report thereon. The summary financial report and the full financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited full financial report.

The Full Financial Report and Our Report Thereon

We have expressed an unmodified audit opinion on the full financial report in our report dated 12 October 2023. That financial report, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on that financial report.

The Directors' Responsibility for the Summary Financial Report

The directors of the Company are responsible for the preparation and presentation of the summary financial report that gives a true and fair view in accordance with the Australian Accounting Standards, the ACNC Act, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial report is consistent, in all material respects, with the full financial report based on our procedures, which were conducted in accordance with Australian Auditing Standard 810 *Engagements to Report on Summary Financial Statements*.

PKF

PKF
Melbourne, 12 October 2023

Kaitlynn Brady

Kaitlynn Brady
Partner

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