

2023 – 2024 ANNUAL REPORT

Co-operatives –
building a better
future for all



CEHL
Common Equity Housing Ltd

More Than Just Housing

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

We are pleased to present an overview of CEHL's progress and key achievements over the past year. Each is an essential step towards our collective vision of building a sustainable and affordable housing future for the CEHL community.

During the year in review, CEHL has continued to be guided by our strategic objective to sustainably maintain and grow our housing portfolio and organisational impact.

Growth and Sustainability

CEHL remains operationally and financially stable. Building on last year's commitment to maintaining the properties of our members and renters, in FY24, we invested another \$9M in the maintenance of the properties in the CEHL portfolio. This was achieved by funding \$4.6M of the maintenance costs from the CEHL balance sheet, which allowed our operating financial position to remain at a surplus of \$2.6M.

Eighteen new properties were added to the portfolio; another 26 are under construction and will be available for co-op housing in 2025. After a volatile property market in the past two years, more stable market conditions prevailed resulting in a modest downward adjustment of the portfolio by \$3.9M.

With each upgrade and new home, we are developing resilient and future-ready housing that offers cost-saving efficiencies for future generations. In keeping with that strategic commitment to environmental responsibility and energy efficiency, more than \$5.7M was invested in sustainable and energy-efficient property upgrades.

National Advocacy to increase the supply of Co-op Housing

Rental housing co-operatives are a key part of the solution to Australia's housing affordability crisis. This year, through events, partnerships, and media engagement, CEHL's advocacy focused on engaging with policy leaders and housing stakeholders to increase awareness of the co-operative housing



model's benefits and advocate for the role it can play in improving housing affordability for low-moderate income earners.

Highlights included events with former Housing Minister Julie Collins MP and Federal Member Dr Helen Haines MP, alongside local celebrations marking new housing for the Larrakeyah Co-op. We also strengthened industry connections through active roles in the Community Housing Industry Association of Victoria (CHIA Vic), the Business Council of Co-ops and Mutuals (BCCM) and the Australian Co-operative Housing Alliance (ACHA).

Through ACHA, CEHL is driving the national dialogue on sustaining and strengthening best practice co-operative housing in each state and territory and securing a dedicated stream of government funding to increase the supply of co-op housing from less than 1% to 10% of Australia's social housing stock.

Supporting Co-ops

This year, we have focused on enhancing the resources available to our co-ops, including an improved process to select co-op members for co-op housing. Co-ops now have greater flexibility in choosing members, encouraging a more locally responsive and values-aligned co-op community.

In response to co-op feedback, we improved the fairness of rent assessments, including removing the income of household members under 18 from household income calculations.

We also delivered targeted training and support for member co-ops through online training sessions, practical resources, and direct engagement to build co-op capacity and sustainability. Initiatives introduced included the Director Assistance Program (DAP), an innovative counselling and support service fully funded by CEHL that provides confidential and independent support and guidance to Co-op Directors.

Looking Ahead

Our focus for the coming year is to continue to meet the needs of the CEHL community, drive the impact and growth of co-op housing and consolidate our operational and financial sustainability. We are particularly keen to explore new ways to support and expand co-op housing, including shared and limited equity affordable home ownership options for our members.

Thank you for making it possible

We sincerely thank the CEHL Board Directors who resigned and retired during the year. Robyn Evans, Gordon Kieselbach, Heidi Lee and Samantha Winter have made a remarkable contribution, over many years, to CEHL - we acknowledge and applaud their dedication and commitment to the Australian co-operative housing movement.

We are incredibly grateful for the support of our co-op members, whose lived experiences provide invaluable insight and inspiration for our advocacy. Together, we are building a vibrant future grounded in collaboration, inclusivity, and the belief that co-op housing is more than a place to live - it is the foundation of a thriving community.

In cooperation,



Fiona Herman

Liz Thomas

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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.

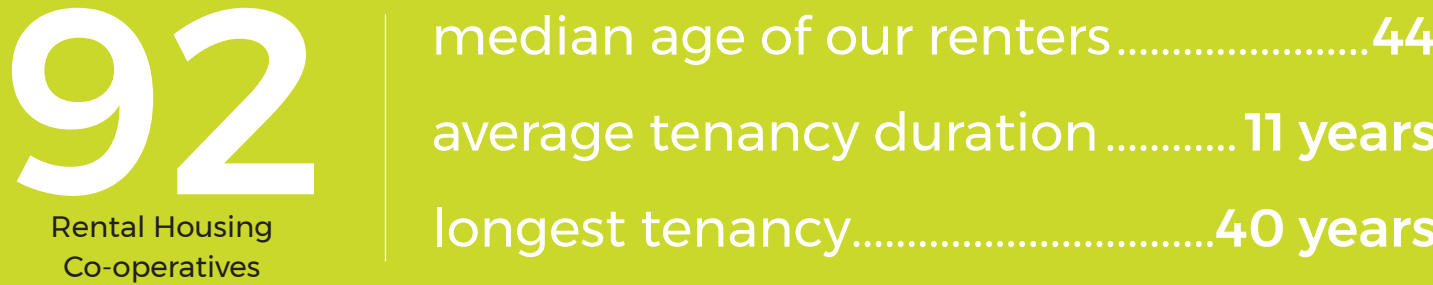


Embracing social and cultural diversity

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.

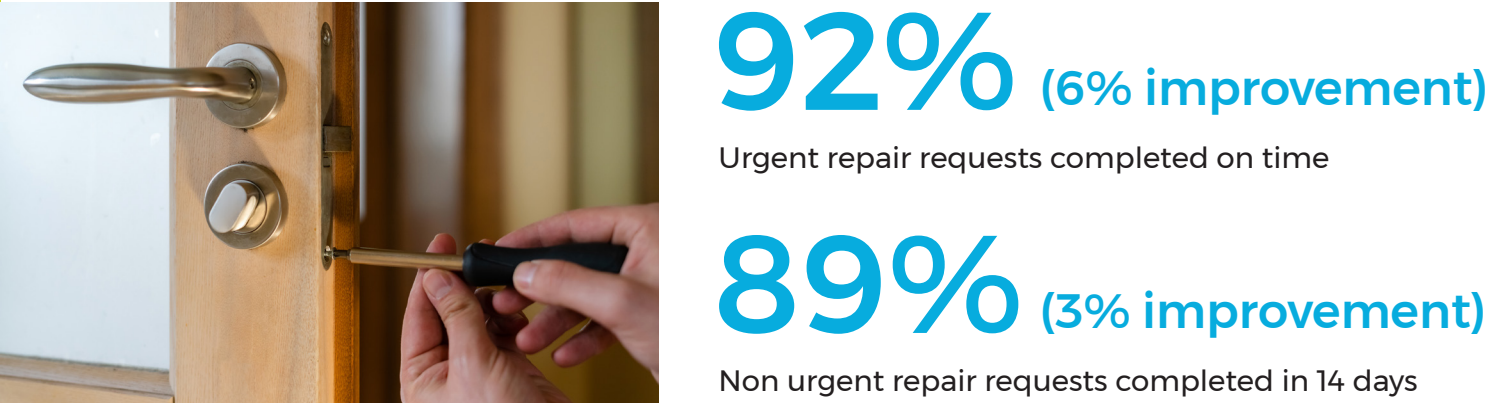
The Year in Review

This year, CEHL focused on growth, innovation and improvement to enhance housing stability and strengthen co-operative communities. Through major investments in property upgrades, operational enhancements, and a commitment to sustainable, affordable housing, we've made substantial progress. This review captures our key achievements and measurable improvements over the past year.



Key Performance Measures

CEHL is a Registered Housing Association (RHA) and must comply with performance standards set by the Victorian Housing Registrar under the Housing Act 1983 (VIC). These standards protect housing assets and ensure quality services for CEHL renters, including co-op members. CEHL submits an annual performance report to the Registrar. For the year in review that performance includes:



Measuring our Impact

In consultation with our members, CEHL engaged in extensive consultations to gain a deeper understanding of the 'Benefits of Living in a CEHL Co-op.'

These discussions shaped the creation of a **Member Value Statement**, establishing a framework for CEHL and co-ops to increase positive outcomes for members and track measurable results. Now in its second year, we are pleased to present the progress achieved.

ACCOUNTABILITY

CEHL leadership is accountable and transparent.

CEHL's Managing Director, Board Members and Executive Team have launched regional visits to strengthen accountability and deepen engagement with co-ops. The visits, which began in Mildura and Shepparton and will expand to all regions by 2025, are designed to address regional priorities and target regional stakeholders to support the growth of co-operative housing.

COMMUNICATION

CEHL shares important and relevant information with Member Co-ops in easy-to-access and understandable ways.

CEHL is committed to delivering clear, accessible information to inform co-op members. Responding to member feedback, **Co-operatively Speaking** is now available in print and digital formats and provides members with timely updates on key issues.

In 2023/2024, CEHL hosted eight online **Hot Topic** sessions on topics driven by member requests or identified by the CEHL Co-op Development Services team. The sessions included *Assurance on Insurance*, *Member Renter Housing Plans* and *Rent Reviews* and have helped CEHL stay connected, responsive, and in tune with the interests and needs of members across the network.

CO-OP RESOURCES AND SUPPORT

Member Co-ops are provided with resources, policies and support, and accurate and consistent advice.

CEHL is dedicated to empowering co-ops with the resources and flexibility they need to thrive.

This year's update to the member selection process marks a significant improvement, allowing for more locally tailored membership decisions. For CEHL-owned properties, co-ops can now select candidates from sources other than the Victorian Housing Register (VHR) provided they meet VHR income and asset criteria.

Support for co-ops also included four online induction sessions for new members, focussed on encouraging active involvement, and 18 information sessions for prospective members, aimed at helping co-ops attract engaged, well-informed members.

CEHL has also worked with Co-op Treasurers and Rent Officers to refine the Annual Rent Review process and responded to member feedback by excluding income earned by minors from household income assessment, ensuring fairer and more affordable rent calculations for households with minors who earn income.



ADVOCACY

CEHL represents to the broader community and advocates for Co-op Housing.

Advocating for co-operative housing is central to CEHL's work, focusing on positive outcomes for co-ops and increasing co-op housing supply. This advocacy has raised awareness of the importance of co-op housing and clarified the policy changes needed to expand it to 10% of Australia's social housing stock.

This year, we were also pleased to welcome the former Minister of Housing, Hon Julie Collins MP, to re-open the refurbished Lakewood Co-operative building and Independent Federal Member for Indi, Dr Helen Haines MP, to meet with Glenworth Housing Co-op members. In Geelong, State and Local Government representatives joined the CEHL co-op community and guests to celebrate six new homes added to the Larrakeyah Co-op portfolio.

CEHL has also focused on building stronger relationships with partners and networks. Notable impact has been achieved through membership of key peak bodies, including the Community Housing Industry Association of Victoria (CHIA Vic), the Business Council of Co-ops and Mutuals (BCCM), and the Australian Co-operative Housing Alliance (ACHA), chaired by CEHL Managing Director, Liz Thomas.

MAINTENANCE

CEHL is dedicated to ensuring that it provides well maintained, secure and comfortable housing for our members.

In 2023/2024, CEHL made a significant investment of \$5.7 million in property upgrades across the property portfolio. This investment resulted in the successful delivery of 418 individual property improvement projects, enhancing the quality and sustainability of co-op housing.

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 no longer needed.

During the year in review, CEHL delivered 18 new co-op properties, with an additional 26 homes currently under construction and slated for delivery in the coming year.

Alongside this development, 38 properties were handed back to CEHL by co-ops. Seven properties have been reassigned to other co-ops, and 22 were deemed unsuitable for co-op and now form part of CEHL's direct rental portfolio. Five properties are reserved for future development and four will be sold to reinvest in expanding and maintaining CEHL's affordable housing portfolio.

A significant initiative this year has been the introduction of individual co-op housing plans. These plans contribute to the broader regional housing strategies, aligning CEHL's property development and management approach with the evolving needs of its co-op community.

TRAINING FOR MEMBERS

CEHL supports learning and growth so members can manage their co-ops.

Utilising the co-op governance framework, co-op specific training needs were identified. Based on this, CEHL created a tailored training schedule for each co-op, delivered through their Co-op Development Coordinator.

Co-op training focused on meeting a range of fundamental operational, governance, compliance and engagement topics, including maintenance and repair management, tenancy management and rental arrears, safety checks, AGM processes, and Director duties. Training also supported active membership, regional engagement, and technology upskilling, helping co-ops strengthen leadership capability and build sustainable community practices.



Empowering Participation through Co-operative Housing

For over two decades, CEHL Board Chair, Fiona Herman has been deeply involved in co-operative housing, a journey that began with a pivotal moment: being invited to join her co-op’s board.

Recalling that experience, she shared, "I don't think I would have been as actively involved if somebody hadn't tapped me on the shoulder and broken down those barriers." These encouragements, coupled with the assurance of guidance through the role, helped Fiona gain the confidence to participate and contribute.

Support and Encouragement Fostered Participation

Fiona’s decision to accept a board position, was significantly influenced by the initial encouragement she received. She said, "I knew that I'd be shown how to do the role and what was involved, and that there would be Co-op Directors and members there to support me." This support marked a transformative moment

in shaping her view of co-op housing, fostering a deep sense of belonging and empowerment within the co-op community.

A Pathway to Personal and Professional Growth

For Fiona, co-op housing has provided a solid foundation for both personal and professional development. The stability and flexibility that co-op housing provided, became a launching pad for significant milestones. Reflecting on this, she shared:

“Being in a co-op has given me the opportunity to transfer from the country to the city ... I was able to start studying, work part-time, and care for my child.”



This supportive co-op environment enabled Fiona to pursue further education, ultimately completing a master’s degree while working full-time in her career as a nurse educator, all while managing the demands of motherhood.

Equally impactful was Fiona’s connection with the broader co-op community, where she encountered members who had dedicated years to forming their co-op. "I met a lady who was a founding member ... they were going to weekly meetings for two years before a co-op was even formed. I was really amazed by their dedication and commitment." said Fiona. This encounter further solidified Fiona’s appreciation for the co-op model, as she witnessed first-hand how collective effort could form a strong community.

Fiona’s involvement in governance also grew, and since 2015, she has served as Board Chair of Common Equity Housing Ltd (CEHL), a role made possible by the confidence and skills she developed within the co-op environment.



Fiona with the former Federal Minister for Housing & Homelessness, Hon Julie Collins.

Community, Stability, and Shared Responsibility

Co-operative housing has provided Fiona and her family with a stable foundation. "It's made an incredible difference that my son has been able to stay in the same primary and secondary school ... he still has contact with the people he grew up with," she reflects. The security of tenure allowed Fiona to make informed choices about her son’s education and her mother’s aged care, knowing she wouldn't have to move.

Fiona’s story also highlights the importance of shared responsibility and belonging within the co-op.

“There’s a great sense of belonging, that you’re connected to something bigger... you belong to a movement,” she said.

This collective responsibility and involvement in governance have been key factors in her long-term commitment to the co-op movement.

A Vision for the Future of Co-op Housing

Looking ahead, Fiona envisions continued growth within her co-op and the broader co-op movement, with an increasing recognition of co-operative housing as a genuine alternative to private home rental.

"My hope is that co-operative housing becomes more well-known with dedicated funding to significantly expand it. We really need to get co-op housing into people's minds as an importantly, broadly accepted form of housing," she said.

Fiona believes that highlighting the benefits of co-op living can foster greater awareness and acceptance in Australia’s housing sector.

Fiona’s story illustrates the transformative impact that co-operative housing can have on individuals and communities. Through participation, empowerment, and collective responsibility, she has not only found stable and affordable housing but also a meaningful way to contribute to the broader co-operative movement.



Fiona with Matt Torney, General Manager, Strategy & Innovation and Alyce Holmes, General Manager, Co-operative Services.

New Beginnings in Co-op Housing

Housing co-operatives offer more than shelter — they create a foundation for building community, enhancing stability, and empowering families to grow and thrive together.

Earlier this year, Abigail, together with her partner and two young children, became proud renters in one of six brand-new homes delivered in partnership with Homes Victoria. Reflecting on the moment they first walked through the door, Abigail shared, “Getting the keys and opening the door for the first time, I was very nervous.

“We got in and my daughter said ‘Wow, mum, it’s our new home. It’s so nice!’”

These new homes are located in Grovedale, an outer suburb of Geelong, and form part of the Larrakeyah CERC.

A Family Tradition of Co-operative Living

While living in a co-op is new for Abigail and her family, the concept of housing co-operatives is deeply familiar. Abigail grew up understanding the benefits of co-op housing, as her nana has been part of a co-op for over 35 years. “Growing up, I always had Nana’s house as a second home,” Abigail explained. “Every month, she’d say, ‘I’m going to a co-op meeting.’”

It was her nana who first encouraged Abigail to apply for co-op housing. Now, as a member of her own co-op community, Abigail has attended her first meeting



and is eager to continue learning. “I’m still learning, but I’m excited to learn more about how co-op housing works,” she said, “and hopefully be a beneficial member of the co-op for years to come.”



Freedom and Stability in Co-op Living

A major factor in Abigail’s decision to apply for co-op housing was the sense of freedom it offers compared to private rentals.

“We were in our last house for seven years, but we couldn’t do much to it, like painting the walls or adding pictures”.

Unlike traditional rentals, housing co-operatives give members the freedom to personalise their homes in meaningful ways, creating a sense of ownership and stability that goes beyond a typical lease. For Abigail and her young family, this means transforming their new house into a true home — a place where they can put down roots, make memories, and thrive together.

Beyond personalising the space, the security of tenure provided by housing co-ops was a deep source of relief for Abigail. Being free from the sense of stress and uncertainty that relocating can cause, has brought her peace of mind. “We don’t have that worry or the mental or physical stress that comes with it” Abigail shared.

Energy Efficiency and Long-term Sustainability

The new co-op homes, including Abigail’s, boast a 7-Star Nationwide Housing Energy Rating Scheme rating. This means they are more energy-efficient, staying cool in summer and warm in winter, which helps families save on power bills. The homes also meet the Liveable Housing Australia Silver Standard, which ensures they are adaptable to future needs, such as home modifications for accessibility.

Settling In and Looking Forward

Although Abigail admits it might take a few months — and a few more family photos on the walls — for the house to truly feel like theirs, the family is enjoying the journey.

“I’m just enjoying making it a home,” Abigail said, “and the space and the lifestyle, it’s fantastic.”



Growing our Co-op Housing Portfolio

Work on CEHL's newest co-op site began in 2018, and we're thrilled to share the progress achieved over the past year. As the property near completion, our focus now shifts to welcoming a new co-op community that will bring this exceptional space to life.

Situated in the heart of Brunswick, the site offers 16 apartments over seven levels, with convenient access to public transport and local amenities. Designed with ecologically sustainable principles, the development features a communal rooftop garden and shared laundry facilities, fostering a vibrant, connected community committed to environmentally conscious living.

The property marks the first formation of a new CEHL co-op in over 12 years.

CEHL is now seeking expressions of interest from current co-op members to become the founding members of the Brunswick Co-op Board. The founding members will bring their strong experience in co-op living and a demonstrated commitment to co-op values.

Once appointed, the founding members will focus on creating the co-op's constitution – a key document that defines the group's structure, governance, and operational guidelines. This will shape the co-op's core purpose and goals, aligning with values like member participation and collective decision-making. The framework set by these initial members will also help guide future member selection, making sure new members are on board with the co-op's vision and values.



This groundwork will set the foundation for a thriving, engaged community.

As we near the completion of the Brunswick development, our excitement continues to grow – not just for the new homes, but for the community that will soon take shape here.



We look forward to sharing the stories of these new renters – stories as diverse as the members themselves – as they begin this exciting journey together. This marks an exciting new chapter for CEHL, and we're thrilled to witness the growth of a community that reflects the co-op principles we all value.

GROVEDALE

In March 2024, a redevelopment in the outer Geelong suburb of Grovedale transformed an existing underutilised site with the addition of six new single-storey dwellings. The new additions include four two-bedroom and two three-bedroom homes, bringing the total number of properties at this co-located site to twelve. This development not only expands affordable housing options, but it also helps strengthen the vibrant Larrakeyah co-operative community.



NEWTOWN

In May 2024, two new units were completed in the vibrant Geelong suburb of Newtown. These single-storey homes feature two bedrooms, open-plan living areas, private lawns and gardens, and garages – designed for modern, comfortable living. Part of the Phoenix Co-operative, these new homes offer new co-op members a blend of convenience, space and community.

ENDEAVOUR HILLS

In April 2024, CEHL added eight modern double-storey townhouses to its property portfolio. The development includes three spacious three-bedroom townhouses and five generously sized four-bedroom townhouses, designed to provide ample space for families. These new homes offer contemporary design and reflect CEHL's commitment to creating vibrant, family-friendly affordable housing solutions.



RIPPLESIDE

At the end of June 2024, two modern townhouses were completed at the Geelong suburb of Rippleside. Each double-storey unit offers three bedrooms, with highlights including open-concept living spaces, built-in wardrobes, dedicated laundry rooms, private gardens, and secure garages. This development, partially funded by Homes Victoria under the Social Housing Growth Fund Regional Round, demonstrates a focus on delivering accessible and comfortable housing for families in the area.

CEHL Governance

CEHL is a not-for-profit company limited by shares under the Corporations Act 2001. The Board is accountable to the Australian Securities and Investment Commission (ASIC), which regulates and administers the Corporations Act.

CEHL shareholders are the CEHL housing co-operatives. Each co-op holds one share, giving them the right to elect five eligible co-op members to the Board.

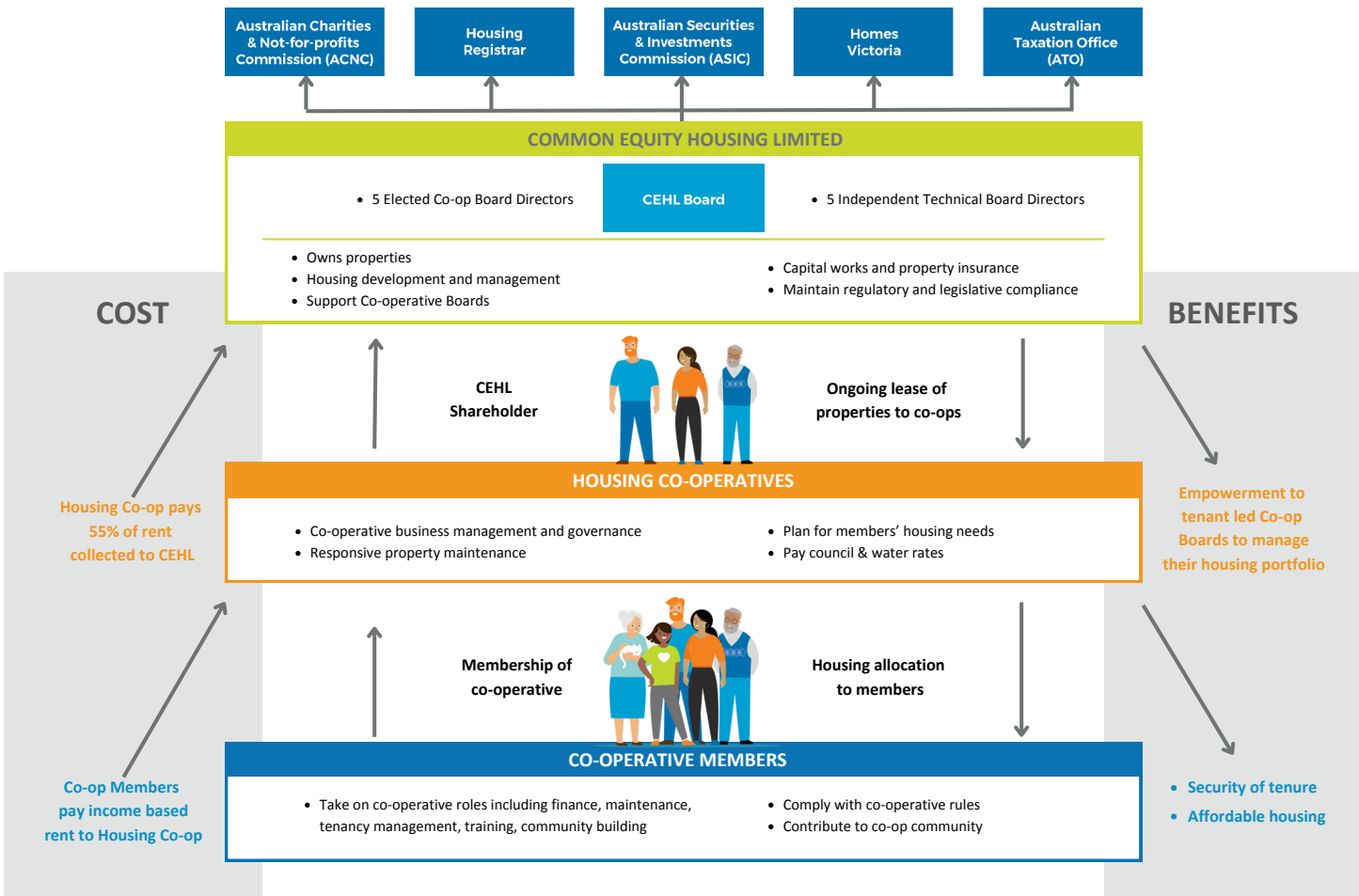
In addition to the five co-op elected Board Members, the Board includes five Independent Technical Directors, and a Managing Director, all appointed by the Board. The Independent Technical Directors and the Managing Director also hold one share.

Elected Directors bring lived experience in co-operative housing and co-operative housing leadership skills to the Board. Independent Technical Directors provide specialised expertise and knowledge in areas directly relevant to CEHL, including law, accounting, property development and affordable housing policy.

The Board has established three Board Committees

- Finance, Audit and Risk Committee (FAR),
- People Culture & Governance Committee (PCG), and
- Property Committee (PC).

Board Members generally serve on at least one Committee. The Committee structure enables a deeper consideration of complex or specialised issues that inform the Committee's recommendation to the Board.



Strategic Plan: 2024/25 – 2026/27

CEHL's strategic objective is to sustainably maintain and grow our housing portfolio and our organisational impact.

The strategy will be implemented through 11 strategic actions under three pillars:

1

Meeting the needs of the CEHL community

Listening and responding to the voices of our member co-ops, co-op members, and direct renters

- 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 to create and sustain thriving co-ops
- Develop strategies to ensure the growth and sustainability of the co-op housing model

2

Driving the impact and growth of co-op housing

Being thought leaders and advocates for the growth of co-op housing and other innovative affordable housing models

- Develop and implement an environmental, social, and governance (ESG) impact framework
- Proactively increase visibility and grow advocacy for co-operative housing as an affordable housing strategy
- Develop a roadmap for CEHL to embody international co-operative principles
- Explore and implement affordable ownership options for our members (including shared equity and limited equity housing schemes)

3

Operational and financial sustainability

Developing our people and our organisation to support impactful delivery over the longer term

- Implement the right systems, tools, and ways of working to support our people and organisation to develop and grow
- Develop a long term portfolio growth strategy that meets the diverse current and future housing needs of the CEHL community
- Develop a long term funding and finance strategy to support the growth and sustainability of the CEHL portfolio

Co-op Member and CEHL Renter Satisfaction Survey

This year’s Annual Member and Renter Satisfaction Survey showed strong improvements on several key measures. Distributed to more than 1900 households, this year’s survey had a 39% completion rate.

The 2023/2024 survey included three standard questions from the Housing Registrar regarding satisfaction with services, maintenance and repairs and consideration of views. Additionally, two additional questions were added this year: one assessing member and renter satisfaction with complaint handling, and the other, co-op specific question, focused on satisfaction with the training provided to new members upon joining their co-op.

Respondents had the opportunity to rate their satisfaction across a range of factors for both CEHL and, where applicable, their Member Co-ops. This summary covers responses specific to CEHL as summarised in the table below:



	2018-19	2019-20	2021-22	2022-23	2023-24
Satisfaction with service	78%	61%	53%	63%	71%
Satisfaction with consideration of views	71%	54%	48%	58%	57%
Satisfaction with maintenance & repairs	69%	59%	45%	61%	82%
Satisfaction with complaint handling	-	-	-	-	36%
Satisfaction with training received	-	-	-	-	62%

In FY24, CEHL saw an 8% increase in **service satisfaction**, bringing the overall rate to 71%. While this positive trend is encouraging, more work is needed to fully understand and meet the service expectations of members and renters in order to reach the benchmark set by the Housing Registrar.

The new metric of **complaint handling** revealed a 38% satisfaction rate, indicating significant room for growth in how issues are managed and resolved. To tackle this, CEHL is refining its approach to complaints in FY25, focusing on enhancing engagement and speeding up resolution times.

CEHL is taking proactive steps to bridge communication gaps to ensure satisfaction with **consideration of views** continues to improve. Strategies include regional service delivery, scheduling co-op visits, along with a review of the CEHL/Co-op Agreement.

A key highlight was satisfaction with repairs and maintenance, that jumped by 21% on last year, highlighting the positive effects of CEHL’s investment in this area and the dedicated efforts of the maintenance team.

CEHL | Board of Directors

FY2023/24 Board, for more information please visit cehl.com.au/our-board



Fiona Herman
BHlth (Nsg), MHlth&HumServMgmt
Co-op Elected Director & Board Chair.



Keith Bayliss
CAICD, AAPI, MRICS, DipVal
Independent Technical Director. PC Chair.



Fiona Bennett
BA (Hons), FCA, FAICD
Independent Technical Director. FAR Chair.



Tony De Domenico
OAM
Independent Technical Director. PCG Chair.



Damian Dickson
Co-op Elected Director.



Sylwia Greda Bogusz
OAM
DEd, MEdSt
Co-op Elected Director.



Joseph Montera
BEc, GradDipHR, CertIVTAE
Co-op Elected Director.



Jean Nankin
BEc, GradDipURP, GradDipProp
Independent Technical Director.



Michael Pearce
SC
BA, LLB (Hons), MIL
Independent Technical Director.



Beth Rundle
Co-op Elected Director.



Liz Thomas
BA, CAICD
Managing Director.

Robyn Evans - Co-op Elected Director (resigned Aug 2023)
Gordon Kieselbach - Co-op Elected Director (retired 25 Nov 2023)
Heidi Lee - Co-op Elected Director (retired 25 Nov 2023)
Samantha Winter - Independent Technical Director (retired 13 Dec 2023)

CEHL | Executive

FY2023/24 Executive, for more info please visit cehl.com.au/our-team



Liz Thomas
BA, CAICD
Managing Director.



Richard Thomas
BPA
General Manager Housing & Asset Services.



Alyce Holmes
BC GDBA
General Manager Co-operative Services.



Stephen Yiu
CA, GDPM
General Manager Corporate Services.



Michele Lee
DipSocSc
General Manager People & Culture.



Amy Lees
BA, DipLang
General Manager Operations.



Indiana Bridges
LLB(Hons), 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 2024:

– Directors’ Report.....

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– Directors’ Declaration.....

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– Statement of Surplus or Deficit and Other Comprehensive Income.....

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– Statement of Financial Position.....

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– Statement of Cash Flows

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– Independent Auditor’s Report.....

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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 development and management of residential properties. The majority of the housing portfolio is leased to independent Housing Co-operatives.

During the year, the Company identified the need to restate its financial statements due to the recognition of its investment in the Affordable Rentals Victoria Ltd (ARV) joint venture and a financial security guarantee provided to a financial institution on behalf of ARV. The joint venture was established in 2019, with the National Affordable Housing Consortium, to operate a 'Buy to Rent' model for 100 newly developed apartments..

Review of operations

The gross surplus of the Company amounted to \$7,862,519 (2023: surplus of \$4,456,281). The surplus after property portfolio transactions and fair value adjustments was \$5,125,155 (2023: Deficit \$29,165,533).

Significant changes in state of affairs

There have been no other 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 2024 and up to the date of this report.

Company Secretary

The Company Secretaries were Indiana Bridges and Stephen Yiu.

Extract from the Audited Financial Statements

	2024 \$	Restated 2023 \$
Operating Surplus	2,650,506	604,151
Capital Grants	5,213,013	3,852,130
GROSS SURPLUS FROM OPERATIONS	7,862,519	4,456,281
Fair value property adjustments	-3,913,225	-38,471,327
Other adjustments	1,175,861	4,849,513
SURPLUS (DEFICIT) FOR THE YEAR	5,125,155	-29,165,533

Meetings of directors

During the financial year, 12 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	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Fiona Herman	12	11	7	7	4	4	7	6
Michael Pearce SC	12	11	4	4	-	-	7	7
Tony De Domenico OAM	12	10	-	-	4	4	-	-
Keith Bayliss	12	11	-	-	-	-	7	7
Jean Nankin	12	11	-	-	-	-	7	7
Elizabeth Thomas	12	10	3	3	4	4	7	6
Damian Dickson	12	10	7	6	-	-	-	-
Heidi Lee	5	4	-	-	-	-	3	2
Dr Sylwia Greda-Bogusz OAM	9	7	-	-	2	2	-	-
Gordon Kieselbach	5	4	-	-	2	1	-	-
Robyn Evans	1	1	1	1	-	-	-	-
Samantha Winter	7	7	3	3	-	-	-	-
Elizabeth Rundle	7	6	-	-	-	-	4	3
Joseph Montero	7	5	7	6	-	-	-	-
Fiona Bennett	5	4	4	4	-	-	-	-
Simon Levy (ICM)*	-	-	7	2	-	-	-	-
Shawn Wolfe (ICM)*	-	-	2	2	-	-	-	-
Sarah Nieuwenhuysen (ICM)*	-	-	-	-	4	3	-	-
Andrew Bourke (ICM)*	-	-	-	-	-	-	4	4

* Independent Committee Member but not a Director.
The Chair is eligible but not required to attend any meeting of the Committees of the Board.

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 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.

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 32, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
- a. comply with Australian Accounting Standards - Simplified Disclosures and the Australian Charities and Not-for- profits Commission Regulations 2022; and

b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Company.
2. 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



Fiona Bennett

Dated: 18th October 2024

The following statements are extracted from the full version of our audited financial statements for the year ended 30 June 2024.

Summary Financial Report

Statement of Surplus or Deficit and Other Comprehensive Income

For the year ended 30 June 2024

	2024 \$	Restated 2023 \$
Revenue and other income	29,852,647	27,630,196
Administrative expenses	(11,790,449)	(10,793,178)
Finance costs	(1,325,752)	(1,178,786)
Depreciation and amortisation	(598,465)	(423,380)
Property expenses	(8,275,462)	(10,778,571)
Gross surplus	7,862,519	4,456,281
Gain/(loss) on disposal of assets	191,263	(189,679)
Fair value adjustment - investment properties	(3,913,225)	(38,471,327)
Fair value adjustment - other financial assets and liabilities	247,826	1,349,553
Share of net profit and benefit from equity-accounted investment	736,772	3,689,639
Surplus/(deficit) for the year	5,125,155	(29,165,533)
Other comprehensive income for the year	-	-
Total comprehensive income/(loss) for the year	5,125,155	(29,165,533)

Statement of Financial Position as at 30 June 2024

	2024 \$	Restated 2023 \$	Restated 1 July 2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	13,606,757	27,904,282	30,694,840
Trade and other receivables	7,764,701	4,436,510	4,743,652
Other financial assets	-	-	1,260,000
Prepayments	169,312	176,088	649,444
Non-current assets held for sale	2,941,163	1,497,809	1,383,000
TOTAL CURRENT ASSETS	24,481,933	34,014,689	38,730,936
NON-CURRENT ASSETS			
Investment in joint ventures	12,213,648	11,892,229	8,617,944
Other financial assets	226,440	264,180	131,556
Property, plant and equipment	7,956,273	8,108,535	6,157,662
Intangible assets	335,345	625,591	682,384
Investment properties	1,123,493,600	1,111,770,540	1,141,228,776
TOTAL NON-CURRENT ASSETS	1,144,225,306	1,132,661,075	1,156,818,322
TOTAL ASSETS	1,168,707,239	1,166,675,764	1,195,549,258

LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5,454,678	5,934,117	5,265,925
Borrowings	310,806	303,470	210,000
Provisions	-	1,200,000	-
Employee benefits	977,251	1,191,252	1,054,900
TOTAL CURRENT LIABILITIES	6,742,735	8,628,839	6,530,825
NON-CURRENT LIABILITIES			
Borrowings	91,811,565	93,006,683	94,731,350
Employee benefits	22,017	34,475	115,783
TOTAL NON-CURRENT LIABILITIES	91,833,582	93,041,158	94,847,133
TOTAL LIABILITIES	98,576,317	101,669,997	101,377,958
NET ASSETS	1,070,130,922	1,065,005,767	1,094,171,300

EQUITY			
Issued capital	106	106	111
Reserves	550,214,308	550,214,308	550,214,303
Retained earnings	519,916,508	514,791,353	543,956,886
TOTAL EQUITY	1,070,130,922	1,065,005,767	1,094,171,300

The above statement of financial position is extracted from the full version of our audited financial statements for the year ended 30 June 2024.

Statement of Cash Flows for the year ended 30 June 2024

	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from rental income and grants	30,484,829	27,344,420
Payments to suppliers and employees	(27,174,700)	(19,850,462)
Interest received	953,694	864,081
Finance costs paid	(1,325,752)	(1,138,546)
Net cash provided by operating activities	2,938,071	7,219,493
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of plant and equipment	80,468	104,397
Proceeds from disposal of investment property	1,270,887	7,002,779
Purchase of plant, equipment and intangible assets	(187,614)	(2,347,019)
Payment for investment properties and projects	(18,577,448)	(16,030,208)
Proceeds from sale of nomination rights	178,111	1,260,000
Net cash used in investing activities	(17,235,596)	(10,010,051)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in cash and cash equivalents held	(14,297,525)	(2,790,558)
Cash and cash equivalents at beginning of year	27,904,282	30,694,840
Cash and cash equivalents at end of financial year	13,606,757	27,904,282



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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 2024, 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 2024.

In our opinion, the accompanying summary financial report derived from the audited financial report of the Company for the year ended 30 June 2024 is 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 18 October 2024. 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, 18 October 2024

Kaitlynn Brady

Kaitlynn Brady
Partner

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.



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