



ANNUAL REVIEW
Brisbane Housing Company Ltd





Many people may have reason to think that 2008-2009 was a terrible year. The world economy was threatened in ways not seen for decades. Unemployment grew and many businesses had to contract.

Brisbane Housing, along with other charities that help the disadvantaged, has seen the impact of the global recession on those we exist to help, those on low incomes and in need of housing.

As far as Brisbane Housing Company itself and its subsidiaries are concerned, the recession has not diverted us from our course. Indeed the group has achieved or exceeded our targets. The parent company now has over 700 homes in management, low arrears and vacancies and an increased surplus that will be reinvested in affordable housing for those in need. The three subsidiaries have all performed well. Both property developing subsidiaries will exceed expectations in regard to surpluses repatriated to the parent charity.

Many people and organisations have played a part in BHC's ongoing success. I do not have space in these brief comments to thank all concerned but I would like to acknowledge the following:

- Robert Schwarten, the far sighted Minister that founded BHC and who relinquished the Housing Portfolio during the year;
- Brisbane City Council; for their bi-partisan support for the Company since incorporation, grant funding, donations of land and key development approvals;
- The Rudd Government for its decision to make investment in social housing a key part of its fiscal stimulus plan;
- Westpac Bank for their sustained support for BHC and willingness to lend to providers of social housing when others have pulled back.

The team at BHC, the Board and the staff, are exceptionally capable. We receive increasing numbers requests for assistance from others looking to replicate what we have achieved. We are pleased to assist where we can.

Looking ahead, we are excited by the opportunities and recognise the challenges. Our greatest concern is that Australia is not producing enough homes for our growing population. The shortage of suitable homes will mean that the low income households, the weak and the marginalised will be the ones that bear the brunt of this failure. This problem must be addressed. We will play our part but the solution requires leadership at the very highest levels and changes in systems and attitudes, both nationally and locally.

I commend this review to you,

John McAuliffe AM
Independent Chair

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November 2009



BRISBANE HOUSING COMPANY (BHC) HOUSING PROJECTS

Brisbane Housing Company has been successful in creating a portfolio of properties worth more than \$134 million. The Company now holds 707 completed and occupied units with 143 in approved design stage and 310 in site acquisition stage. Three major projects achieved this year are:

COLTON AVENUE, LUTWYCHE (FEBRUARY 2009)

29 units (6 x studios, 9 x 1 - bedroom units, 12 x 2 - bedroom units, 2 x 3 - bedroom units)

This is an infill development near the Northern Busway, on a site previously occupied by one detached dwelling. Brisbane needs more developments like this if the City's Growth Management Strategy targets are to be achieved.

EARNSHAW HAVEN, NUDGE (DECEMBER 2008)

43 units (20 x 1 - bedroom units, 17 x 2 - bedroom townhouses, 6 x 3 - bedroom townhouses)

This redevelopment of the former Nudgee State School site has delivered the rental units plus 41 detached homes for purchase through Ausbuild, a day centre for clients with learning difficulties, and community facilities and open space.

THANBARRAN PLACE, INALA (DECEMBER 2008)

6 studio units, (3 x 1 - bedroom units, (including 1 Person with Disability unit), 22 x 2 - bedroom townhouses, 4 x 3 - bedroom townhouses, 4 x 4 - bedroom townhouses)

This development marks the completion of Stage 1 Affordable Housing in the overall redevelopment of the Bremer TAFE Site. Two Affordable Housing developments will integrate with a residential subdivision of 43 house and land packages sold to the private market creating a vibrant mixed tenure community.

NORMA MATTRESS - COLTON AVENUE TENANT

"It's my home and I have made it really comfortable - Love it".

PRUDENCE ANDERSSON - EARNSHAW HAVEN TENANT

"I have never felt more secure in my life. My health has improved with the peace of mind and comfort that I now have".

MERLENE SETTER - COLTON AVENUE TENANT

"I love the picture rails and all the Staff at BHC treat me like I matter".

SUPPLIERS
KDPR
McCullough Robertson Lawyers
Architects

PROPERTIES MANAGEMENT
Churches of Christ Care
Interlink
Rental Express

BRISBANE HOUSING COMPANY COLLABORATION

FUNDING
State Government
Commonwealth Government
Brisbane City Council
Westpac
Bankwest

DEVELOPMENT PARTNERS
Leighton Properties

BUILDING
McNab
Waltons
Northbuild
Ray White Constructions

The Brisbane Housing Company works as a collaboration, with multiple partners and community shareholders just some of which are listed above. This collaboration continues to grow and mature with each passing year and BHC seeks to live its organisational objective of “working with existing local communities other service providers charities and all spheres of government to develop an integrated, co-ordinated and co-operative approach to housing issues”.

BHC values and thanks all of its collaborative partners.

Open Minds and Second Chance are two of the many organisations that play an important part in this collaboration.

OPEN MINDS - ORGANISATIONAL PARTNER
In Queensland’s Disability Action Week Awards 2008, Open Minds’ Acquired Brain Injury support service was chosen as the winner of the Community Organisation Category for its work with residents at BHC’s Alford Street premises in New Farm, Brisbane.

Open Minds operates Alford Street as a rehabilitation and transitional accommodation service, promoting independence and achievement in rehabilitation and recovery. BHC CEO David Cant comments, “Open Minds is a fantastic organisation and this award not only highlights the amazing work which they do, but it showcases the innovation in affordable housing that the Brisbane Housing Company provides.”

SECOND CHANCE - ORGANISATIONAL PARTNER
Second Chance Fundraising Group began to raise money in 2001 for single homeless women in Brisbane, a target group whose existence had formerly been socially stigmatised, invisible to policy makers and uncouned in statistics. Some homeless women seeking accommodation in BHC’s boarding rooms and studios cannot afford even BHC’s low rents, falling short by as little as \$9 to \$20. Second Chance’s ‘bridge the gap’ program makes up the difference and helps ensure that more women are able to leave homelessness behind them.

BHC is also collaborating with the State’s new Urban Land Development Authority to deliver affordable housing in the designated Urban Development Areas, Brownfield and Greenfield sites around Brisbane. The result will be a better Brisbane, in which affordable housing provision is increasingly well-integrated socially and as built form.

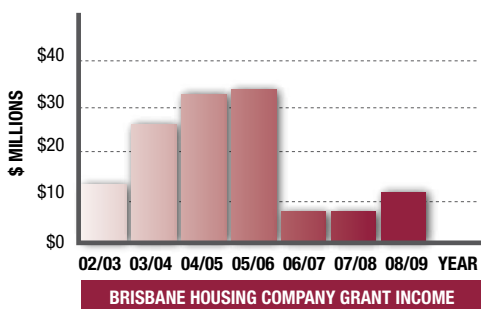
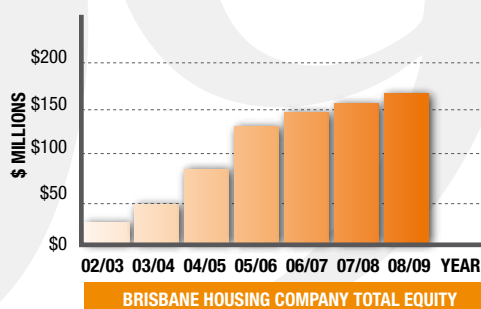
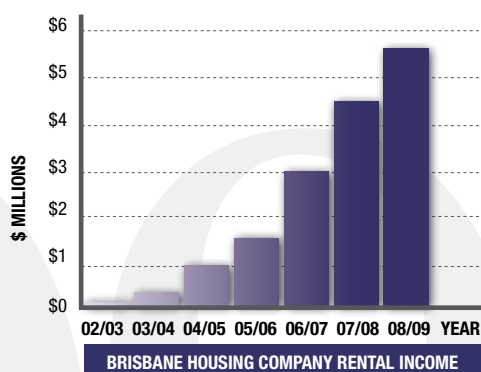
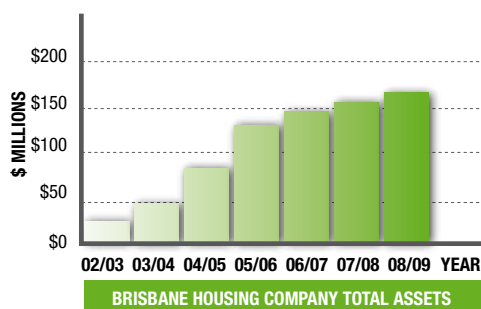
INNOVATION AND RESEARCH
Griffith University

REFERRALS / SUPPORT
Micah Projects
St Vincent De Paul

TENANT SUPPORT
Open Minds
Multicap
Second Chance
Centacare

SPECIAL PROJECT PARTNERS
BYS
Red Cross





SUMMARY OF FINANCIAL OPERATIONS 2008-2009

The Company continues to benefit from sustained growth as we utilise the grants provided by our Ordinary Shareholders - the State Government and Brisbane City Council.

- Since its incorporation, the Company has received \$114.4 million in grant funding from the State Government and \$14 million in funding from the Brisbane City Council. The Company received \$7 million in funding from the Nation Building Social Housing Initiative.
- Revenue for the year was \$22.29 million a 72% increase on the previous year due to an increase grant funding and revenue from land sales.
- Rent Income was \$5.43 million - 20 per cent increase on the previous year
- Total Expenses increased by \$5.37 million on the 2007/08 position due largely to an increase in costs associated with land sales (\$3.4 million), property expenses (\$1.2million) and depreciation (\$0.3million)
- The Company has a \$30 million credit facility with Westpac Banking Corporation as at the 30th June 2009 of which \$5.7 million has been drawn.

The Table of Key Financial Statistics (below) illustrates how the Consolidated group performed in the 2008/09 financial year, compared to the 2007/08 financial year.

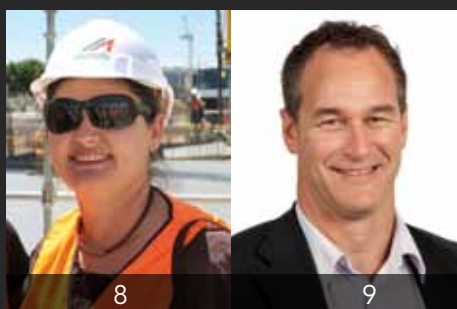
The CEO is David Cant, the CFO is Jason March and the Company Secretaries are Jason March and Samantha Evans. The Company ABN is 101 263 834.

Brisbane Housing Company is audited by Grant Thornton Brisbane of 102 Adelaide Street, Brisbane Qld 4000

Summary Statement of Financial Performance	2008/2009 (\$)	2007/2008 (\$)	2006/2007 (\$)
Revenue			
Rent	\$ 5,431,317	\$ 4,523,166	\$ 2,939,897
Grants	\$ 12,488,943	\$ 7,000,000	\$ 7,000,000
Land Sales	\$ 4,045,091	\$ 0	\$ 0
Other (Bank Interest & Sundry)	\$ 363,973	\$ 1,438,772	\$ 2,264,866
Total Revenue	\$ 22,289,874	\$ 12,961,938	\$ 12,204,763
Total Expenses	\$ 11,072,786	\$ 5,704,866	\$ 3,425,037
Net Surplus/Loss	\$ 11,216,488	\$ 7,257,072	\$ 8,779,726
Cash at the end of the Financial Year	\$ 11,933,399	\$ 13,284,715	\$ 23,150,903
Total Assets	\$ 167,618,367	\$ 160,335,765	\$ 141,554,894
Total Liabilities	\$ 8,225,518	\$ 4,811,070	\$ 544,055
Total Equity	\$ 159,392,849	\$ 155,524,695	\$ 141,010,839



BOARD OF DIRECTORS



1/**STUART GREGORY**

- Company Director and Consultant.
- Chair of the Finance Committee, Member of Audit Committee, Director BHC Nudgee Pty Ltd, Director BHC Development Services Pty Ltd.
- Director nominated by the Brisbane City Council.

2/**KEN GOUGH**

- CEO and a Director of Queensland Community Credit Union Ltd.
- Chair of the Audit Committee, Member of the Finance Committee, Director BHC Development Services Pty Ltd.
- Director elected by Community Shareholders.

3/**JOHN MCAULIFFE AM**

- Company Director and Chairman of the Mater Hospital Health Services.
- Independent Chair, Chair of the Tenancy Committee, Member of the Finance, Property and Audit Committees, Chair of BHC Development Services Pty Ltd.
- Nominated by the State Government and Brisbane City Council.

4/**ANN LANGLEY**

- Community advocate and Director of various charities.
- Member of the Tenancy Committee, Director BHC Nudgee Pty Ltd.
- Director elected by Community Shareholders.

5/**JAN WILLIAMS**

- Director of Jardine Developments.
- Chair of the Property Committee, Director BHC Development Services Pty Ltd, Chair BHC Richlands Pty Ltd.
- Nominated by the State Government.

6/**GARRY MCLEAN**

- Executive Director Ernst & Young Transaction Real Estate.
- Member of the Property Committee, Chair BHC Nudgee Pty Ltd.
- Director elected by Community Shareholders.

7/**JOHN GALLIMORE**

- Partner of the legal firm Allens Arthur Robinson.
- Member of the Property Committee.
- Director nominated by the State Government.

8/**ELOISE ATKINSON**

- Director Deicke Richards Architects.
- Member of the Tenancy and Property Committees, Director BHC Richlands Pty Ltd.
- Director elected by Community Shareholders.

9/**GEOFF WOOLCOCK**

- Associate Professor Griffith University.
- Director appointed by the BHC Board to fill a casual vacancy.



ENVIRONMENTAL SUSTAINABILITY

Sustainability and ease of building maintenance are features that are prioritised in all Brisbane Housing Company (BHC) developments. These design features are built into the initial concept and reduce costs for tenants and the organisation over the long term. Considerations such as effective building orientation and cross ventilation negate the need for airconditioning. Other features including rain water tanks (for landscaping, laundry and toilets), solar hot water, insulation, central gas hot water and external wall and floor treatments further increase the livability and reduction of costs to tenants.

All BHC housing units are designed for maximum efficiency in the use of space, without negative impacts on the tenant's comfort and liveability. Units are also fully insulated and clad in materials to retain winter heat and reduce summer heat.

Albert Holt Terraces

The development of the Albert Holt Terraces involved substantial retention and utilisation of existing educational facility structures in situ on the former Bremmer Tafe site, Inala.

There are a number of environmental and energy efficient design features employed within this development including; selection of materials, application of architectural elements and configuration of rooms. Albert Holt Terraces utilises conventional construction systems along with modern technologies to improve sound and thermal transmissions.

Brisbane Housing Company projects demonstrate that quality medium density affordable accommodation can be produced economically. Our projects produce a high quality environment that is sensitive to the needs and aspirations of occupants with diverse requirements.



Dedicated to a better Brisbane

Brisbane Housing Company takes this opportunity to acknowledge the funding received from the Queensland Government and Brisbane City Council and the continued support of all our community shareholders

Brisbane Housing Company

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GPO Box 544
Brisbane QLD 4001

Ph (07) 3307 3000
Fax (07) 3839 2000

Email reception@brisbanehousingcompany.com.au

