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ANNUAL REVIEW

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# Improving Lives

BHC creates beautiful, smart and award winning buildings as a means to an end; it is not an end in itself. The reason we are all involved with BHC is to "improve lives".

BHC is known for the award winning buildings that we have created during the 12 short years in which we have been operating. I refer to buildings such as Century that is an UDIA Award for Excellence Winner in the Large - Medium Density Development category and Green Square Close which is a national finalist in the Australian Institute of Architects award scheme.

So how do we know that we are "improving lives" in these great buildings? This year we want to use the Annual Review as an opportunity to share with all our friends and stakeholders the strong evidence that we have that the homes we build are making a difference for the better.

Since 2002 when BHC was incorporated we have assisted over 3250 households with a secure affordable place they could call "home". Many of these individuals and families were in "dire straits". All the households that come to us do so by way of referral from the Department of Housing and Public Works with an assessment of their relative need.

Data for 2012-13 and more recently shows that over three quarters of those we housed were assessed by the Department as being in Very High Need or High Need.

What happens to them once they are received into their BHC home? This is where the evidence for improving lives is most compelling. The picture that emerges has a number of powerful facets:

- Improving stability. Our tenants choose to stay long term in their homes. They put down roots.
- High levels of satisfaction. Each year we survey our tenants. 81% of respondents agreed or strongly agreed that they are satisfied with their homes.
- Low rent arrears. Secure tenants that like their homes and wish to remain are keen to pay their rent. BHC rent arrears are very low and falling. Bad debts at 0.42% of rental income is excellent.

We could not achieve these great management outcomes alone. BHC is proud to work with many exceptional support agencies who will leave no stone unturned to resolve a problem that ails one of our tenants. Our work on tenancy sustainment is a team effort. In the pages of this Review you will read more about our key partners.

I commend this review to you



**Professor John McAuliffe AM**  
Independent Chair

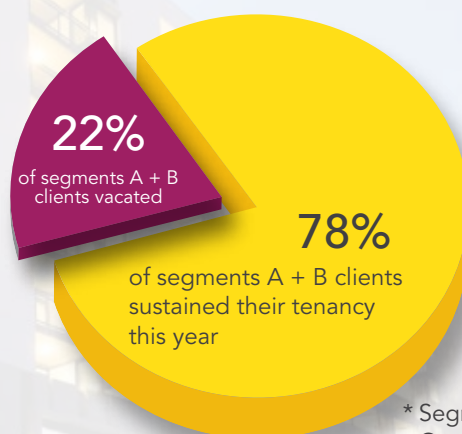
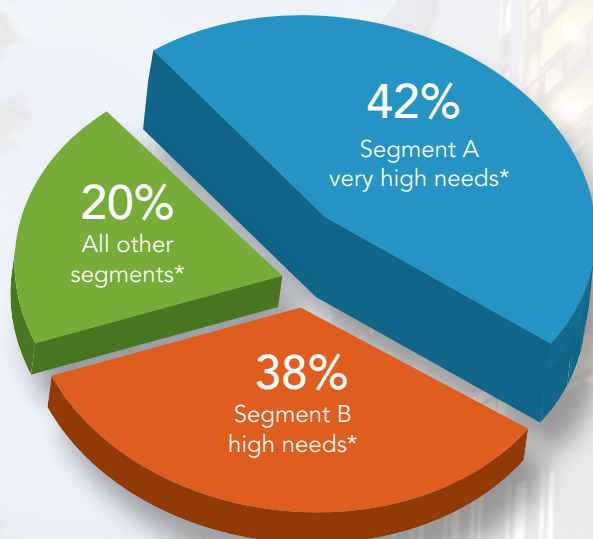
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November 2013



# Who Are We Housing?

2012-2013 Focus Year

384 new households housed in 2012-2013



\* Segments from the Queensland Government's One Social Housing Waitlist

## Tenant Survey Outcomes

Our 2012-2013 Tenant Satisfaction Survey received a 70% response rate - approx. 780 tenants

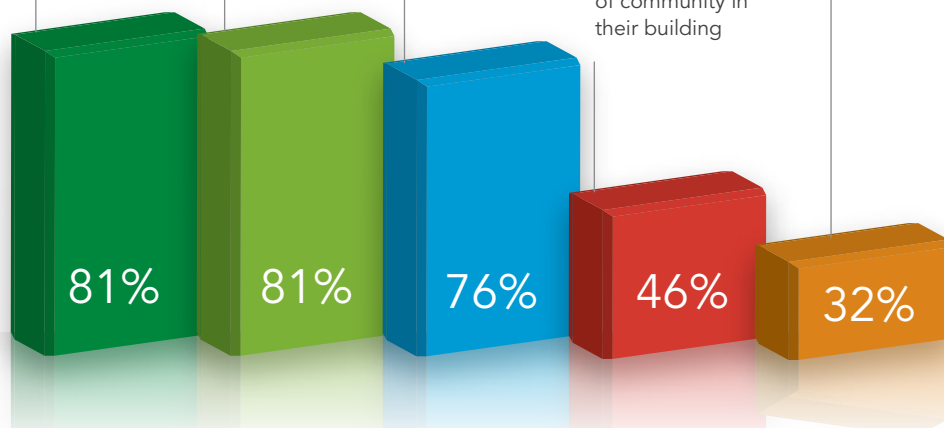
81% of respondents agreed or strongly agreed that they are satisfied with their home

81% of respondents agreed or strongly agreed that they were satisfied with services from their housing manager

76% of respondents think their accommodation is value for money

46% of respondents felt a strong sense of community in their building

32% of respondents participate in activities and socialising with other residents. eg: gardening, BBQ's, playgroups





## Meet Tadewos

Settling in a new country after migrating from Ethiopia, Tadewos was one of the first residents offered a home at BHC's Bowen Hills development, "Richmond" in December 2011.

Two years on and Tadewos is now preparing to move into the private rental market, after having secured full time employment.

"Everyone at BHC has been very supportive and understanding, especially the building caretaker who is always friendly and maintains the complex to be a very clean and liveable environment."



## Working Together to Improve Lives

### Support Services

#### Under 1 Roof

Under 1 Roof is a consortium of homelessness, housing and community agencies working together to integrate service delivery to achieve an end to homelessness in Brisbane.

Participants include:

- 139 Club
- BHC - Creating Liveable Communities
- Bric Housing Company
- Brisbane Youth Service
- Communify Qld
- Footprints in Brisbane
- Mission Australia
- New Farm Neighbourhood Centre
- Queensland Injectors' Health Network
- The Rotary Club of Fortitude Valley

BHC's involvement with Under 1 Roof not only ensures homeless people are moved as quickly as possible into a long-term housing solution with wrap-around support, the group works to sustain tenancies by continuously improving practice so that interventions and case management provides holistic, recovery focused, long-term support.





# Tenancy Management Committee



The Tenancy Management Committee (TMC) is a sub-committee of the BHC Board providing strategic direction associated with BHC's mission; to provide safe and secure housing to those in need.

Members of TMC utilise their expertise in Community Services, Academia, Architecture and Property and Tenancy Management to ensure the BHC portfolio is managed in a responsible, caring and sustainable manner, to provide quality homes and services for our tenants.

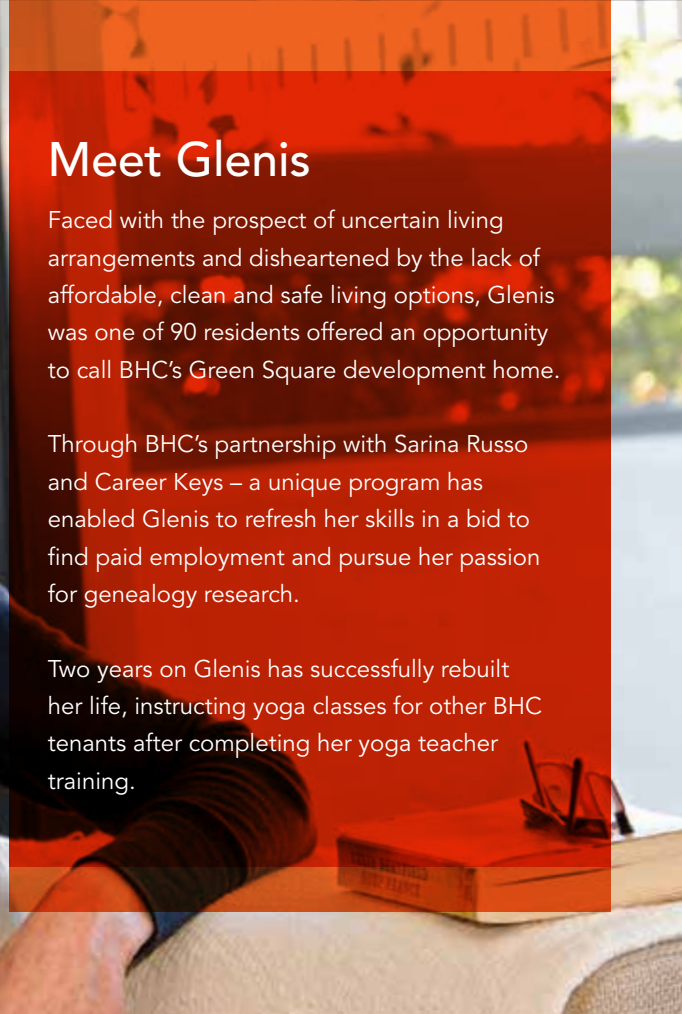


## Meet Glenis

Faced with the prospect of uncertain living arrangements and disheartened by the lack of affordable, clean and safe living options, Glenis was one of 90 residents offered an opportunity to call BHC's Green Square development home.

Through BHC's partnership with Sarina Russo and Career Keys – a unique program has enabled Glenis to refresh her skills in a bid to find paid employment and pursue her passion for genealogy research.

Two years on Glenis has successfully rebuilt her life, instructing yoga classes for other BHC tenants after completing her yoga teacher training.



# Summary of Financial Operations 2012-2013

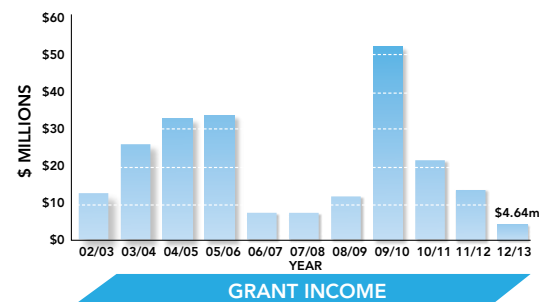
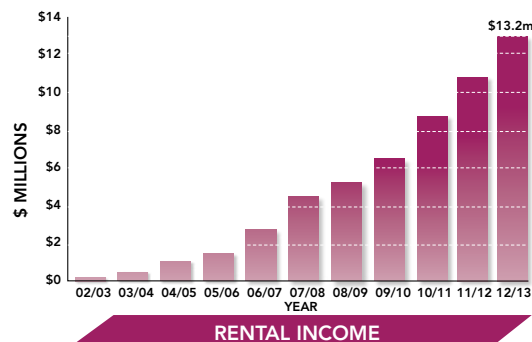
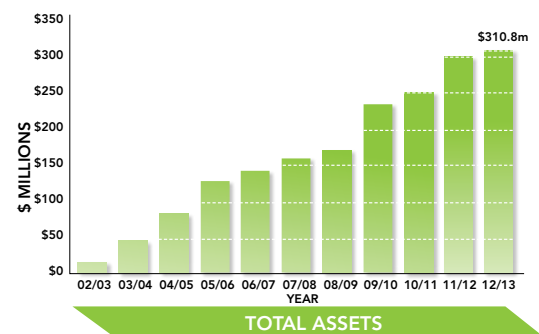
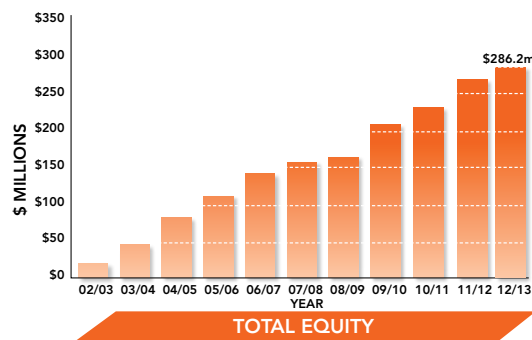
Since its incorporation, the Company has received \$114.4 million in grant funding from the State Government and \$18.1 million in funding from the Brisbane City Council. The Company has received \$94.5 million in Federal Government Funding through the Nation Building Social Housing Initiative & the National Rental Affordability Scheme.

Revenue for the year was \$65.25 million, a 6% increase on the previous year due to the acquisition of Catalyst Affordable Housing (contributing 21% of revenue) & an increase in rental income (up 25%). This was offset by a

66% decrease in grants due to the winding down of the Nation Building Social Housing Initiative.

Total Expenses increased by \$2.03 million on the 2011-12 results due to increases in costs associated with property expenses (up 25%), depreciation (up 5%) and administration costs (up 18%). This was offset by a 3.5% decrease in the cost of property sales.

The Company has a \$50 million credit facility with Westpac Banking Corporation as at the 30th June 2013 of which \$15.0 million has been drawn.



## Key Financial Statistics

Summary Statement of Financial Performance	2012/13 \$	2011/12 \$	2010/11 \$	2009/10 \$
Revenue				
Rent	\$ 13,202,979	\$ 10,592,594	\$ 8,723,171	\$ 6,421,860
Grants	\$ 4,638,294	\$ 13,830,457	\$ 21,655,676	\$ 52,416,523
Property Sales	\$ 32,354,380	\$ 35,781,710	\$ 19,584,910	\$ 12,620,909
Other (Bank Interest & Sundry)	\$ 15,054,607	\$ 1,146,514	\$ 1,599,618	\$ 1,125,412
<b>Total Revenue</b>	<b>\$ 65,250,260</b>	<b>\$ 61,351,275</b>	<b>\$ 51,563,375</b>	<b>\$ 72,584,704</b>
Total Expenses / Cost of Sales	\$ 51,608,325	\$ 49,581,208	\$ 31,952,463	\$ 18,868,490
<b>Net Surplus / Loss</b>	<b>\$ 13,641,935</b>	<b>\$ 11,770,067</b>	<b>\$ 19,610,912</b>	<b>\$ 53,716,213</b>
Cash at the end of the Financial Year	\$ 21,500,984	\$ 5,194,126	\$ 6,162,308	\$ 29,391,278
Total Assets	\$ 310,775,014	\$ 301,534,166	\$ 254,224,942	\$ 237,312,153
Total Liabilities	\$ 24,548,531	\$ 43,042,844	\$ 21,518,814	\$ 25,678,048
<b>Total Equity</b>	<b>\$ 286,226,483</b>	<b>\$ 258,491,322</b>	<b>\$ 232,706,128</b>	<b>\$ 211,634,105</b>

# Skill Based Board of Directors



## **PROFESSOR JOHN MCAULIFFE AM**

As a Property/Commercial Consultant specialising in Central Business District, sales purchase and development for many years Professor John McAuliffe AM holds extensive knowledge in the property development sector.

John is the Independent Chair of BHC and his service extends to many other avenues including Chair of Multicap, Chair of Catholic Property, Brisbane, former Chair of Mater Health Services, Brisbane, former Chair of the Holy Spirit Private Hospital, Brisbane and former Member of the Mount Olivet Hospital Board.



## **BEN FOSTER**

As a Professional Quantity Surveying consultant Ben has worked within the construction industry for over 20 years. Ben is currently a Director of the Queensland consultancy firm Steele Wrobel, after many years working on a range of large scale social infrastructure projects for Government and private enterprise.

Ben has also held positions including that of chapter president for the Australian Institute of Quantity Surveyors.



## **JOHN GALLIMORE**

A long-time Partner in a leading law firm, John is now a Consultant to that firm and remains a Board Member of Multicap, a disability services provider.

He is a former Board Member of Queensland Sudden Infant Death Research Foundation and has had various roles in the Anglican Church in Brisbane. John is a State Government appointed Director of BHC.



## **ELOISE ATKINSON**

Eloise is an architect energetically committed to housing in the not for profit sector. She has worked with the Queensland Government, community organisations and private developers in the design of public and community housing. She also contributes to the sector through research and advocacy and is a Director of design practice Deicke Richards.

Eloise is committed to working with clients who might not otherwise access professional design advice and is a former Churchill Fellowship recipient.



## **STUART GREGORY**

With over 30 years experience in professional services as both a Finance Director and Chief Executive, Stuart has a wide array of skills in Finance, Administration and Business Management.

Stuart has been a member of the BHC Board since 2005 and is a member of the BHC Finance and Audit Committee. Stuart is the Brisbane City Council appointed Director.



## **JULIE HECKENBERG**

Julie holds over 25 years' experience in leadership and organisational development, and education and training at both enterprise and Government levels.

Julie has successfully translated her skills to the community sector through her work as Founder and Interim Board Member of Under 1 Roof. Under 1 Roof has gained recognition as an exemplar of cooperation and collaboration, demonstrating real outcomes for people with complex needs.



## **GEOFF WOOLCOCK**

Geoff is Wesley Mission Brisbane's Senior Research Fellow and an Adjunct Associate Professor at Griffith University. His research looks at applying indicators of community strengths in disadvantaged communities and building child-friendly communities.

Geoff is the current Chair of the Australian Community Indicators Network, the Queensland Convenor for the Australian Research Alliance for Children & Youth (ARACY) and is a Director of both the Logan Child-Friendly Community Charitable Trust and the Australian National Development Index (ANDI).



## **LES JONES**

Les is a retired Grant Thornton Partner with a wide involvement in not for profit organisations. During his time at Grant Thornton Les headed up Assurance Service and was the Office Managing Partner for five years.

Les has been a Director of various not for profit organisations and has also contributed to the Professional Education program for The Australian Institute of Chartered Accountants.



## **ANN LANGLEY**

We wish to dedicate this publication to the memory of Ann Langley, an inspiring, dedicated and compassionate member of the BHC Board for 10 years. Ann's contribution was vital to the provision of affordable housing to those in need.



## **JAN WILLIAMS**

We would like to thank Jan Williams for 11 years of expertise and dedicated service to BHC's mission. We look forward to working alongside Jan in her future endeavours in the housing sector.



# Continued Innovation

As public funds are strictly constrained, BHC has adapted the way we deliver projects to ensure our developments are relevant. We achieve this by maintaining our innovate approach to ensure much needed quality affordable housing is delivered to those in need.



## Bothwell Street - Mt Gravatt East

Our Bothwell Street development represents a new model for the provision of affordable housing by BHC. Delivered in partnership with Queensland Government Department of Housing and Public Works this innovative project will see seniors currently residing in under occupied public housing offered quality, purpose built modern residences into which they can transition.



## Lutwyche Road - Lutwyche

Originally part of the Northern Busway project, the development site at Lutwyche was made available to BHC by the Queensland Government Department of Transport and Main Roads. The three-storey development will provide affordable housing in an excellent location to some of Brisbane's key workers.



## New Farm - Blue Care Joint Venture

An innovative partnership between BHC and Blue Care will renovate a vacant building into affordable, modern apartments. The apartments will provide low and middle-income seniors squeezed out of the tight inner-city rental market with affordable housing close to medical services, shops and public transport.

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Trading as BHC Creating Liveable Communities

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All images within this publication are of BHC tenants and properties. We thank our tenants and investors for their generous input.



Queensland Government



*Dedicated to a better Brisbane*

BHC takes this opportunity to acknowledge the funding received from the Commonwealth Government, Queensland Government and Brisbane City Council and the continued support of all our community shareholders.

BHC is a public company limited by shares, a public benevolent institution, an income tax exempt charity and deductible gift recipient.

