

Co-operation Housing

Homes for sustainable communities



Annual Report
2010-2011

CO-OPERATION HOUSING

Homes for Sustainable Communities

VISION

Homes for sustainable communities

MISSION

To be the key co-operative housing provider in Western Australia



VALUES

Respect Security Community Diversity Self-determination

Co-operative Principles

Adopt and promote the seven principles of Co-operation, being:

1. Voluntary and open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and independence
5. Education, training and information
6. Co-operation among co-operatives
7. Concern for the community

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BOARD OF DIRECTORS

Veronica (Morgana) Lagden

CHAIRPERSON AND ELECTED DIRECTOR



“I have lived on a co-op for 11 years. I have been actively involved with Co-operation Housing for 2 years because I am passionate about the need for more housing co-ops in WA. I believe that co-ops are a lot more than just cheap housing. By being part of a community, with all the blessing and challenges that entails we are given an opportunity to grow and develop on many levels of our being. Community living also provides an opportunity for people to live in a more sustainable way.”

Adam Briggs

TECHNICAL DIRECTOR (FINANCE)



After eight years with a mainstream bank that worked to their corporate targets rather than customers’ needs, Adam shifted jobs to work for the socially responsible Bendigo Bank. Here, he discovered the balance of community and sustainability, where all are working together for a shared future.

Housing co-operatives make sense to Adam, and Co-operation Housing reflects similar intentions to Bendigo Bank – not caught up in products, a socially responsible company, and 100 per cent of profits flowing back to the community. Adam has a strong financial background, a knack for bringing the right people together and getting decisions made, with experience in operations and compliance and excellence in public speaking.

Pauline Farrell

ELECTED DIRECTOR



Pauline has been a member of First Fremantle Housing Collective for 15 years. Pauline’s broader Community Housing Sector volunteer work has included: FOHCOL Management Committee Member; CMT Trustee; CHCWA Board Member; CHFA Member Representative and a member of the steering group that undertook some of the groundwork initiating Co-operation Housing’s formation.

Pauline’s Community Housing Sector employment includes: Fremantle Housing Association (now Access Housing); Foundation Housing; CHCWA, FOHCOL and Uniting Church Homes. Pauline is passionate about co-op housing and her main driver for wanting to be a Board Member of Co-operation Housing is to contribute to extending the option of co-operative housing to as many people as possible.

BOARD OF DIRECTORS

Cheryl Hogan

TECHNICAL DIRECTOR (ARCHITECT)



Cheryl currently lectures in residential architecture and has a keen interest in Urban Planning and the provision of public and co-operative housing. Some of her early work in housing was helping form community at Yuendumu out of Alice Springs.

Cheryl sees her initial role as a Co-operation Housing Technical Director focussed primarily on maintenance and structural care of existing buildings, and helping clarify what funds are required for ongoing costs – a pragmatic role rather than a theoretical one. She expects her role to develop to participate in advising about architectural design, where her passion is passive solar. This means passive solar in the broad sense; not just where the sun's rays impact on house design, but also collection of rainwater and production of one's own power; that is the essence of sustainable architecture.

Brian Leveson

TECHNICAL DIRECTOR (LEGAL)



Brian Leveson is a Government lawyer with a background in administrative, planning and property law.

Prior to immigrating to Australia from South Africa he was a human rights lawyer specialising in low income housing development and consumer protection. In 1994 Brian was appointed by the democratically elected South African government to a position on the National Housing Board. He was also a director of the not for profit Social Housing Foundation and the National Home Builders Registration Council.

Brian is keen to assist Co-operation Housing, particularly at this stage of development when new arrangements are being formulated to strengthen and expand the co-operative housing sector.

Olwyn Maddock

DIRECTOR AND COMPANY SECRETARY



Olwyn was an initial (Foundation) Co-operation Housing Director (2009-2010) and has filled a casual vacancy on the board in 2010-2011 as the Company Secretary and as a Director. Olwyn lived at Pinakarri from 2000 – 2008. She was trustee for the Co-op Maintenance Trust (2001-2010) as well as active with FOCHOL (2003 – 2009) in a number of roles. Olwyn represented the co-op sector as a tenant on the Community Housing – Code of Practice-Western Australia (2002 -2004).

Olwyn worked for the Community Housing Coalition of Western Australia as a Sector Development Worker from August 2004 to July 2005. In 2007, she was the FOHCOL delegate on the DHW Regulation Implementation Committee. Olwyn has been a TAFE lecturer and is currently a registered school psychologist.

BOARD OF DIRECTORS

Alisha Ryans-Taylor **ELECTED DIRECTOR**



Alisha has been a member tenant of Inanna's Housing Co-operative since 2001 and has an absolute appreciation for the opportunities that secure, income-dependent-rental housing has allowed her. Currently completing her PhD on Sustainability and Community Resilience, Alisha has set up her own business this year and works as a consultant on sustainability training, community resilience and capacity development projects.

Having undertaken a few roles through her work with people affected by homelessness or housing stress, Alisha is keen to see housing cooperatives grow and new developments on the ground to afford this opportunity to others. Alisha is also currently the Convenor of the Federation of Housing Collectives (FOHCOL) and hopes to contribute through Inanna's, FOHCOL and Co-operation Housing to get some more housing cooperatives on the ground in the near future.

Andrew Shack **DIRECTOR**

My first connections with the world of housing co-operatives was meeting a number of Pinakarri community members in the early 2000's at St Paul's Church, Beaconsfield.



In late 2005 after several years in the rental market, and a separation, I made contact with an acquaintance at Pinakarri and moved into a nearby duplex and started to participate in community life. I went on to become a member of Pinakarri and eventually a house became available. Through living at Pinakarri and taking on various positions and attending the annual FOHCOL conferences, I gained an understanding and appreciation of housing co-ops. Living in a housing co-op and taking on various tasks has personally been a growth experience and self confidence builder.

I believe Co-operation Housing has the potential to grow the sector and give many more households the opportunity to live in a housing co-op with their many benefits. Housing co-ops in WA should not be the best kept secret in town.

Today after living in Pinakarri for a number of years, my partner Clara, her daughter Eunice and I live in our own home, a two minute walk from Pinakarri. Close enough to enjoy community life and still be an active Pinakarri member.

CHAIRPERSON'S REPORT

With housing prices, whether purchasing or renting, continuing to spiral upwards, the need for affordable housing for medium to low income earners in WA has never been greater. In a world that is changing at an alarming rate on every level of human experience sustainable life style choices and creating empowering, supportive community has never felt more important. And housing co-operatives address both these pressing needs. So, clearly we need more of them, lots more.

For those of us lucky enough to live on co-ops, the experience has been life changing and life enhancing. I spoke to a co-oper recently who was moved to tears as she considered what life might have been like for her and her child had she not been housed on a co-op. On my own co-op I have seen a number of lives changed completely as people have taken the opportunity provided by secure housing and community support to achieve university degrees and build careers, changing their own and their children's lives forever. A founding member of a Fremantle co-op told of how her daughter, an only child, now in her early 20's, talks of what growing up with a tight circle of girl friends who have supported, encouraged and looked out for each other, had fun together and grown together has meant to her. She said that no-one who had not been born into that group could begin to understand the connection they share. I could go on and on with similar stories.

This is why Co-operation Housing exists, to make these sorts of experiences available to many more folk in our wonderful state. An enormous amount of hard work by staff, volunteers and board members and generous support and mentoring from our colleagues in NSW and Victoria has brought us within a hairsbreadth of registration as a housing provider.

Much critical and valuable work has been achieved this year, including Policy development, contractual relationships with member co-ops and the submission of major funding submissions to develop Strategic, Business and Risk Management Plans. An asset auditor has been contracted to lay the foundations for our Asset Management Plan. CEHL, Victoria has gifted us with asset management software. We now have a logo, designed by local Fremantle artists. MOU's are in place with most member co-ops pending registration. In between achieving all this, the ongoing work towards registration the fabulous Co-operation Housing staff have found time for a regular newsletter to keep members up to date with our progress.

The 2010-2011 financial year has been a successful one with clear goals set and achieved. Co-operation Housing continues to go from strength to strength, an organization that can and will meet the urgent need for secure affordable housing in strong, supportive, sustainable communities.

Morgana Lagden
Chairperson



PROJECT MANAGER'S REPORT

This Annual Report highlights the level of activity that has been maintained throughout the 2010 – 2011 financial year as Co-operation Housing progresses towards its priority objective for 2011; that of developing the systems and operations required for registration as a community housing provider with the WA Department of Housing. The establishment phase of a new organisation is a challenging and demanding one requiring focus and commitment from all the organisation's team members.

I would like to acknowledge the passion and dedication of Co-operation Housing's Board of Directors and the small team of part time staff who have worked as a cohesive group in embracing the challenges posed during this intense establishment period. The support and commitment of financial member co-operatives has also been outstanding as the new systems and operations have been developed through a participatory and consultative process.

The year's progress has been founded on a strong governance framework as the Board of Directors has evolved and strengthened throughout the year. The core group of initial Founding Directors; Olwyn Maddock, Mick O'Loghlen, Robyn Williams and Company Secretary Ted Griffin, were joined by Bruce Stokes, Lyn Ersfeld and Veronica Lagden during the first half of the financial year. The inaugural AGM elected a new team of Directors representing member co-operatives; Alisha Ryans-Taylor, Pauline Farrell and Veronica (Morgana) Lagden were later joined by Olwyn Maddock and Andrew Shack taking up casual vacancy positions. Technical Directors chosen for their areas of expertise in providing specialised direction resulted in the recruitment of Adam Briggs (Finance), Cheryl Hogan (Architect) and Brian Leveson (Legal).

The Board of Directors has been instrumental in setting directions and overseeing the development of all processes required for submission of Co-operation Housing's registration application and future growth strategies. Major outcomes for the financial year period include:

- Development of policies and procedures, operational and management systems; and reporting and compliance frameworks;
- Development of initial contractual relationships with financial member co-operatives;
- Production of regular newsletters;
- Submission of funding applications for organisational development plans (Strategic Plan, Business Plan and Risk Management Plan), IT and capacity building;
- Asset audit of all financial member co-operatives conducted as basis of Asset Management Plan.

Throughout the year, Co-operation Housing operations have been based in the office of the First Fremantle Housing Collective (FFHC). None of the year's activities would have been possible without the support, understanding and co-operation of FFHC members in sharing this often cramped but welcoming office space – thankyou FFHC.

The following financial year 2011 - 2012, promises to be a period of consolidation and increasing collaboration with the community housing sector as Co-operation Housing builds on its progress of ensuring the sustainability and growth of Western Australia's housing co-operative sector.

Rebecca Hicks
Project Manager

FINANCIAL MEMBER CO-OP PROFILES

Alternative Resource Community Housing (ARCH)

The folk who founded ARCH in Bunbury started meeting to discuss their need for low income housing, community and security of tenure in 1992. Only three years later, in 1995 they moved into their homes.



They have eight two bedroom houses occupied mainly by people over fifty. Three of the founding members, Ethel, Bernie and Margaret still live on the co-op.

The thing that stands out on a visit to ARCH is that these people take great pride in their community and are extremely hospitable. When we visited we were treated to a table laden with yummy homemade goodies for morning tea.

The homes we were shown around are superbly maintained and surrounded by beautifully tended flower and vegetable gardens. The place feels peaceful, orderly and loved. Co-op members shared their gratitude for the opportunities living on a co-op has given them; “It’s marvellous to have the opportunity to be secure and have nice people around me”. “It’s much easier financially not having to pay an exorbitant rent for a hovel in the private rental market.” “If I had to live alone in a house in some of the areas where Department of Housing homes are, I would feel very vulnerable. The community gives a feeling of safety.”



ARCH folks are now looking at how they can live more sustainably. The first step in this will be the installation of water tanks for rain water.

FINANCIAL MEMBER CO-OP PROFILES

First Fremantle Housing Collective (FFHC)

FFHC comprises of 14 houses and a community facility on the border of White Gum Valley and Fremantle. It was built on the site of an old limestone quarry. When it was decided to sub-divide it for housing the land was set aside for a housing co-operative.



The first meeting was called by the City of Fremantle in 1985; a group was formed from attendees at that meeting who then built the houses and moved in to their homes in June 1987. The total cost was \$1m, provided from the federal Local Government Community Housing Program. Due to a lack of ongoing funds there has been no growth in housing stock.

We have had several weddings and 2 births; the trend has been an aging one.

Given that the site is a limestone hill most of the landscaping is local native combined with fruit trees. We have succeeded in providing a node of habitation for birds and other local fauna.

The focus of the co-op has been on providing housing for its members and not on community building beyond normal neighbourly interactions and several community activities each year around holidays.

The benefits to our members are affordable secure housing and the opportunity for education. This has greatly enhanced our ability to find employment.

The challenges of living in a co-op are the work needed to run the organisation and the energy needed to be spent in us all getting along. Success in doing this of course makes this a benefit.

Our major focus for the future is to assist in making Co-operation Housing a success.



FINANCIAL MEMBER CO-OP PROFILES

Inanna's House – Resting place for the Goddess

An ancient Sumerian myth tells the story of the great Goddess Inanna, Queen of Heaven and Earth de-potentiated and crying out:



“I the woman who circles the land
Tell me where is my house?
The bird has its resting place,
But I, my resting place exists not.
The dog lies on the threshold,
But I, I have no threshold.”

In a more modern era, according to the Humphrey institute of Public Affairs “Woman represent 50% of the world population.....and own less than 1% of the world property” (Wolf.N 1990 p23).

Inanna's House was born when a group of women in the early nineties had a vision to provide secure low cost housing for woman, a space where they could “explore their spiritual, economical, mental, physical, emotional and other needs.” Seven years after the first meeting in a local coffee shop the woman moved into their homes.

Inanna's has 9 dwellings. 3 of them are original Homes West houses that have been restored and 6 are new rammed limestone houses. Inanna's is not a woman's only space, men live there too. But it is a woman managed space. There is a one co-op member per household policy and that member is always a woman. The vision for empowering woman has worked.

At least 4 Inanna's members, past and present, have studied for and received university degrees while living there, and in most cases have been bringing up children while they studied. Inanna's woman, past and present, now work in law, counselling, social work, education, housing and the arts.

Most would agree that having secure low cost housing and community support was an integral part of their success. Although the founding mothers had no religious intentions when naming the co-op, it is interesting to note that Inanna's now has 2 areas of sacred space, a labyrinth dedicated to Ishtar and a circle dedicated to Isis. It would seem that if one invokes a Goddess into a place, even unintentionally, She will indeed come.



FINANCIAL MEMBER CO-OP PROFILES

Pinakarri Community – An Intentional Community

The Pinakarri Community in Hamilton Hill was formed in August 1991 by a group of people who had a vision of sustainable living, social justice and community values. They wanted a space where people were committed to each other and the land and children could grow and thrive safely under the watchful eyes of the whole community. The group eventually moved into their new solar passive design inspired houses in 1999.

Pinakarri shares with most Western Australian housing co-op's the "cohousing" model of a dozen or so houses located on the one site, the idea that had its origins in Denmark, Europe during the 1960's. Cohousing has been defined as a type of housing in which residents actively participate in the design and operation of their own neighbourhood. Pinakarri differs in two areas to make it unique in regard to other WA housing co-ops. Firstly the housing mix, the majority of the houses are Public rental houses with the remainder being owned by their residents. Secondly Pinakarri is an "intentional community", meaning that its core value or intention is a commitment between members to support each others growth and unfoldment on all levels. The statement is "Through Pinakarri we learn to love more completely." To this end Pinakarri residents meet regularly in a "heart circle" to discuss issues of concern as well as having shared meals two times a week. These gatherings are over and above the usual business meetings that all co-ops have.



The name Pinakarri, which comes from the Nygangamarta people of the North West of Western Australia, has been translated as "deep listening" or "listening deeply to each other and the land."

The commitment to community living extends beyond the borders of this housing co-op. By hosting numerous events for the local community in Hamilton Hill starting with an Open Day for the neighbours to introduce the co-operative, monthly open house community dinners, a Carols by Candlelight picnic which has recently morphed into a Summer Fiesta.

Pinakarri has established itself as a focal point in the local neighbourhood. It has become a living example of the principles of co-operation at work, the personal empowerment inherent in consensus decision making and the possibility of living in a way that is respectful the each other and the earth.



MAJOR PROGRESS 2010 - 2011

Following its official registration as a public company limited by guarantee in February 2010, Co-operation Housing's Founding Directors worked steadily to establish the governance and operating foundations of the new organisation.

At the inaugural AGM held in Denmark on November 21st 2010, Co-operation Housing responded to the support shown by WA's co-operative housing sector and committed to proceed with pursuing registration with the Department of Housing under Registered Provider status. The Denmark conference highlighted the tenuous position of the housing co-operative sector in WA, especially in comparison to the vitality of the sector in the eastern states. In order for WA's housing co-operative sector to survive and flourish, Co-operation Housing decided to act quickly to consolidate the sector and develop as a new viable growth oriented model. In order to submit Co-operation Housing's application for registration in December 2011, the following major actions were undertaken during the course of the financial year:

Board Meetings: The Directors have met regularly over the past year. The current meeting regime is monthly with fortnightly working party meetings scheduled to discuss development areas such as policy and strategy. Board meetings operate on an Open House policy whereby interested co-op members are welcome to attend in an observer capacity.

Technical Directors: Technical Directors proving expert knowledge in specialised areas have been sourced to assist Co-operation Housing's co-operative representative Elected Directors in strategic decision making affecting the organisation. To date, three of the possible four Technical Director positions have been filled, with Adam Briggs (Finance) taking up a position in March 2011 and Cheryl Hogan (Architect) and Brian Leveson (Legal) taking up appointments at the end of the financial year.

Project Manager: Kate Jones replaced Elizabeth Cheong in August 2010. During her short employment period with Co-operation Housing, Kate brought her extensive project management skills to the role and helped facilitate the creations of a draft Strategic Plan and a Marketing Plan.

The current Project Manager Rebecca Hicks commenced in October 2010 on a .4FTE basis .During the year this has been increased to .5FTE. Rebecca's stability in the position has ensured ongoing progress of Co-operation Housing's development.

Independent Financial Records: As of February 2011, Co-operation Housing opened an Investment and Transaction Account with the Bendigo Community Bank, and simultaneously created a Co-operation Housing QuickBooks company file, thereby separating its financial ties with FOHCOL.

CENSW visit: Common Equity NSW CEO Ian Sinnett conducted a thorough series of focussed discussions with housing co-operative regarding the benefits of registration and consolidation across the state as a follow up to his inspiring 2010 FOHCOL conference visit. Thank you to FOHCOL for funding Ian's visit.

MOU's and FFS agreements: Memorandum of Understandings (MOU's) or Fee for Service (FFS) arrangements were negotiated with each of the four financial member co-ops to provide the services required to achieve registration.

MAJOR PROGRESS 2010 – 2011

Draft Service Agreements: Draft service agreements were developed based on NSW and Victorian counterpart models. Member co-ops have been involved in the ongoing development of these drafts. Pro bono legal assistance has been granted by the Law Society of WA to review the draft in the new financial year.

Grant Applications: Two funding applications have been submitted to Lotterywest; to develop Strategic, Business and Risk Management Plans and for the purchase of Information Technology requirements including web site development. An unsuccessful application was submitted to the WA Department of Communities Social Innovation Fund for a capacity building project.

Policy Development: Western Australian Council of Social Service (WACOSS) worker Sharron Jones developed a first draft Policy Manual addressing all operational and legislative requirements for the fledgling company, including the National Community Housing Standards. This first draft was subsequently re-worked by consultant Christina Kadmos of Kalico Consulting in conjunction with working party members comprising co-op and Board of Director representatives.

Co-operation Housing is currently recruiting Janet Allen to commence as a Policy and Procedures Development Officer to audit member co-op policy for any gaps or inconsistencies with legislative and company policy requirements.

Asset Audit: Building consultants Sergon were contracted to conduct property condition inspections on all financial member properties and to produce 25 year asset maintenance schedules and reports. This property inspection data and identified maintenance schedule will be uploaded into newly obtained asset management software.

Development of Co-operative Maintenance Trust (CMT) Position Statement: In order to ensure that all future maintenance financial liabilities are accounted for and therefore not pose a risk to the financial viability of Co-operation Housing or its member co-ops, a proportion of member co-op's CMT funds will need to be acquired by Co-operation Housing. Decisions relating to what proportion of a co-op's CMT funds are required by Co-operation Housing to cover the long term maintenance costs identified in the asset audit will be negotiated with member co-ops as part of the financial modelling undertaken during the MOU period.

Development of FOHCOL Position Statement: FOHCOL and Co-operation Housing are both working, each according to its own charter and area of expertise, to ensure stability and growth for the co-op sector. Co-operation Housing was, to a large degree, birthed by and nurtured into what it is today by the work of FOHCOL. We are not in competition with each other now, nor do I imagine we will need to be in the future. Morgana Lagden, Chairperson, Co-operation Housing

Logo: FOHCOL gifted Co-operation Housing with the use of the photographed image taken from artwork developed by SHAC co-op members Michelle Hovane and Francis Italiano during the 2009 FOHCOL conference. Co-operation Housing's logo provides a link with the rich history of the housing co-op sector.

Newsletters: Regular informative newsletters are published in-house and distributed to member co-ops, non-member co-ops and external stakeholders.

STAFF

Rebecca Hicks

PROJECT MANAGER



Rebecca holds a BA Hons majoring in Sociology and South East Asian Studies. She has over twenty years experience working in a variety of consultant and employee roles for the not for profit sector in a range of far flung locations including WA's north west, Indonesia and most recently Perth. Rebecca has been involved in volunteer management committee positions on a broad range of incorporated bodies including community legal centres, women's refuges, research bodies, child care centres and sporting groups.

Yvonne Hadad

FINANCE MANAGER

Yvonne has a strong background in office finance and administration. Since completing her Bachelor of Commerce, Professional Accounting stream in 2004 at Murdoch University, she has worked as a bookkeeper, administrator and finance manager for not for profit organisations as well as small business. Employed by FOHCOL since October 2007, Yvonne has been involved with Co-operation Housing since its inception and now splits her professional time between the two organisations



Elizabeth PO'

ADMINISTRATION



Elizabeth was previously employed at the Department of Environment and Conservation as administrative support, also a teacher/facilitator with TAFE and not-for-profit organisations amongst other many and varied occupations. She provided administrative support for Co-operation Housing in its first year and continued with administration duties for Co-operation Housing up to her resignation in July this year. Elizabeth has worked for FOHCOL in administration since November 2008. In January 2010 she added the Coordinator role and is currently employed by FOHCOL in both roles.

DIRECTOR'S REPORT

The Board of Directors present their report on Co-operation Housing for the 2010 – 2011 financial year ended 30 June 2011.

Directors

The names of the Directors in office any time during, or since the end of, the year are:

Robyn Williams	Ceased 21 November 2011
Mick O'Loughlen	Re-appointed 21 November 2010. Ceased 15 March 2011
Lynn Ersfeld	Appointed 1 November 2010. Ceased 21 November 2010
Bruce Stokes	Ceased 1 November 2010
Alisha Ryans-Taylor	Appointed 21 st November 2010 (AGM)
Pauline Farrell	Appointed 21 st November 2010 (AGM)
Veronica (Morgana) Lagden	Appointed 1 November 2010. Re-Appointed 1 November 2010 (AGM)
Andrew Shack	Appointed 25 March 2011
Olwyn Maddock	Ceased 21 November 2010. Re-appointed 15 March 2011
Adam Briggs	Appointed 15 March 2011

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. Information on Directors, including relevant qualifications and experience is contained elsewhere in this report. During the financial year, 25 meetings of Directors were held.

Mr Ted Griffin, who was the inaugural Company Secretary, ceased his position on 21 November 2010. Ms Rebecca Hicks, Project Manager, was appointed Secretary of the Company on 13 December 2010 and held the position until 31 January 2011. Ms Olwyn Maddock was appointed to the position of Company Secretary on 31 January 2011 and currently holds the position.

A review of the operations of the company is contained elsewhere in this report. No significant change in the nature of business activities occurred during the year.

Co-operation Housing's financial member co-operatives throughout the financial year were ARCH, First Fremantle Housing Collective, Inanna's House and Pinakarri Community. Non-financial member co-operatives were Freo Fringe Inc and Mia Mia Housing Collective. Freo Fringe ceased its membership with Co-operation Housing on 21 May 2011.

The profit of the company for the financial year amounted to \$38,388.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Dividends are prohibited by the company's constitution.

FINANCIAL REPORT

At the beginning of the 2010/2011 financial year, Co-operation Housing did not have its own bank account or company file but had separate asset, liability, income and expense accounts within the FOHCOL company file.

All Co-operation Housing staff, whether contract or employees, were paid by FOHCOL using Co-operation Housing funds kept in the FOHCOL bank accounts. All other Co-operation Housing expenses were also paid by FOHCOL using Co-operation Housing funds. The main expenses for Co-operation Housing were labour costs, followed by travel expenses, with minimal office admin costs. Co-operation Housing income had been made up exclusively of membership levies invoiced to member co-ops based on size. Allocation of expenses to Co-operation Housing was estimated where the cost was not delineated clearly between Co-operation Housing and FOHCOL such as Co-operation Housing newsletters and meetings.

As of November 2010, Co-operation Housing's finance reports were separated from FOHCOL finance reports and only include company information.

On 10 February 2011, Co-operation Housing opened a Bendigo bank account. A Co-operation Housing QuickBooks company file was created to coincide with the opening of the new bank account and the separation from FOHCOL was complete.

INFORMATION ON CO-OPERATION HOUSING CONCISE FINANCIAL REPORT

The concise financial report is an extract from the full financial report for the year ended 30 June 2011. A copy of the full financial report and auditors report will be sent to any member, free of charge, upon request. The discussion and analysis is provided to assist members in understanding the concise financial report.

Income Statement (see Note 1)

The surplus from ordinary activities for the year was \$38,388.

Balance Sheet / Cash flow Statement

Total assets increased by \$45,712 over 2010, from \$16,967 to \$62,679. Total liabilities increased by \$7324 to \$9,789 at 30 June 2011 due principally to an increase in activity, therefore GST collected and payroll liabilities.

The cash position at 30 June 2011 was \$62,679, representing an increase of \$45,712 over last year.

Yvonne Hadad
Finance Manager

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2011 (see Note 1)

Ordinary Income/Expense

Income	
Membership Fees & Fee for Service income	92,710
Total Income	<u>92,710</u>
Expenses	
Administration Expenses	54,548
Total Expense	<u>54,548</u>
Net Ordinary Income	<u>38,162</u>
Other Income	
Interest Income	226
Total Other Income	<u>226</u>
Net Income	<u>38,388</u>

BALANCE SHEET AS AT 30 JUNE 2011

ASSETS

Current Assets	
Cheque/Savings	62,679
Total Current Assets	<u>62,679</u>
TOTAL ASSETS	<u>62,679</u>

LIABILITIES

Current Liabilities	
Payroll Liabilities	2,433
Tax Payable - GST	7,356
Total Current Liabilities	<u>9,789</u>
TOTAL LIABILITIES	<u>9,789</u>
NET ASSETS	<u>52,889</u>
TOTAL EQUITY	<u>52,889</u>

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The audited figures are drawn from the commencement of the company file on 23 February 2011. As the full financial year is from 30 June 2010 the financial figures for 2010/2011 include Co-operation Housing figures from the FOHCOL company file from 30 June 2010 to 24 February 2011.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CO-OPERATION HOUSING
ABN 86 142 277 003**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Co-Operation Housing, which comprises the balance sheet as at 30 June 2011, profit and loss statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the company's constitution and are appropriate to meet the needs of the members. The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the company's constitution. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

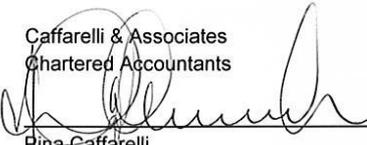
In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CO-OPERATION HOUSING
ABN 86 142 277 003**

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material aspects, the financial position of Co-Operation Housing as of 30 June 2011 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Name of Firm: Caffarelli & Associates
Chartered Accountants

Name of Principal: 
Pina Caffarelli

Address: Level 1, 38 Richardson Street, West Perth WA

Dated this 6th day of October 2011

CO-OPERATION HOUSING
ABN 86 142 277 003

BALANCE SHEET
AS AT 30 JUNE 2011

	Note	2011 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2	62,679
Trade and other receivables	3	623
TOTAL CURRENT ASSETS		<u>63,302</u>
TOTAL ASSETS		<u>63,302</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	4	10,412
TOTAL CURRENT LIABILITIES		<u>10,412</u>
TOTAL LIABILITIES		<u>10,412</u>
NET ASSETS		<u>52,890</u>
EQUITY		
Retained earnings	5	52,890
TOTAL EQUITY		<u>52,890</u>

CO-OPERATION HOUSING
ABN 86 142 277 003

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$
Profit before income tax		51,571
Income tax expense		-
Profit after income tax		51,571
Retained earnings at the beginning of the financial year		1,319
Total available for appropriation		52,890
Retained earnings at the end of the financial year		52,890

CO-OPERATION HOUSING
ABN 86 142 277 003

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$
INCOME	
Fee for Service	15,799
Membership Fees	63,994
	<u>79,793</u>
OTHER INCOME	
Interest Received	225
	<u>80,018</u>
EXPENSES	
Bank Charges	83
Computer Expenses	260
Internet	184
Meeting Expenses	176
Motor Vehicle Expenses	144
Postage	186
Printing & Stationery	94
Professional Fees	4,725
Reimbursements	2,068
Software Expense	437
Subscriptions	91
Superannuation Contributions	1,696
Telephone	218
Wages	18,085
	<u>28,447</u>
Profit before income tax	<u><u>51,571</u></u>

**CO-OPERATION HOUSING
ABN 86 142 277 003**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

1 Statement of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of these statements are as follows:

CO-OPERATION HOUSING
ABN 86 142 277 003

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

2011
\$

2 Cash and Cash Equivalents

Bendigo Bank A/c 142422971	62,479
Bendigo Bank Debit Card A/c	200
	<u>62,679</u>

3 Trade and Other Receivables

Current

Input Tax Credits	<u>623</u>
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The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

4 Trade and Other Payables

Current

Superannuation Payable	1,337
GST Payable	7,979
Amounts Withheld	1,096
	<u>10,412</u>

5 Retained Earnings

Retained earnings at the beginning of the financial year	1,319
Net profit attributable to members of the company	51,571
Retained earnings at the end of the financial year	<u>52,890</u>

CO-OPERATION HOUSING
ABN 86 142 277 003

DIRECTORS' DECLARATION

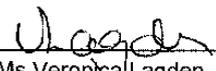
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes present fairly the company's financial position as at 30 June 2011 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
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: 
Mr Andrew Shack

Director: 
Ms Veronica Lagden

Dated this 10th day of November 2011

CONTACT US

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ABN: 86 142 227 003

ACN: 142 277 003