

**Auditors Independence Declaration under Section 307C of the  
Corporations Act 2001 to the Directors of  
Aboriginal Housing Company Ltd**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014,  
there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

*Crowe Horwath Central West*  
Crowe Horwath Central West

*Clare Wagner*

**Clare Wagner**  
**Audit Partner**  
Registered Company Auditor: 335972

Dated this 8<sup>th</sup> day of October 2014

Aboriginal Housing Company Ltd

Statement of Profit or Loss and other comprehensive Income

For the year ended 30 June 2014

	Note	2014 \$	2013 \$
<b>Revenue</b>			
Revenue from Operations	2	633,992.00	1,360,119.00
Other Income		44,897.00	65,030.00
Direct Housing Costs		(396,804.00)	(379,488.00)
Depreciations		(91,743.00)	(91,089.00)
Staffing and Oncost		(420,428.00)	(411,378.00)
Other Operating Costs		(130,257.00)	(269,201.00)
<b>Profit before income tax</b>		<b>(360,343.00)</b>	<b>273,993.00</b>
Income tax		-	-
<b>Profit or loss</b>		<b>(360,343.00)</b>	<b>273,993.00</b>
<b>Other Comprehensive</b>			
Gain on superannuation liability write back	3	139,436.00	1,400,000.00
<b>Other comprehensive income for the year</b>		<b>139,436.00</b>	<b>1,400,000.00</b>
<b>Total Comprehensive income for the year</b>		<b>(220,907.00)</b>	<b>1,673,993.00</b>
Opening Retained Surplus/ (Deficit)		11,451,460.00	10,051,460.00
<b>Retained Surplus / ( _ Accumulated Loss)</b>	12	<b>11,230,553.00</b>	<b>11,451,460.00</b>

41

# Aboriginal Housing Company Ltd

## Statement of Financial Position

As at 30th June 2014

	Note	2014 \$	2013 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	3	2,394,688.00	2,665,983.00
Trade and Receivables	4	61,796.00	205,490.00
Other Current Assets	6	44,662.00	11,437.00
<b>Total Current Assets</b>		<b>2,501,146.00</b>	<b>2,882,910.00</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	47,107,287.00	46,223,622.00
<b>Total Non-Current Assets</b>		<b>47,107,287.00</b>	<b>46,223,622.00</b>
<b>Total Assts</b>		<b>49,608,433.00</b>	<b>49,106,532.00</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	269,693.00	547,239.00
Short term provision	8	100,000.00	
Employees benefits	8	262,679.00	225,394.00
<b>Total Current Liabilities</b>		<b>632,372.00</b>	<b>772,633.00</b>
<b>Non - Current Liabilities</b>			
Trade and other payables	7	396,478.00	58,508.00
Employees benefits	9	5,608.00	96,006.00
<b>Total Non Current Liabilities</b>		<b>402,086.00</b>	<b>154,514.00</b>
<b>Total Liabilities</b>		<b>1,034,458.00</b>	<b>927,147.00</b>
<b>Net Assets</b>		<b>48,573,975.00</b>	<b>48,179,385.00</b>
<b>Equity</b>			
Assets Revaluation Reserve	10	37,343,422.00	36,828,442.00
Accumulated Surplus/(Deficit)	11	11,230,553.00	11,350,943.00
<b>Total Equity</b>		<b>\$ 48,573,975.00</b>	<b>48,179,385.00</b>

42

Aboriginal Housing Company Ltd  
Statement of Changes in Equity  
For the Year Ended 30 June 2014

	Note	2014	\$	2013	\$
Total Equity at the beginning of the Financial Year		48,179,385.00		47,053,393.00	
Changes in Assets Valuation Reserves	11	514,980.00		(548,000.00)	
Changes in Retained Profits	12	100,517.00			
Net Surplus / (Deficit) for the year		(220,907.00)		1,673,992.00	
Total Equity at the end of the Financial Year	12	48,573,975.00		48,179,385.00	

# Aboriginal Housing Company Ltd

## Statements of Cash Flows

For the year ended 30<sup>th</sup> June 2014

	Note	2014 \$	2013 \$
<b>Cash Flows from Operating Activities</b>	14		
Cash Receipts for Customers		997,935.00	708,592.00
Cash Payments to Suppliers		(1,298,097.00)	(1,664,560.00)
<b>Net Cash provided by operating Activities</b>		<b>(300,162.00)</b>	<b>(955,968.00)</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from Sale of Property, Plant & Equipment		-	729,567.00
Purchase of Property plant & Equipment		(250,158.00)	-
Cash payments for Preconstruction Work in progress		(201,353.00)	356,789.00
<b>Net Cash provided by Investing Activities</b>		<b>(451,511.00)</b>	<b>1,086,356.00</b>
<b>Cash Flows from Financing Activities</b>			
Westpac Business Loan		495,000.00	-
Loan repayments		(14,620.00)	-
<b>Net Cash provided by Financing Activities</b>		<b>480,380.00</b>	<b>-</b>
Net Increase / (-Decrease) in Cash Held		(271,293.00)	130,388.00
Cash at the beginnging of the Financial Year		2,665,981.00	2,535,593.00
<b>Cash at the End of the Financial Year</b>	3	<b>2,394,688.00</b>	<b>2,665,981.00</b>



## Notes to financial reports

For the Year ended 30th June 2014

The financial report covers Aboriginal Housing Company Ltd as an individual entity. Aboriginal Housing Company Ltd is a Not for profit Company limited by Guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Aboriginal Housing Company Ltd is Australian dollars.

### 1 Summary of Significant Accounting Policies

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

**(c) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

**Donations**

Donations and bequests are recognised as revenue when received.

A revaluation of the land and buildings donated by the City of Sydney valued at \$1,399,980 occurred during the year. This land was donated to the Company during the 2013 financial year and the value of the land was only recognised in the current financial year. The change in value was credited to the Assets revaluation reserve.

**Interest revenue**

Interest is recognised using the effective interest method.

**Rental income**

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

**Grants Received for the Development of The Block Redfern**

Any grant received for development is recorded as capital grant in the balance sheet and capital work done is recognised against it. There are no development grants received in the current financial year.

**(d) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

## **Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

## **Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model is carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

### **Land and buildings**

Land and buildings are measured using the revaluation model.

A valuation by a firm of registered property valuers at the Company's directions valued the properties at \$44,869,650 in May 2004. The directors have accepted this valuation and have credited equity, specifically the Asset Revaluation Reserve, for this amount. The comparatives in the financial statements reflect this valuation.

Since then, some properties have been sold, and other properties have been brought to account.

The land and buildings were not re-valued during the financial year. It appears that the Land and buildings valuation is now overdue and requires an immediate revaluation to be performed. AASB 13 and AASB 116 require an entity to measure each class of Property, Plant and Equipment at fair value. It is also noted that the

15

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revaluations are required to be performed at the same time for all property, plant and equipment in the same class.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

### **Plant and equipment**

Plant and equipment are measured using the cost model.

### **Depreciation**

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life. The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Plant and Equipment	10- 40%
Furniture, Fixtures and Fittings	7.5%
Motor Vehicles	15%
The Block	2.5%
Gym	10 - 40%
Metro Properties	2.5%
Near the Block	2.5%
Regional Land and Buildings	2.5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

### **Financial instruments**

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance

costs' line item respectively.

### **Trade receivables**

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of rental services to customers.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

### **Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis.

In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

### **Financial liabilities**

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the

liability was acquired. Although the Company uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Company's financial liabilities include borrowings, trade and other payables, which are measured at amortised cost using the effective interest rate method.

### **Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

### **Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

### **Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the

provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

**(k) Superannuation Liability Write-back**

A write off \$ 139435.47 of prior year outstanding superannuation liability has been made. As a prior year and materially significant item, this has been written back as an extraordinary item.

The Australian Taxation Office finalised the tax audit in regards to the superannuation of the company in May 2011. Superannuation was paid up to 2009 financial year. Superannuation for 2010, 2011 and 2013 financial years was outstanding liability to the company. This superannuation liability was completely paid in 2014 financial year. Previously, the outstanding superannuation was brought to account by compounding the interest and adding penalty charges. The full amount of these interest penalty charges has been levied against the company and therefore the over provision has been written back.

**(k) Income Tax**

The company is an income tax exempt non-profit organisation and therefore is not subject to income tax.

**(l) Segment Reporting**

Aboriginal Housing Company Limited provides affordable housing within the state of NSW, predominantly in the greater Sydney metropolitan region as well as operating a Gym in Redfern for social wellbeing and promoting alternative lifestyle purposes.

**(m) Contingent Liabilities/ Assets**

The company is considering debt financing for the development of Pemulwuy project. At the date of this financial report there are no known legal actions or contingent liabilities other than those reported in the financial reports.

51

**Note 2 Operating Profit**

Crediting as:

	2014	\$	2013	\$
Rental Income	531,648.00		457,739.00	
Interest Income Receivable	102,344.00		169,793.00	
Profit on sale of Asset	-		729,567.00	
Other Income	44,897.00		65,030.00	
<b>Total</b>	<b>678,889.00</b>		<b>1,422,129.00</b>	

**Other Comprehensive income**

Super write back	139,435.00			
Land tranferred from City of Sydney			1,400,000.00	
	<b>139,435.47</b>		<b>1,400,000.00</b>	

**Charging as expense**

Employees Benefits	420,428.00		379,488.00	
Depreciation and Amortisation	91,743.00		91,532.00	
Loss on disposal of assets	-		(433.00)	
Direct housing cost	396,804.00		411,378.00	
Other expenses	130,257.00		269,201.00	
<b>Total</b>	<b>1,039,232.00</b>		<b>1,151,166.00</b>	

	2014	2013
	\$	\$
<b>Notes 3. Cash &amp; Cash Equivalent</b>		
Cash at bank and in Hand	30,629.00	381,689.00
Term term bank deposits	2,364,058.00	2,284,294.00
<b>Total Cash</b>	<b>2,394,687.00</b>	<b>2,665,983.00</b>

**Notes 4. Trades & other receivables**

Tenants Debtors	84,052.00	52,561.00
Less Provision for Doubtful Debt	(24,676.00)	(17,960.00)
	59,376.00	34,601.00
Trade Receivables	2,420.00	170,889.00
	<b>61,796.00</b>	<b>205,490.00</b>

**Notes 5. Other Assets**

Prepayments	11,538.00	-
GST paid	28,357.00	6,670.00
Deposit Security	1,500.00	1,500.00
Gym Stock	1,497.00	1,497.00
Rental Deposit Bond	1,770.00	1,770.00
	<b>44,662.00</b>	<b>11,437.00</b>

	2014 \$	2013 \$
<b>Note 6. Property Plant &amp; Equipment</b>		
The Block	21,307,705.00	21,307,705.00
Less Accumulated Depreciation	(118,929.00)	(115,431.00)
<b>Total</b>	<b>21,188,776.00</b>	<b>21,192,274.00</b>
Near The Block	8,376,198.00	8,951,040.00
Less Accumulated Depreciation	(409,296.00)	(397,258.00)
<b>Total</b>	<b>7,966,902.00</b>	<b>8,553,782.00</b>
Metro Property	13,801,250.00	13,801,250.00
Less Accumulated Depreciation	(946,890.00)	(904,431.00)
<b>Total</b>	<b>12,854,360.00</b>	<b>12,896,819.00</b>
Regional Property	1,964,900.00	1,964,900.00
Less Accumulated Depreciation	(193,392.00)	(181,265.00)
<b>Total</b>	<b>1,771,508.00</b>	<b>1,783,635.00</b>
Murawina Property	1,623,587.00	1,605,755.00
City of Sydney Property transferred	1,339,998.00	
<b>Total Land and Building</b>	<b>46,745,131.00</b>	<b>46,032,265.00</b>
<b>Capital Work in Progress</b>		
<b>Block Redevelopment Cost</b>	<b>312,504.00</b>	<b>126,309.01</b>
<b>Other Fix Assets</b>		
Plant and Equipment	35,015.00	35,015.00
Less Accumulated depreciation	(34,718.00)	(34,693.00)
<b>Total</b>	<b>297.00</b>	<b>322.00</b>
Furniture, Fixture and Fitting	20,535.00	20,535.00
Less Accumulated Depreciation	(20,001.00)	(19,742.00)
<b>Total</b>	<b>534.00</b>	<b>793.00</b>
Motor Vehicles	31,280.00	31,280.00
Less Accumulated Depreciation	(7,981.00)	(3,289.00)
<b>Total</b>	<b>23,299.00</b>	<b>27,991.00</b>
GYM Equipments and Fittings	64,597.00	64,597.00
Less Accumulated Depreciation	(48,737.00)	(48,330.00)
<b>Total</b>	<b>15,860.00</b>	<b>16,267.00</b>
Computer Software	42,525.00	40,488.00
Less Accumulated Depreciation	(32,863.00)	(16,626.00)
<b>Total</b>	<b>9,662.00</b>	<b>23,862.00</b>
<b>Total Property, Plant and Equipment</b>	<b>47,107,287.00</b>	<b>46,223,622.00</b>



	2014	\$	2013	\$
<b>Note 7. Trades and other payables</b>				
<b>Current</b>				
Trade payable	55,035.00		156,604.00	
Advance Rental Income	5,972.00			
Superannuation payable	9,309.00		236,306.00	
Accrued Expense	3,401.00		51,378.00	
PAYG payable	5,305.00			
Westpac business loan	87,720.00			
Murawina Employees	100,807.00		100,807.00	
Tenant bond deposit	2,144.00		2,144.00	
	<b>269,693.00</b>		<b>547,239.00</b>	
<b>Non -Current</b>				
Trade payables	-		58,508.00	
Westpac business Loan	396,478.00		-	
	<b>396,478.00</b>		<b>58,508.00</b>	
<b>Note 8. Provisions</b>				
<b>Current Liability</b>				
Annual Leave Provision	153,386.00		125,394.00	
Current long services leave	109,293.00		-	
Other provisions - murawina	100,000.00		100,000.00	
	<b>362,679.00</b>		<b>225,394.00</b>	
<b>Note 9. Employees benefits</b>				
<b>Non-current</b>				
Long Service Leave Provision	5,608.00		96,006.00	
	<b>5,608.00</b>		<b>96,006.00</b>	
<b>Note 10. Reserves</b>				
Assets Valuation Reserves				
Opening Balance	36,828,442.00		37,376,442.00	
Movement during the year:			(548,000.00)	
Increases (City of Sydney transferred )	1,339,980.00			
Decreases (Assets write off)	(825,000.00)			
	<b>37,343,422.00</b>		<b>36,828,442.00</b>	
<b>Note 11. Retained Earnings</b>				
Opening retained earning	11,350,943.00		9,676,951.00	
Audit Adjustment from prior period	100,517.00		-	
Net results for the period	(220,907.00)		1,673,992.00	
<b>Retained earning at the end of the period</b>	<b>11,230,553.00</b>		<b>11,350,943.00</b>	



**Note 12. Payment made to Key management Personnel**

Total remuneration made to Board of Directors to \$5550 and to key management personnel of the company is \$156471 (total paid in 2013FY was \$155651)

**Note 13. Related Parties.**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2014 \$	2013 \$
<b>Note. 14 Notes to Cash flow statement</b>		
<u>Reconciliation of Cash</u>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand & Bank (note )	2,394,687.00	2,665,983.00
Bank Overdraft (note )	-	-
	<u>2,394,687.00</u>	<u>2,665,983.00</u>
<u>Reconciliation of Cash Flow</u>		
Reconciliation of Cash Flow from Operations with Operating Profit After Extraordinary Items is as follows:		
Operating Profit After Extraordinary Items	(220,907.00)	1,673,992.00
Non-cash flows in operating profit:	(139,436.00)	(1,400,000.00)
Profit/loss on sale of assest	-	(729,567.00)
Provision for doubtful debts	-	-
Depreciation Expense	91,743.00	91,089.00
Provision for employees leaves	-	-
	<u>(268,600.00)</u>	<u>(2,038,478.00)</u>
Changes in Current assets & liabilities:		
(Increase)/Decrease in Debtors	143,694.00	16,511.00
(Increase)/Decrease in Other Assets	(34,995.00)	(7,295.00)
Increase/(Decrease in Creditors & Accruals	(277,546.00)	230,542.00
Increase/(Decrease in Other Liabilities	137,285.00	(444,491.00)
Increase Decrease in unexpended grants	-	(286,747.00)
	<u>(31,562.00)</u>	<u>(491,480.00)</u>
<b>Cash flows from Operating activities</b>	<b>(300,162.00)</b>	<b>(855,966.00)</b>

## **Note 15. Events Occurring After the Reporting Date**

The Board of Directors authorised the financial report on 09/08/2014

To the best of our knowledge, , there are no matters or circumstances other than those reported in the financial reports and in the notes to the financial reports arise since the end of the financial year which significantly or may significantly affect the operation of AHC Ltd.

## **Note 16. Corporate information**

Trading name: Aboriginal Housing Co Ltd

ABN: 28 001 154 481

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<b>Registered Office</b>	104 Law Street, Redfern
<b>Principal place of business</b>	Sydney NSW 2016
<b>Auditors</b>	Crowe Horwath Central West

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## Independent Audit Report to the Members of Aboriginal Housing Company Ltd

### Report on the Financial Report

We have audited the accompanying financial report of Aboriginal Housing Company Ltd, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### *Directors' Responsibility for the Financial Report*

The directors of the Company are responsible for the determine is necessary to enable the preparation of the financial report that gives a true preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors and fair view and is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 Company's preparation of the financial report that gives a true and fair view 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 Company'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.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### *Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Aboriginal Housing Company Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

#### *Basis for Qualified Opinion*

The financial statements do not meet the AASB 13 Fair Value Measurement & AASB 116 Property, Plant & Equipment standards as the directors have not maintained a current valuation of the Land and Buildings. The values within the financial statements are from a valuation done in 2004 which have been subsequently carried forward for a number of years. We note a revaluation on the Land and Buildings which comply with the AASB 13 Fair Value Measurement standard will be undertaken during the 2015 financial year in conjunction with the Pemulwuy redevelopment project.

#### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Aboriginal Housing Company Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

*Crowe Horwath Central West*  
Crowe Horwath Central West

*Clare Wagner*

Clare Wagner  
Audit Partner  
Registered Company Auditor: 335972

Dated this 8th day of October 2014



HOME



ABOUT US



HOUSING



PEMULWUY



COMMUNITY



MEDIA



PARTNERS



CONTACT US



## LEADING THE WAY IN BUSINESS & PROPERTY DEVELOPMENT



### About PEMULWUY Project

#### What is Pemulwuy Project?

The Pemulwuy project is about the redevelopment of the land known as "the Block" which signifies the struggles of the AHC in taking ownership of "the Block" in all aspects.

**AHC Social Plan – Dr Angela Pitts:** In 2000, Dr Pitts who has a background in social and urban planning, volunteered her services to prepare a Community Social Plan to address the social and economic issues, to be used as a planning tool to ensure that the AHC's vision was incorporated in the strategies and guidelines for the proposed Pemulwuy Redevelopment Project. We were at a stage that required not only a Business Plan but a plan for our community to express their goals and objectives and to improve their standard of living and quality of life.

The New South Wales government had passed a major project bill in 2005 with a number of sites in the Redfern Waterloo Authority declared sites of state significance. The AHC land was encumbered within these boundaries. Despite Micky looping with the relevant political parties to not let the Bill pass, as this was going to hinder the progress of the block being redeveloped.

On the ground Mick and the team had to get the message across to the AHC tenants and supporters, that we are at risk of losing the land if we continue to stand by and allow the wave of crime and drugs to thrive which gave the government ammunition to justify their position on forcible acquisition of "the Block".

AHC established the Pemulwuy Vision Taskforce, made up of independent professionals and academics with no Government appointees. The role of the taskforce was to provide an independent and professional assessment of the Pemulwuy Project's Plan for 62 affordable Aboriginal homes on "the Block" in Redfern. With specific consideration to economic, social, environmental and cultural sustainability of the proposal. In 2007 the Pemulwuy Project Concept Plan was lodged with the Department of Planning NSW and approval was granted June 2009.

#### Vision

The Aboriginal Housing Company Limited's Mission statement is to ensure "that Aboriginal people enjoy the same standard of living as all other Australians".

#### Plan

To redevelop the land into a mixed used site which includes social and affordable housing for 62 families, a gymnasium, commercial and retail space, a gallery, student accommodation for 154, a childcare space for 60 children.

Please click on [video](#) to watch our videos on Pemulwuy Project and find out the latest news on the project.

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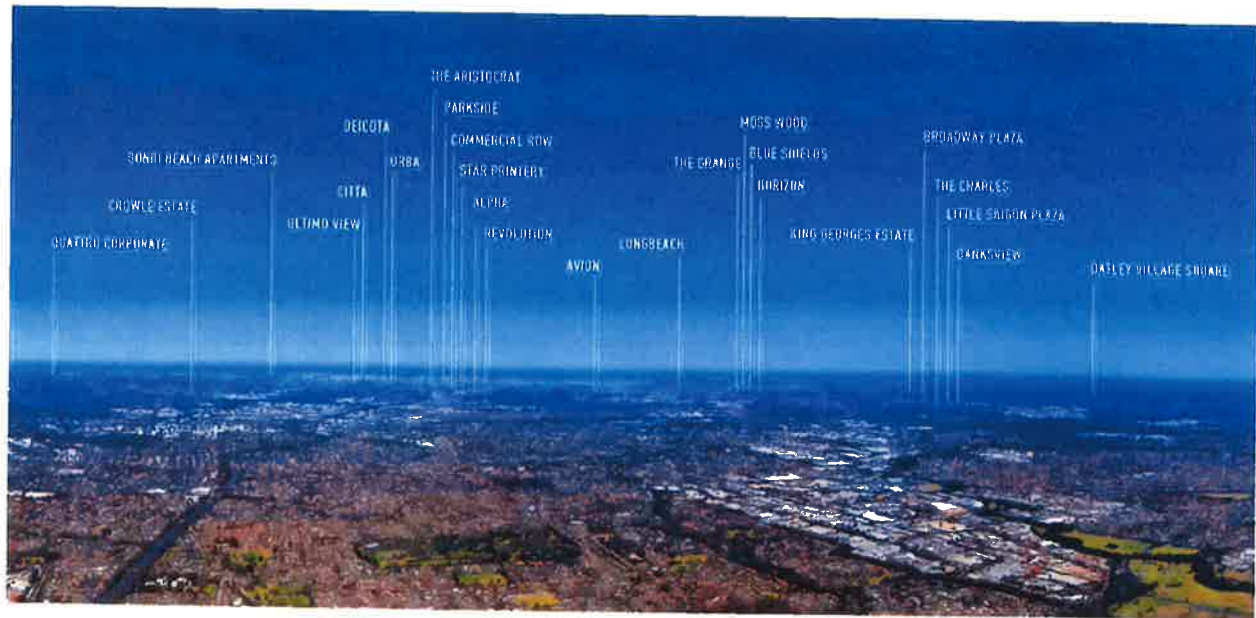
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by 

62





HOME ABOUT SPECIALTIES PROJECTS NEWS & EVENTS MEDIA COMMUNITY CAREERS



## PROUDLY BUILT BY DEICORP

Operating originally as a commercial developer/builder, DeiCorp has grown extensively in a short period of time. DeiCorp has expanded into Construction Management, Project Management and further offering Design and Construction Services.

### OUR PROPERTY PORTFOLIO

#### ABOUT US

Our Company  
Our History  
Our Vision

#### SPECIALTIES

Service to the Law  
Construction

#### PROJECTS

Current Projects  
Completed Projects  
Featured Projects  
Project Links

#### NEWS & EVENTS

Latest Events  
Latest News

#### CONTACT DEICORP

DeiCorp Head Office  
Suite 501, Level 5  
191 Redfern St  
Sydney NSW 2016

#### MEDIA

Media Centre  
Photo Gallery  
Contact Us

#### COMMUNITY

Community  
Sustainability  
Partnership

#### CAREERS

705/706 Ave Road  
App 1

#### FOLLOW US

in

705/706 Ave Road  
Sydney NSW 2016  
admin@deicorp.com.au

Home Privacy Policy Web Accessibility WAAM

63



Daily Mail AUSTRALIA

64.



The Great Fortune Investments ad on the website spruiks the fact that Aboriginal people have moved out

However, Developer DeiCorp, who employed Great Fortune Investments (GFI) in 2010 to assist in the sale of the 18 Dei Cota apartments, say they knew nothing about the ad until Tuesday and has since been taken down.

The ad on GFI's website, which primarily targets Asian buyers, talks about the good rental return and convenient location before attempting to lure keen buyers with the fact that they wouldn't have Indigenous Australians as neighbours.

'The aboriginals have already moved out, now Redfern as the last virgin suburb close to city, it will have great potential for the capital growth in the near future,' the ad said.

DeiCorp owner Fouad Deiri told Daily Mail Australia that he is mortified about the line and he would never have endorsed the advertisement as he prides himself on his company's relationship with the indigenous community.

'When our office moved here in 2000 the first thing we did was knock on Mick Mundine's door at the Aboriginal Housing Company,' he said.

'We would never do anything to harm that relationship.'

Mr Deiri, who has not employed GFI for years, said the ad had clearly not been thought through properly.

'It is not in Deicorp's character to condone that - the ad was simply not expressed correctly but we knew nothing about it until yesterday.'



The ad for the 18 Dei Cota apartments is four years old - the last sale was two and half years ago

Aboriginal people did not move out of Redfern as a commercial development

verbal tirade at Janet Roach

Delta's health scare: The Voice coach Goodrem 'passes out' while filming blind auditions after having trouble breathing Collapsed on set



'I was throwing up': My Kitchen Rule's Nikki Spehar reveals her struggle with anxiety which saw her confidence and her weight plummet



Bob Geldof steps out with late daughter Peaches' husband Thomas Cohen and children Astala and Phaedra almost a year after the star's death



Miley Cyrus plays Kim Kardashian's stylist as she mocks reality star's new platinum hair in parody snap Star's new 'do prompted many online memes



Braless Kim Kardashian displays her cleavage in plunging catsuit with lace-up detailing... as Kanye West dons velvet heeled boots at PFW show



Lara Bingle continues to fuel speculation she's tied the knot with Sam Worthington as she adopts his surname on magazine cover



So that's how she does it! Rachael Finch displays super toned legs as she shares her favourite workout secret - skipping Known for her trim pins



65



DeiCorp has been appointed by the Aboriginal Housing Company's to construct its Pemulwuy Project, a \$70 million redevelopment of the area known as The Block in Redfern.

The project will include student housing and 62 units of affordable housing earmarked for Aboriginal people.

Metropolitan Local Aboriginal Land Council chief executive Nathan Moran told Daily Mail Australia that he finds it hard to believe that Deicorp were unaware of the advertisement.

'Hopefully Deicorp will be held to account and not just deflecting it on to say it was someone else's problem,' he said. 'That's more arrogance than anything to claim that they didn't know.'

'We are go gutted as the community rep body for all Aboriginal people in the area that this had been in the public domain for so long – it's a very deceitful way of doing business in the community.'

Mr Moran said he was horrified by the news that he described as 'deplorable' and 'despicable'.

'I find that unacceptable that someone would be trying to work with our community at the same time as marketing other opportunities based on our community being moved,' he said.

'It's the most sickening end of trying to work with people in good faith.'



Aboriginal activist, Sol Bellea, described the ad as 'laughable' and 'straight out racism'

Mr Moran is just one of many leaders in the indigneous community expressing outrage about the advertisement.

Long-time Aboriginal activist and lawyer, Sol Bellea, who also lives in Redfern, described the ad as 'laughable' and added that this kind of mentality has been around for years.

'Even changing the names from east Redfern to west Redfern and that sort of stuff - and the funny thing about it is the postcode remains the same and this was before the gentrification,' he told Daily Mail Australia.

Taylor Swift shows off her slender figure in tight top and mini skirt in LA before heading off to Vegas with BFFs Ellie Goulding and Este Haim  
Trio went to a nightclub



Playing cupid!  
Tasma Walton says she set Rove McManus up with his first wife Belinda Emmett because she thought they would be an interesting couple



'I haven't made out with a man in five years!' Ajay Rochester asks fans for tips to perfect her sex scene as she admits it's been years since she got intimate



How to lure a guy in 10 seconds! Kate Hudson dons cleavage-baring tank top and Daisy Dukes for sunny LA outing  
Showed off trim figure



'Get that into you Sunrise': Today Show's Karl Stefanovic slams rivals for broadcasting from Hawaii and not 'doing something for the country'



'He wants to date Kris Jenner': Paul Hogan's manager reveals Crocodile Dundee star has set sights on Kardashian family matriach



Yeezy does it!  
Kris Jenner gives





'I don't know where these developers get off coming up with that – that's just straight out racism - Redfern is a multi-cultural village - there are people of all colours there'

Mr Bellefleur insisted that although some Aboriginal people have moved out of the area due to the exorbitant rent - the indigenous community was here to stay.

'Redfern has been the ideological address for Aboriginal people from all over Australia and we don't intend to move,' he said.

'Anyone who wants to move to Redfern, and the surrounding suburbs, is quite welcome but Aboriginal people will always be there - so if you don't like Aboriginal people don't move there.'

'We are a great mob of people to live with so come and enjoy our company.'

He also called on Redfern locals to show leadership and be a shining example.

'I would like to throw down that challenge to the residents of Redfern to get rid of those sorts of comments that are out there and become world leaders in race relations.'



DeiCorp, who knew nothing about the ad until Tuesday, has been appointed to construct the \$70 million redevelopment of The Block in Redfern (pictured)

Aboriginal and Torres Strait Islander Social Justice Commissioner, Mick Gooda, told The Australian that he was 'sickened' by the advertising, and he called on the company to meet with Aboriginal local community.

Mr Deira said he had already spoken to the community to explain his stance on the situation.

Warren Mundine, the head of the Prime Minister's Indigenous Advisory Council, told The Australian that the suburb's indigenous history should be 'honoured not trashed'.

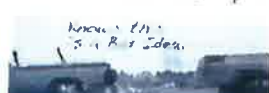
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Cookies must be enabled. | The Australian

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daughter Kim Kardashian a run for her money as she mimics her dance moves at Kanye gig Threw some shapes



REVEALED: Tween Kim! Ms Kardashian looks very different as a 10-year-old in vintage snaps shared by old friend Nikki Lund Was always photogenic



'She won't let me see my children': MKR's Adam Anderson hits back at ex-wife's claims saying he's denied access to the family except on holidays



'I'm paralytically shy... but when I perform I feel free': Cressida Bonas smoulders in latest shoot as she discusses acting career Prince Harry's ex



His biggest fan! WAG Kyly Clarke supports cricketer husband Michael during World Cup match... but almost causes a distraction in khaki green mini skirt



'It made me so angry': Actress Emma Watson reveals she was left 'raging' after being hit with nude photo threat Hoax website threatened to release nude photos



'He's not derogatory to women. He supports me and all females in his life': Merv Hughes' wife Sue defends cricketer's 'chauvinistic' comments on I'm A Celebrity



Former EastEnders actress Danniella Westbrook helping out in North London pub





## Aboriginal Tent Embassy in Redfern: We'll evict them from the block says Aboriginal housing boss Mick Mundine

Rick Feneley  
Published: February 23, 2015 - 3:05PM

### • Redfern Tent Embassy ordered off the Block

Down on the Block in Redfern, they're calling it an act of "social cleansing" – the eviction of Aboriginal people. But they will be evicted on the orders of other Aboriginal people.

Michael Mundine, chief executive officer of the Aboriginal Housing Company, says he will initiate the removal of the Redfern Aboriginal Tent Embassy – erected on Sorry Day in May last year – if its members do not go voluntarily on Monday.

"They're on Aboriginal Housing Company Land," Mr Mundine told Fairfax Media. "It is private land and they're trespassing."

"It's not Micky Mundine's land," says elder Cecil Bowden. "He reckons he owns it but he doesn't. Gough Whitlam gave it to Aboriginal people."

Mr Bowden offers his opinion while passing by to another engagement, but he is not among the tents and 30 or so protesters occupying the Block, a patch of grass bound by Louis, Vine, Eveleigh and Caroline streets.

Its homes have long been bulldozed but Mundine says the company, where he has been at the helm for almost 40 years, needs to start building works this year on the \$70 million Pemulwuy project, a three-stage development that has planning approval for commercial and retail space, a gallery, accommodation for 154 students, a childcare space for 60 children, a gymnasium and affordable homes for 62 units and townhouses for Aboriginal and Torres Strait islander families.

The embassy protesters led by Jenny Munro, doubt the Aboriginal housing will ever happen and say the company cannot guarantee it will be funded.

On Friday they received a notice that they were trespassing and warning they would be evicted if they did not leave by Monday.

"We will peacefully exercise our right to remain here," Ms Munro told Fairfax Media on Monday. "We will not move." So, yes, they would have to be moved.

Asked if "social cleansing" was a harsh term to describe the eviction, she said: "I know the connotations of the expression – eugenics and all that."

She was flanked by Kay Hookey and Debbie Bell, whose mothers had been among the first residents of the Block in the 1970s.

The company website describes Mr Mundine's vision as a "new dawn" for Aboriginal people following his many years of struggling for their betterment since 1975, and follow the waves of drugs and crime that have blighted the Block's history.

Mr Mundine would not bite on "social cleansing" but insisted the affordable housing would proceed.

"Look mate, we have DA approval and it's going to happen," he said.

Asked who would get the housing, he replied: "Black people, mate. Listen, they will be Aboriginal people."

68

The criteria would include the exclusion of people with criminal records. This condition will forbid many of the disadvantaged people who need social housing and put "middle-class blacks" in homes, Ms Munro said.

But Mr Mundine replied: "Would you let a criminal or drug seller into your premises?"

In December, the developer for the Pemulwuy project, DeiCorp, was forced to explain why an advertisement for another of its projects completed in 2012 stated that Aborigines had moved out of the suburb.

"What are we – noxious weeds or something?" complained Mick Gooda, the Aboriginal and Torres Strait Islander Social Justice Commissioner.

DeiCorp boss Fouad Deiri suggested a language breakdown by the Chinese firm contracted to market its units, Great Fortune Investments, caused it to advertise: "The aboriginals have already moved out, now Redfern as [sic] the last virgin suburb close to city, it will have great potential for the capital growth in the near future."

Mr Mundine said there would be "criteria" for the selection of residents in the Pemulwuy project – "as any normal real estate or housing provider would have – and you've got to stick by that".

Who would decide on the successful applicants?

"They're decided by the board of directors. It is nothing to do with me. I'm just the CEO. Listen mate, we're building affordable housing and that's it."

The protesters want a forensic audit of the Aboriginal Housing Company, but Mr Mundine said: "In August it will be 40 years I've been working at this organisation ..."

His detractors thought those 40 years were indicative of the problem, but Mr Mundine said: "Mate, you're twisting everything around. I'll see you later. Bye."

*This story was found at: <http://www.smh.com.au/nsw/aboriginal-tent-embassy-in-redfern-well-evict-them-from-the-block-says-aboriginal-housing-boss-mick-mundine-20150223-13m6md.html>*

69



**Barry O'Farrell MP**  
**Premier of NSW**  
**Minister for Western Sydney**

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## **MEDIA RELEASE**

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Saturday 22 December 2012

### **PLANNING APPROVAL FOR THE BLOCK'S PEMULWUY REDEVELOPMENT**

An exciting new chapter in the history of The Block is set to rise from the streets of Redfern with approval granted for the of the Pemulwuy redevelopment project, NSW Premier Barry O'Farrell and Planning Minister Brad Hazzard announced today.

"The approval of this project by the Department of Planning and Infrastructure will allow for the creation of a vibrant new housing, community and cultural precinct close to transport and the University of Sydney," Mr O'Farrell said.

"This part of Sydney has been crying out for renewal for many years and it is fantastic this long-running issue has now been resolved."

The approval allows construction of:

- 62 affordable housing dwellings and a 42-unit student housing facility to be managed by the Aboriginal Housing Corporation;
- A gymnasium, child-care centre and community gallery;
- An open space area in Eveleigh Street, between Lawson and Caroline Streets, to be known as "Pemulwuy, the meeting place" – this area will contain public art which reflects the important history of the site;
- Shops and other commercial uses in the ground floor of most buildings to create a vibrant mix of uses that will activate the area;
- High-quality public open spaces and landscaped streets; and
- A 115-space underground car park.

The Lawson Street Bridge will also be extended over the adjacent rail corridor to enlarge the "meeting place" and create open lines of sight from Redfern Station through the precinct.

Mr Hazzard said the project is the result of the Aboriginal Housing Corporation working closely with the department and Government agencies including the Sydney Metropolitan Development Authority, Railcorp, the Redfern Local Area Command of the NSW Police Force as well as the City of Sydney Council.

"The Pemulwuy project represents an excellent outcome, not only for the redevelopment of this important precinct, but as a catalyst for further renewal of the broader Redfern-Waterloo area," Mr Hazzard said.

ENDS

**MEDIA: Cameron Hamilton (Premier) 0409 227 048 or  
Lee Dixon (Minister) 0467 742 993**

70



xi



# THE PEMULWUY PROJECT

PDR Amendment 2 November 2006

71



## PROJECT DESCRIPTION - PEMULWUY PROJECT

### November 2006 - Amendment 02

This is the second amendment to the original Project Description Report submitted to the Department of Planning in April 06, subsequently amended in August 06, and again in November 06.

The reasons for so many amendments in such a short period of time is in direct response to changes to local planning controls and an undertaking of community consultation as directed by the Department of Planning, within the Directors General's Requirements issued in October 06.

The Pemulwuy Project's project description report sets out the master plan concept for a major mixed-use development planned for Areas D and parts of Area F as described in the Redfern Waterloo Plan. The Pemulwuy Project will be situated on land largely owned by the Aboriginal Housing Company, as well as other Aboriginal organisations, the Office of Community Housing and the City of Sydney Council. Negotiations and discussion have been initiated with all of the owners of land within the proposed development area.

This Concept Plan is submitted under Section 75M of Part 3A of the EP&A Act, and describes a mixed-use development including commercial/community uses and family homes consistent with the vision of the Redfern Waterloo area described in the Redfern Waterloo Plan.

It is envisaged that individual project applications consistent with the approved concept plan will be lodged for the following stages of the overall scheme:

Stage A Residential multi-unit development situated in the area bounded by Eveleigh Street, Vine Street, Louis Street and Caroline Street.

Elders spiritual centre + Health, Fitness and Gymnasium Centre

Stage B Commercial and retail development at the corner of Lawson Street and Eveleigh Street.

Respite and Health Care Facilities

Stage C Art Gallery

Commercial development (along part of the Railway end of Eveleigh Street)

The precise detail of those individual stages will be provided at project application stage.



## THE PEMULWUY PROJECT

The Planning Minister has determined that the Pemulwuy Project is a major project under Part 3A of the Environmental Planning & Assessment Act 1979 (Act). Under Section 75R of the Act environmental planning instruments do not apply to the assessment of major projects except for State Environmental Planning Policies to the extent that they designate development as a major project.

Accordingly, the only part of any environmental planning instruments that will apply to assessment of the Pemulwuy Project is the SEPP (Major) Projects 2005 to the extent that it nominates development with a capital investment of more than \$5 million in the Redfern Waterloo area to be a major project. Accordingly, this project should be assessed on its merits and the planning controls under environmental planning instruments that would apply to other development in the Redfern Waterloo area do not apply to this site.

The opportunity that the Pemulwuy Project offers for the rejuvenation of the Redfern area is clear. The construction of this premium quality mixed-use development will be of commercial and residential densities, around the transport hub of Redfern Station, in a manner consistent with the Sydney Metropolitan Strategy. The project includes vital employment generating commercial uses and medium density family style housing that is urgently required for Aboriginal people close to the city.

The currently degraded housing stock for Aboriginal people on the land will be replaced by world-class design applying contemporary planning principles. The focus of the housing will be moved from high dependency housing to medium density family style accommodation with homeownership. Through the strategic position of the site close to a major inner-city transport node and the city's premier universities the upgrade of the built environment promises to have beneficial effects on the economic, social and cultural life of the city which goes far beyond the Redfern Waterloo area.

The Pemulwuy Project's Concept Plan has been presented to the Department of Planning's focus group and to the Minister of Planning, Frank Sartor. This latest amendment and preliminary sketch designs indicate the incorporation of these discussions and advice. The Concept Plans comply with the major projects SEPP height and floor space controls, but more importantly the objectives of the Redfern Waterloo Plan.



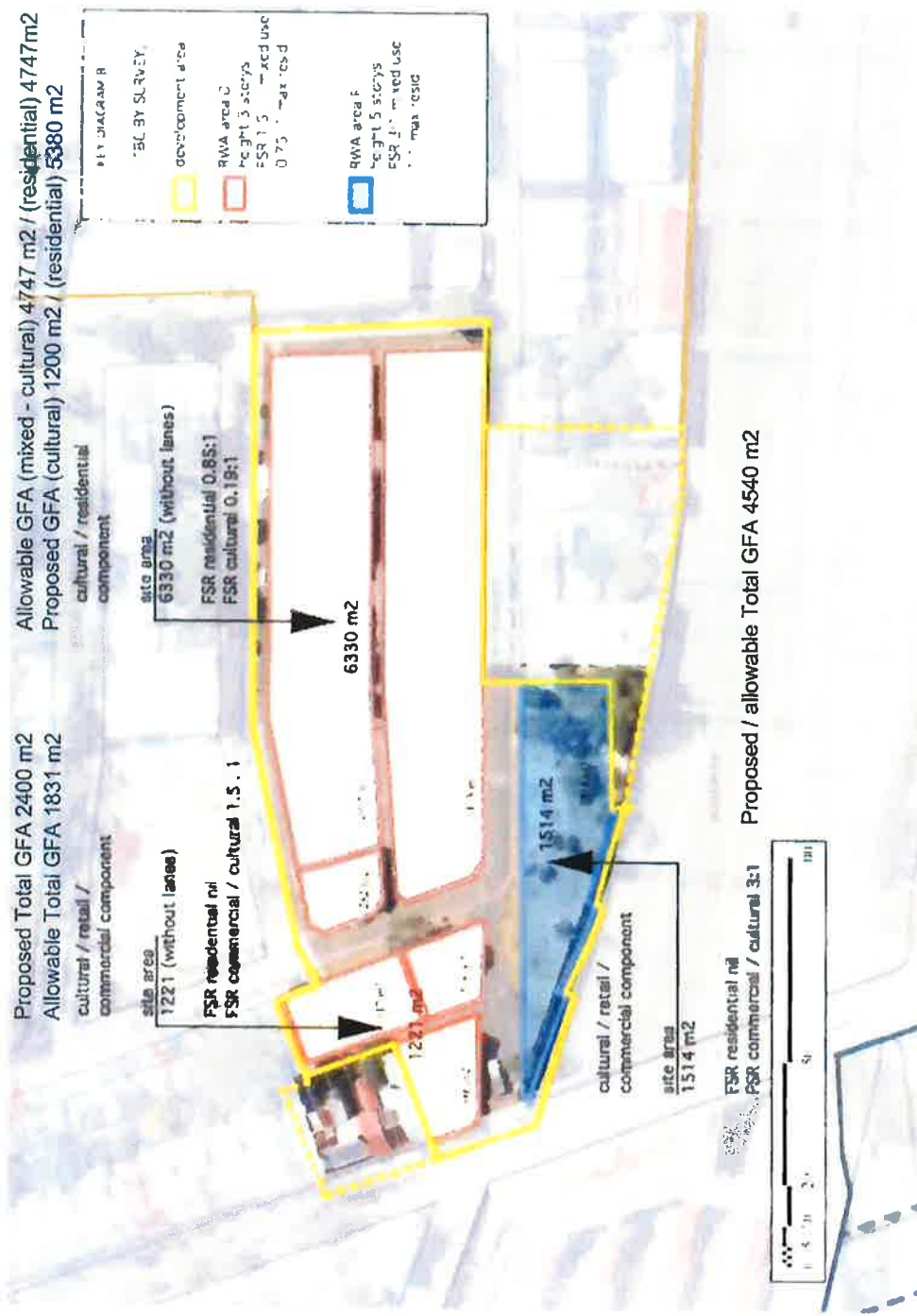
## THE PEMULWUY PROJECT



## THE PEMULWUY PROJECT

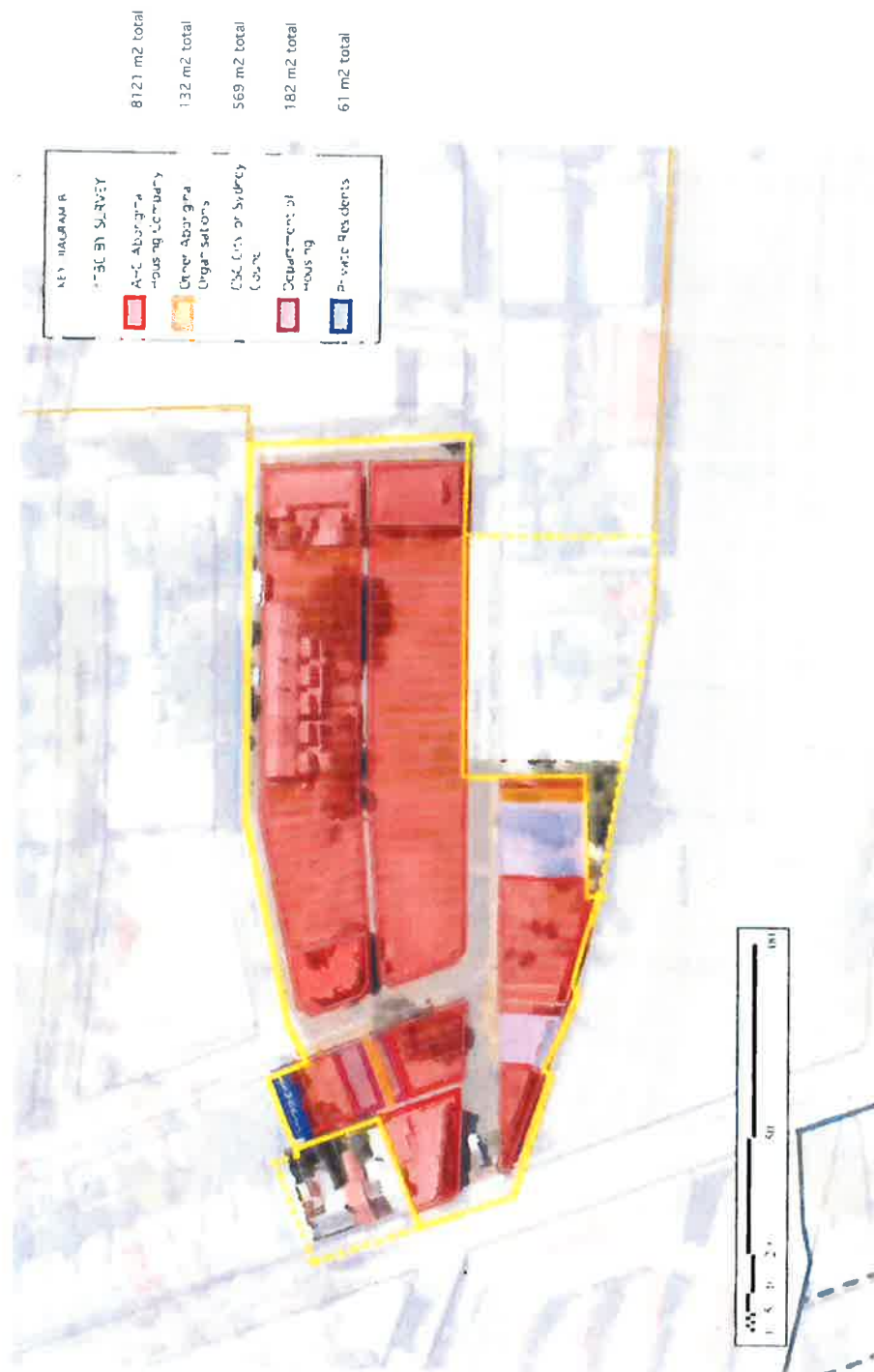
01. existing aerial photo





# THE PEMULWUY PROJECT

## 02. Area D Area F (RWA)



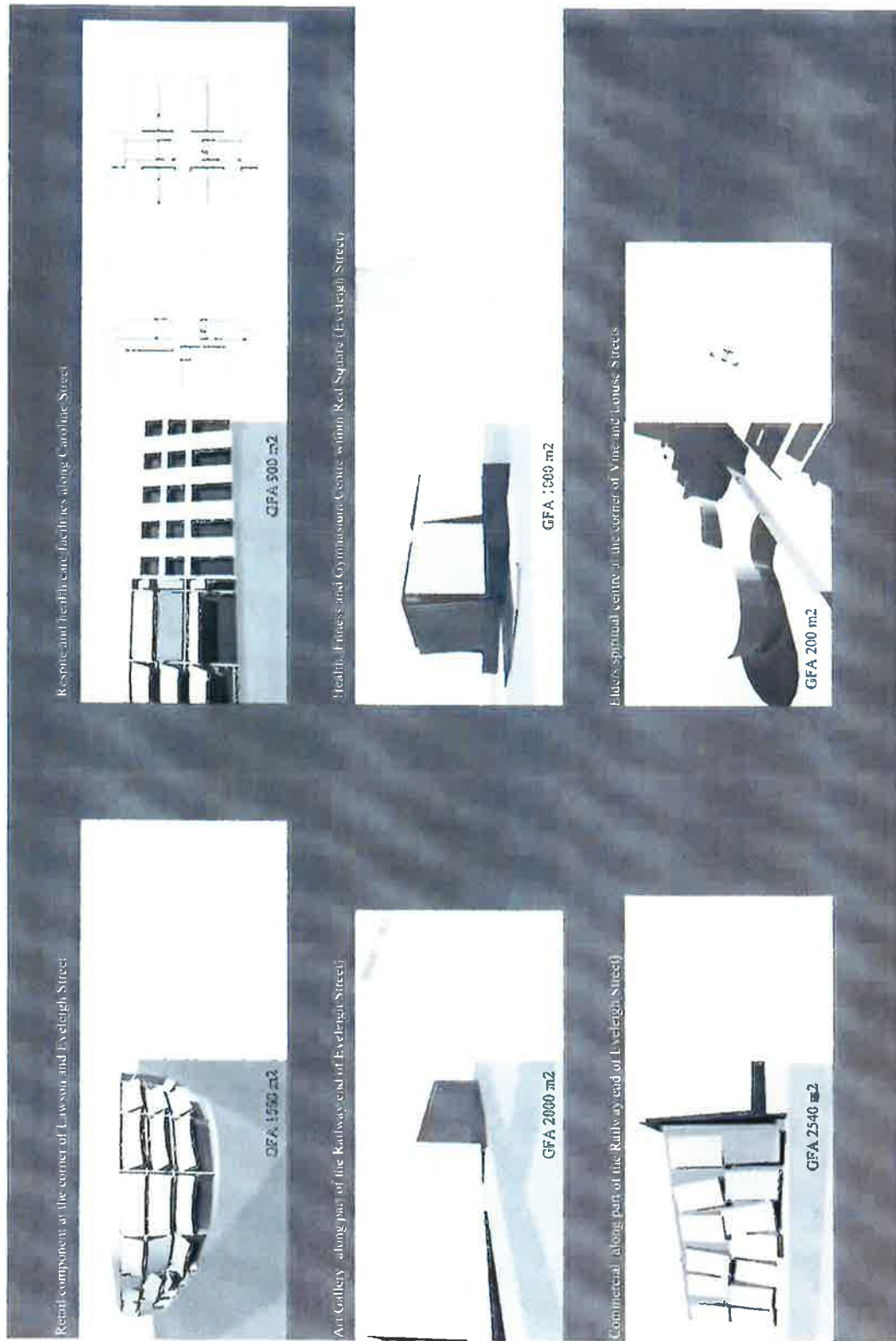
# THE PEMULWUY PROJECT

03. Ownership within the development area



# THE PEMULWUY PROJECT

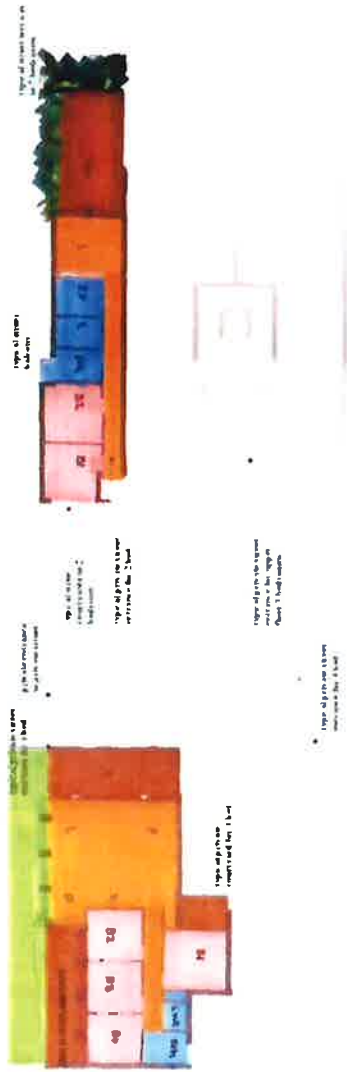
## 04. proposed site plan



## THE PEMULWUY PROJECT

05. typical plans commercial, retail and cultural development





4x2 BED LEVEL 1 (UPPER GROUND)



# THE PEMULWUY PROJECT

06. typical housing plans





## THE PEMULWUY PROJECT

07. perspectives



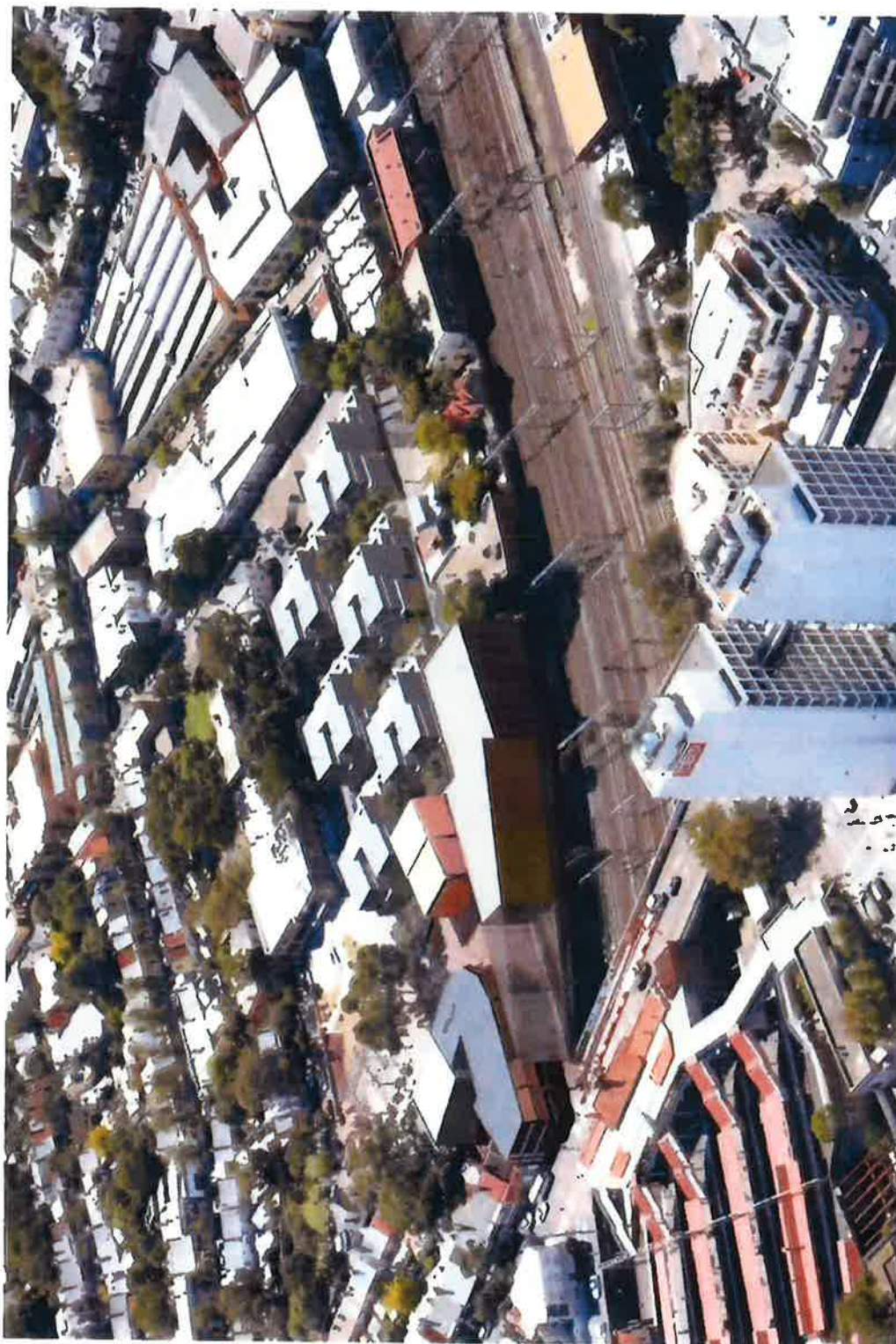
West Elevation (Louis Street)



# THE PEMULWUY PROJECT

08. elevations





## THE PEMULWUY PROJECT

09. photomontage of mixed development. Area D and F