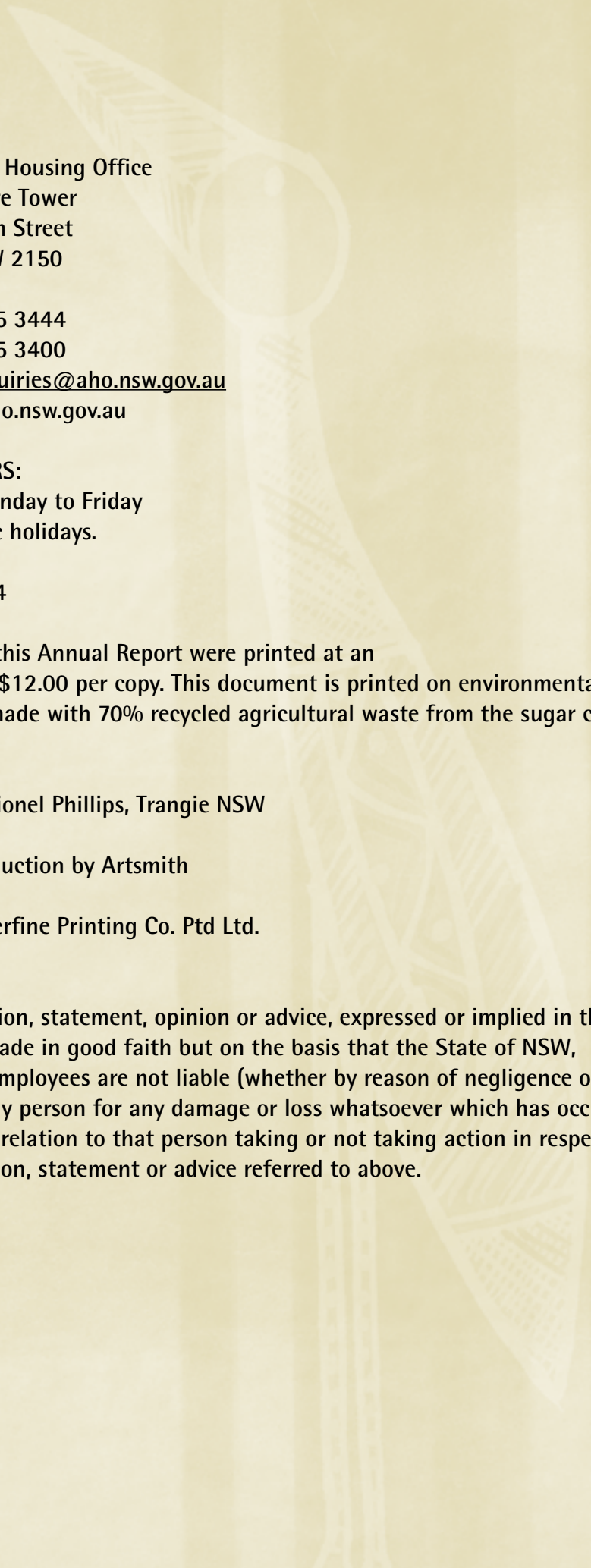




AHO

NSW Aboriginal Housing Office
Annual Report 2003 - 2004





NSW Aboriginal Housing Office
Level 3 Signature Tower
2-10 Wentworth Street
Parramatta NSW 2150

Phone: 02 9635 3444
Fax: 02 9635 3400
Email: ahoenquiries@aho.nsw.gov.au
Web: www.aho.nsw.gov.au

BUSINESS HOURS:

9am to 5pm Monday to Friday
excluding public holidays.

ISSN 1442-9624

1500 copies of this Annual Report were printed at an average cost of \$12.00 per copy. This document is printed on environmentally friendly paper made with 70% recycled agricultural waste from the sugar cane industry.

Illustration by Lionel Phillips, Trangie NSW

Design and production by Artsmith

Printed by Superfine Printing Co. Ptd Ltd.

DISCLAIMER:

Any representation, statement, opinion or advice, expressed or implied in this publication is made in good faith but on the basis that the State of NSW, its agents and employees are not liable (whether by reason of negligence or otherwise) to any person for any damage or loss whatsoever which has occurred or may occur in relation to that person taking or not taking action in respect of any representation, statement or advice referred to above.

Table of Contents

Page 3	Chairperson's Report
Page 5	Chief Executive's Report
Page 7	Overview of the Aboriginal Housing Office
Page 11	The Aboriginal Housing Board
Page 17	Performance Summary
Page 18	Report on Key Performance Areas
Page 18	Developing a sustainable Aboriginal housing sector
Page 20	Increased focus on asset management
Page 21	Increased access to safe, affordable and culturally appropriate housing
Page 23	Promoting employment opportunities for Aboriginal people
Page 24	Maintaining and building the capabilities of the AHO
Page 27	Appendices
Page 34	Index

To access the Financial Statements for the accounting period covered by this Annual Report, contact the AHO Head Office during business hours or by email to obtain a printed copy of the document. Alternatively visit the AHO website on www.aho.nsw.gov.au to view the Financial Statements online.



The Hon Carl Scully MP
Minister for Housing
Parliament House
SYDNEY NSW 2000

Dear Mr Scully

We have pleasure in presenting the annual report of the Aboriginal Housing Office for the year ended 30 June 2004.

The report has been prepared for submission to Parliament in accordance with the provisions of the Annual Reports (*Statutory Bodies*) Act 1984, and is submitted in accordance with Section 9A of that Act.

The report details the achievements of the Aboriginal Housing Office and provides all required statutory and financial information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ann Weldon'. The signature is fluid and cursive.

Ann Weldon
Chairperson
NSW Aboriginal
Housing Board

A handwritten signature in black ink, appearing to read 'Russell Taylor'. The signature is bold and stylized.

Russell Taylor
Chief Executive
NSW Aboriginal
Housing Office

Chairperson's Report



The need for adequate funding for the Aboriginal Housing Office has been a recurring theme in my official contribution to the annual report since the Office's establishment in 1998. Without sufficient financial support from government and continuity of funding over the longer term, the Office will inevitably fail in the first of its key performance areas – developing a viable Aboriginal housing sector.

The issue of future funding from the Commonwealth Government became even more vexed in 2003–04. This was due to the planned abolition of ATSIC, as well as related agency ATSIS, and the proposed mainstreaming of programs administered by ATSIC in up to eight different Commonwealth agencies.

Under the new regime for Aboriginal affairs, widely condemned by Indigenous leaders as a return to the discredited service delivery model of the past, the Commonwealth Department of Family and Community Services would take over administration of the Community Housing Infrastructure Program (CHIP). The Department already allocates funds to the Aboriginal Housing Office under the Aboriginal Rental Housing Program. In controlling the two housing programs, the department will control approximately half of the Office's funding.

While the Commonwealth Government has announced that resources for ATSIC programs will be maintained after mainstreaming, there is a real danger that the Department may decide to shift the focus of CHIP funding to rural and remote communities as it is doing with the Aboriginal Rental Housing Program. The flawed assumption underlying the funding criteria for the latter program is that, in regional and metropolitan areas, the housing needs of Aboriginal and Torres Strait Islander people will be met by the private rental market or by public housing.

The reality, however, is that most Aboriginal people in NSW live in Sydney. Here they not only face discrimination in access to privately owned accommodation but also higher rents than anywhere else in Australia and long waiting periods for public housing.

The Commonwealth Government is yet to announce the results of a review of the Aboriginal Rental Housing Program and has advised that NSW funding under the program will remain unchanged in 2004–05. But, depending on the outcome of the review and the willingness of either the Commonwealth or the NSW government to offset a reduction in funding, the Aboriginal Housing Office will, in time, need to consider curtailing some programs.

Complicating the picture further will be the review during 2004–05 of the bilateral agreement on housing and infrastructure between the Commonwealth and NSW governments which expired on 30 June 2004. The Commonwealth has consented to extend the agreement and fund pooling arrangements for another year. The term of appointment of the current Aboriginal Housing Office Board has been similarly extended.

In addition to the specific concerns regarding the direction of Commonwealth housing policy post ATSIC, the Aboriginal Housing Office Board has broader concerns about how consultation with Aboriginal communities will occur. Communities will no longer be electing representatives to regional councils as they do under the ATSIC model – the councils are slated for abolition by the end of the 2004–05 financial year – and it is as yet unclear whether there will be any avenues through which they can contribute to decisions on policy and service delivery.

At this stage, the Commonwealth Government has only proposed the establishment of an advisory board comprising distinguished Indigenous people. The board will be appointed, not elected, and have a purely advisory role. Along with other organisations dedicated to improving the living conditions and welfare of Aboriginal people, the Aboriginal Housing Office Board has strong reservations about the level of meaningful consultation in the post ATSIC political environment.

Program coordination was another of the big issues for the Aboriginal Housing Office Board in 2003–04, specifically coordination of the Aboriginal Communities Development Program with the NSW Department of Aboriginal Affairs. The department manages funding for housing capital works under the program but funds are paid through the Aboriginal Housing Office account.

In the interest of better coordination, the Office and the Department of Aboriginal Affairs have reached agreement on the respective responsibilities of the two agencies. The agreement addresses such matters as:

- the use of common standards and performance guidelines
- rationalisation of project management at the community level
- exchange of information
- cross-membership of the community-based consultative groups set up by the Office and the program.

During the year, I attended 10 regional housing summits held across NSW. The purpose of these summits was for the Board and the AHO to obtain feedback from the Aboriginal community regarding the strategic directions of the AHO and the Aboriginal community housing sector in NSW. The summits also sought feedback on the *NSW Aboriginal Housing Act 1988*. It was pleasing to see that, almost unanimously, the community affirmed that the objectives of the Act remain valid and still considered that a single agency should be responsible for achieving the Act's goals and objectives.

While 2003–04 has in some respects been a difficult year, I must close on a positive note by welcoming Russ Taylor as the new Chief Executive of the Aboriginal Housing Office. Russ brings a wealth of management expertise to the role from senior positions with the Australian Institute of Aboriginal and Torres Strait Islander Studies, ATSIC and the Aboriginal Development Commission. I am confident that Russ will guide the Office through the challenges that lie ahead with great professionalism and integrity.



Ann Weldon
Chairperson
NSW Aboriginal Housing Board

Chief Executive's Report



On taking up appointment as Chief Executive of the Aboriginal Housing Office in October 2003, I came to an organisation which had already established sound foundations, reviewed service delivery and developed a new organisational model to promote better program coordination and faster response to community needs. My task is to build on the hard work of inaugural Chief Executive James Christian, the Board and Aboriginal Housing Office staff during those crucial early years.

Looking firstly at internal issues for 2003-04, the Office continued to implement the structural changes recommended by the Service Improvement Project and detailed in the *Moving Forward* report. Most of the positions created under the restructure were filled by the end of the year while arrangements for devolution of responsibility to the regions were largely finalised.

To complement the restructure, the Office commenced implementation of a staff development framework which will entrench a performance-oriented corporate culture. The framework will clarify individual staff roles and the relationship of each role to the overarching organisational objectives; provide a mechanism for feedback on performance; and highlight those areas where additional training may be necessary. Management is leading by example in adopting the framework prior to all staff signing up by October 2004.

The staff development framework is linked to the 12-month interim corporate plan put in place pending renegotiation of the bilateral agreement between the Commonwealth and NSW governments on housing provision and management for Aboriginal peoples and Torres Strait Islanders. Discussions on the agreement, to which ATSIC had formerly been a signatory, commenced in the reporting year. The new agreement will entail a review of funding arrangements and have a direct bearing on the strategic priorities identified in our new corporate plan.

While acknowledging the importance of the bilateral agreement, I can however outline in general terms where we are heading. The Office will focus on sustainability. This means ensuring that we can cover the operating costs of providing housing services, that we can maintain housing stock in a satisfactory condition, and that we have the ability to meet future housing needs. In view of the uncertainty on Commonwealth funding – an issue covered by the Chairperson in her report – the Office will also have to ensure that we derive the maximum possible benefit from every dollar we spend. Some tough decisions may be necessary, especially as the Office has limited potential to generate additional income.

Although there were uncertainties at Commonwealth level, the Office enjoyed the support of the NSW Government in 2003-04. We also confirmed the solid community backing for our role through review of the *NSW Aboriginal Housing Act 1998*.

Capping off a challenging year, we finalised plans to relocate to premises owned by the NSW Aboriginal Land Council at 33 Argyle Street, Parramatta. Our new office space will

be cheaper than our present office and afford us the opportunity to design a more functional and culturally appropriate working environment. The move is scheduled for September 2004.

In my first year as head of the Aboriginal Housing Office I have relied on the knowledge and expertise of the Board. My sincere thanks go to all Board members for their advice and support. I would also like to thank staff for their commitment to making the Office a more strategically focused and effective organisation.

Finally, I would like to express my appreciation to our Minister, the Hon Carl Scully, for his guidance and strong support during my initial period as Chief Executive.

A handwritten signature in black ink, appearing to read 'Russ Taylor', with a large, stylized flourish extending from the end of the signature.

Russ Taylor
Chief Executive
Aboriginal Housing Office



Overview of the Aboriginal Housing Office

Charter

The Aboriginal Housing Office (AHO) is a statutory authority established on 24 July 1998 by the *NSW Aboriginal Housing Act 1998*. The AHO is governed by an all-Aboriginal Board which provides advice to the Minister on Aboriginal housing issues in NSW. Our objectives, as set down in the Act, are:

- To ensure that Aboriginal people and Torres Strait Islanders have access to affordable, quality housing.
- To ensure that such housing is appropriate to the social and cultural requirements, living patterns and preferences of the Aboriginal people or Torres Strait Islanders for whom it is provided.
- To enhance the role of Aboriginal people and Torres Strait Islanders in determining, developing and delivering policies and programs relating to Aboriginal housing.
- To ensure that priority is given, in providing housing assistance for Aboriginal people and Torres Strait Islanders, to those individuals most in need.
- To increase the range of housing choices for Aboriginal people and Torres Strait Islanders to reflect the diversity of individual and community needs.
- To ensure that registered Aboriginal housing organisations are accountable, effective and skilled in the delivery of Aboriginal housing programs and services.
- To ensure that the Aboriginal Housing Office's programs and services are administered efficiently and coordinated with other programs and services to assist Aboriginal people and Torres Strait Islanders.
- To encourage the sustainable employment of Aboriginal people and Torres Strait Islanders in the delivery of Aboriginal housing assistance.

Role and functions

The AHO, under the direction of the Board, plans, administers and expands the policies, programs and asset base for Aboriginal housing in NSW. This includes resource allocation, sector-wide policy, strategic planning, and monitoring outcomes and performance in the Aboriginal housing sector.

The AHO manages and coordinates a substantial annual capital works program, and the development and implementation of a range of financial and resourcing strategies. In addition, the AHO has an important role in facilitating and improving employment and training opportunities for Aboriginal people within the Aboriginal housing sector.

In carrying out its functions, the AHO is guided by the principles of self-determination and self-management for Aboriginal people. The AHO therefore strives to maximise the involvement of Aboriginal housing providers and the Aboriginal community (including tenants and housing applicants) in the development of housing policy and standards, and the delivery of housing programs.

Key performance areas

The AHO continued to follow the corporate directions established in the strategic plan for the period 2001-02 to 2003-04. Over the three years, the AHO built on past achievements in the key performance areas of:

- developing a viable Aboriginal housing sector
- increasing the focus on asset management
- increasing access to safe, affordable culturally appropriate housing
- promoting employment opportunities for Aboriginal people
- maintaining and building the capabilities of the AHO.

Current focus and future directions

An important focus of AHO activities continues to be building Aboriginal people's skills in managing both their properties and their organisations. During the year, the AHO progressed work on development of management standards for Aboriginal housing providers and maintained resource levels for the Kungala Training and Career Development Unit.

Through a series of regional housing summits, the AHO worked closely with the NSW Aboriginal Housing Board to review the Office's strategic directions. In view of the summit findings, the Board resolved to focus in the coming years on improving the sustainability of the NSW Aboriginal community housing sector. Specifically, the Board and the AHO will work together with the sector to ensure that the Office can deliver:

- sustainable services – covering the operating costs of providing housing services and the maintaining the skills needed to manage housing organisations
- sustainable assets – covering repair and maintenance costs and so ensuring that properties are in a satisfactory condition
- sustainable growth – meeting future housing needs.

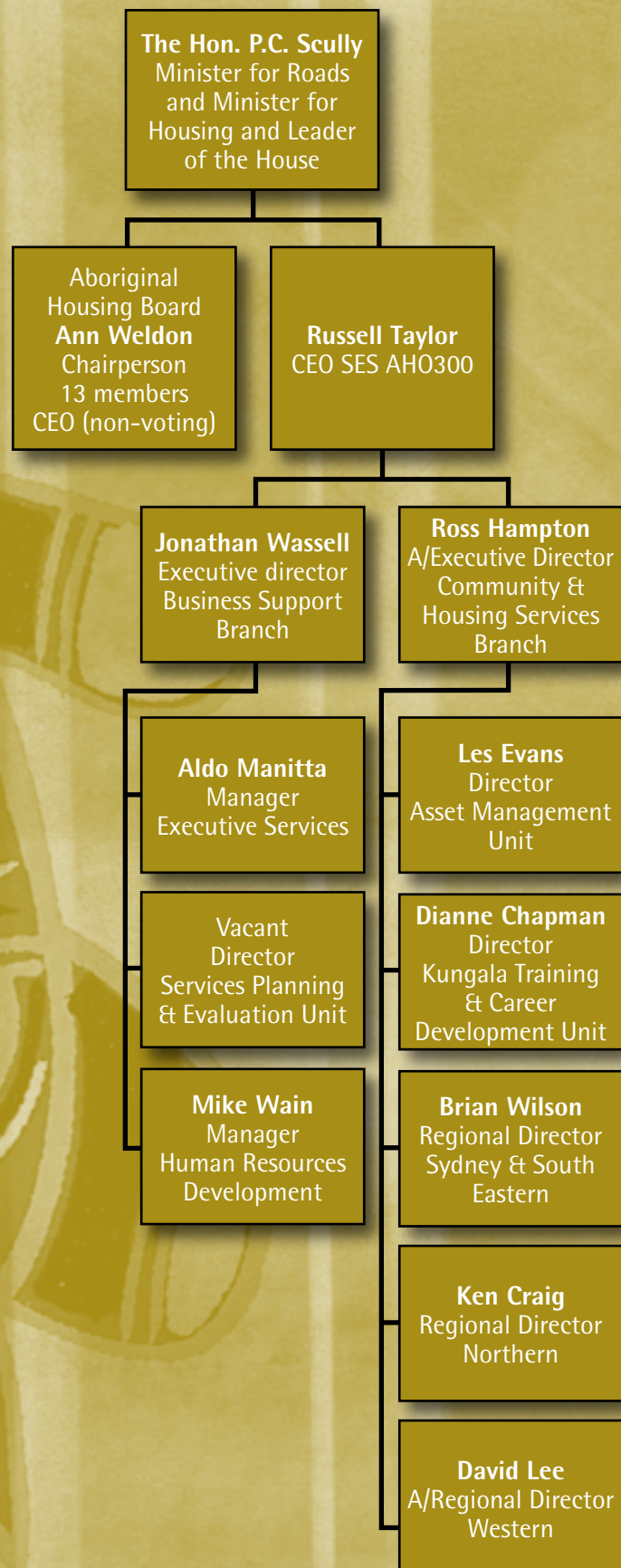
Structure

In 2003-04 the AHO finalised the organisational restructure commenced in the preceding year. The restructure groups all units with community contact together in one branch and devolves accountability to the regions.

Russell Taylor, CEO, at the signing of the Funding Agreement with the Mid Lachlan Aboriginal Housing Management Cooperative Ltd.



Organisation chart



Senior management

As at 30 June 2004, the AHO's senior management team comprised:

Chief Executive

Russell Taylor MBA, Grad Dip Public Sector Mgt, Grad Dip Arts

A/Executive Director, Community and Housing Services Branch

Ross Hampton

Executive Director, Business Support Branch

Jonathan Wassell BCom MBA

Director, Asset Management, Community and Housing Services Branch

Les Evans B Building, MMgt Public Sector Mgt

Regional Director, Sydney/South East Region, Community and Housing Services Branch

Brian Wilson Dip Acc, BA

Director, Kungala Training and Career Development, Community and Housing Services Branch

Dianne Chapman

A/Regional Director, Western Region, Community and Housing Services Branch

David Lee

Regional Director, Northern Region, Community and Housing Services Branch

Ken Craig Grad Cert Housing Mgt and Policy

Manager, Human Resources Development

Mike Wain

Director, Executive Services, Business Support Branch

Aldo Manitta BA, Grad Cert Public Sector Mgt

Contact details

Head Office

Level 6, 33 Argyle St
Parramatta NSW 2150
Phone: 02 8836 9444
Fax: 02 9635 3400
Email ahoenquiries@aho.nsw.gov.au

Nowra

Suite 18A, Holt Centre, 31 Kinghorne St
Nowra NSW 2541
Phone: 02 4421 5833
Fax: 02 4421 7322

Coffs Harbour

Suite 1, 1st Floor, 51 Moonee St
Coffs Harbour NSW 2450
Phone: 02 6658 0999
Fax: 02 6658 0475

Dubbo

152 Brisbane St
Dubbo NSW 2340
Phone: 02 6885 6178
Fax: 02 6882 8922

Tamworth

3-5 White St
Tamworth NSW 2830
Phone: 02 6764 5503
Fax: 02 6764 5550

Wentworth

Office C, 29 Darling St
Wentworth NSW 2648
Phone: 03 5027 3222
Fax: 03 5027 3142

Website: www.aho.nsw.gov.au

Office hours

Our normal operating hours are from 9am to 5pm Monday to Friday, excluding public holidays. Some of the smaller regional offices may be unattended while project officers are working in the community. Officers are however always contactable by phone.

Units at Campsie acquired by the AHO utilising additional CHIP Funds



AHO senior staff at the Business Planning Workshop in February 2004

The Aboriginal Housing Board

Composition

Under the *NSW Aboriginal Housing Act 1998*, the Minister for Housing determines the composition of the NSW Aboriginal Housing Board (the Board) and may appoint between six and 14 members, all of whom must be Aboriginal. The AHO Chief Executive is also a Board member but has no voting rights.

The Minister has appointed:

- an independent Chairperson
- five specialist community representatives
- six Aboriginal and Torres Strait Islander Commission nominees
- one NSW Aboriginal Land Council nominee
- the Chief Executive of the AHO (non-voting member).

Role

In close consultation with NSW Aboriginal communities through the regional Aboriginal housing committees (RAHCs) and in accordance with the Act, the Board:

- determines the strategic direction of the AHO
- determines AHO policy
- provides advice to the Minister.

In undertaking its role, the Board oversees the operations of the AHO and ensures that the Office:

- complies with all statutory and legal requirements
- performs satisfactorily.

Appointment

Under the *Agreement between the Commonwealth Government, ATSIC and the NSW Government on the Provision and Management of Housing and Housing Related Infrastructure for Aboriginal people and Torres Strait Islanders* (the Trilateral), ATSIC can nominate up to six members of the Board. To date, the ATSIC nominees have been the ATSIC regional council chairpersons.

The Memorandum of Understanding between the NSW Government and the NSW Aboriginal Land Council (NSWALC) allows the latter to nominate one Board member.



The term of appointment of the Chairperson and all Board members will expire on 30 June 2005. As at 30 June 2004, the NSW Aboriginal Housing Board comprised:

Ann Weldon	Chairperson
Stephen Blunden	ATSIC nominee
Robert Carroll	ATSIC nominee
Marcia Ella Duncan	ATSIC nominee
Sam Jeffries	ATSIC nominee
Keith Morgan	ATSIC nominee
Lyall Munro Snr	ATSIC nominee
James Allen	Specialist community member
Eddie Briggs	Specialist community member
John Delaney	Specialist community member
Des Jones	Specialist community member
Neita Scott	Specialist community member
William Johnstone	NSWALC representative

During the year, there were four changes to the composition of the Board:

- Keith Morgan was nominated to replace Iris White, who resigned Chairperson of the South East ATSIC Regional Council
- Marcia Ella Duncan replaced Maxine Conaty who resigned from her position as Chairperson of the Sydney ATSIC Regional Council
- James Allen replaced Gerry Moore as a specialist community member
- William Johnstone replaced Manul Ritchie as the nominee of the NSW Aboriginal Land Council following the appointment of an administrator to the Council.

Board meetings

The Board held six meetings in 2003–04 over a total of 16 days. Attendance is shown in the following table.

	Eligible to attend	Days eligible to attend	Full meetings attended	Part meeting attended	Days attended	%
Ann Weldon	6	16	6	nil	16	100%
James Allen	5	12	3	1	9	75%
Stephen Blunden	6	16	6	nil	16	100%
Eddie Briggs	6	16	5	1	14	87%
Robert Carroll	6	16	2	3	16	11
Maxine Conaty	4	11	3	nil	9	81%
John Delaney	6	16	5	1	15	93%
Marcia Ella Duncan	2	5	1	nil	2	40%
Sam Jeffries	6	16	3	2	10	62%
William Johnstone	2	5	nil	1	1	20%
Des Jones	6	16	4	1	13	81%
Gerry Moore	1	4	nil	nil	nil	0%
Keith Morgan	3	7	1	1	3	42%
Lyall Munro	6	16	4	1	13	81%
Neita Scott	6	16	6	nil	16	100%
Iris White	3	9	1	2	3	33%

Profile of Board members as at 30 June 2004



Ann Weldon (Chairperson)

A member of the Wiradjuri nation, Ann held positions with the Aboriginal Legal Service, NSW Aboriginal Land Council, Aboriginal Children's Service and the Aboriginal Housing

Development Committee before her appointment to the inaugural Aboriginal Housing Board in 1998. She has been chairperson/a member of the Sydney ATSIC Regional Council for over 10 years. Ann maintains that the housing conditions of Aboriginal people will only improve when Aboriginal housing is effectively managed by and for Aboriginal people. In keeping with Wiradjuri tradition, she believes in 'leaving legacies and not building empires' for all Aboriginal people in NSW.



James Allen

Jim is a Kamilaroi man born in Quirindi. He lives in Batemans Bay where he has managed the Murra Mia Aboriginal Tenants Advice Service for the past eight years.

Jim is a member of the Batemans Bay Local Aboriginal Land Council and the Budawang Housing Corporation. He is currently a member of the Housing Appeals Committee. Jim is committed to the advancement of Aboriginal people through housing, employment, health and equal opportunity.



Stephen Blunden

A Dunghutti/Ngumba man born in Kempsey, Stephen is chairperson of the ATSIC Many Rivers Regional Council. He has worked in Aboriginal affairs over 31 years, presiding for 16 years as chief

executive of the Durri ACMS in Kempsey and holding positions with the Commonwealth Department of Aboriginal Affairs and the Aboriginal Development Commission. Current roles include board member of the NSW Aboriginal Health and Medical Research Council and the National Aboriginal Community Controlled Health Organisation.



Edward Briggs

Edward was born in Armidale, one of a family of eight, and has lived there for most of his life. Involved in Aboriginal community development from an early age, Edward is a founding member of

the Armidale Community Development Employment Program (CDEP). He is also a member of the Kamilaroi Regional Aboriginal Housing Committee, an ATSIC regional councillor and chairperson of the CDEP portfolio. Edward is humbled to have the opportunity to contribute to the work of the AHO.



Robert Carroll

Robert Carroll was born in Narrandera and is a proud member of the Wiradjuri Nation. He has lived in Griffith for the past 23 years. Robert has served on the Binaal Billa

ATSIC Regional Council since 1990 and is currently council chairperson. Robert has actively advocated for Aboriginal rights at local, state, national and international forums. He has successfully lobbied both State and Federal governments to be more responsive and accountable to Indigenous people on a range of social issues.



Maxine Conaty

Maxine was born in Sydney and identifies with the Kamilaroi people through her mother and the Wonarua people through her father. She has lived in the Mt

Druitt and St Marys area for the past 38 years. Her two children and six grandchildren are her pride and joy. Maxine has been working within the Aboriginal community since the late 1970s. This experience has enabled her to understand housing issues and the impact they have on the community and has strengthened her commitment to her people.



John Delaney

John is a member of the Kamilaroi nation and was born on the Burra Bee Dee Mission near Coonabarabran NSW. He has held positions on the NSW Aboriginal Land Council and the

Sydney ATSIC Regional Council. Currently he chairs the National Research Agenda Working Group on Aboriginal and Torres Strait Islander Health and the Aboriginal Heritage Commission. A firm supporter of Aboriginal rights, John has worked as a volunteer with Aboriginal Employment and Enterprise Development in western and south western Sydney.



William Johnstone

William has a long history in Aboriginal affairs at both Commonwealth and State levels. In 1995 he established the Maari Ma Aboriginal Health Corporation in far western NSW to provide

equitable, accessible and appropriate health services to Aboriginal communities. He also founded the Aboriginal Primary Health Care Service in Broken Hill and was inaugural chairperson of the ATSIC Murdi Paaki Regional Council. In 1999 William became the first Aboriginal to be elected to the NSW Royal Flying Doctor Service Board. His present position is chief executive officer of the NSW Land Council.



Marcia Ella Duncan

Marcia is a Yuin woman who was born and raised at La Perouse, Sydney. Marcia has worked with Aboriginal people in a range of Public Sector roles including Aboriginal juvenile offenders,

families in crisis with children at risk of removal, and as Executive Officer with the Aboriginal Justice Advisory Council. Marcia also volunteers many hours to coaching young netballers. Marcia is particularly interested in issues impacting on the housing needs of young Aboriginal people, and the growing housing needs of the Sydney Aboriginal community.



Des Jones

Des Jones is a proud Murra Warri man from Brewarrina NSW. He spent many years in the Northern Territory and now lives in Wentworth. His engagement in Aboriginal development programs

spans 20 years and includes work in the health, housing and employment sectors. This experience has enabled Des to understand the issues affecting Aboriginal people at local and regional levels. Des feels that good governance must accompany any move towards professional service provision to our people.



Sam Jeffries

Sam is a proud Morrawari man, born and raised in Brewarrina. Over the last 21 years he has lived in Lightning Ridge where he initiated local housing and economic projects for Aboriginal

people. Sam has been a member of ATSIC since 1990 and is currently in his third term as chairperson of Murdi Paaki ATSIC Regional Council. A Walgett Shire councillor in 1999, Sam advocates empowerment of Aboriginal people through greater local and regional autonomy.



Gerry Moore

Gerry is a descendent of both the Wreck Bay and Jerringa peoples of the South Coast of NSW. He was formerly a member of the Aboriginal Housing Development Committee and

advised the NSW Housing Minister on indigenous housing. Gerry currently looks after Aboriginal communities in the Murdi Paaki Region in his role with the Department of Aboriginal Affairs. He has also been active in community service and has held executive membership of various community-based organisations.



Keith Morgan

Keith is a Wiradjuri man from Narrandera, NSW. Currently chairperson of the ATSIC Queanbeyan Regional Council, Keith has served on such diverse committees as the ACT Council of

Australian Governments (COAG) Steering Committee, the Aboriginal Health and Medical Research Council and the Indigenous Fishing Strategy Working Group. His academic qualifications include a Masters Degree in Indigenous Health. Keith understands the great challenges ahead for Aboriginal and Torres Strait Islander people and is willing to lead the way in the Queanbeyan region.



Lyall Munro (Snr)

Born in Tingha but now living in Moree, Lyall has been active in Aboriginal affairs for almost 50 years during which time he has earned worldwide respect as an indigenous leader. He was

instrumental in founding both the Aboriginal Legal Service and Aboriginal Medical Service and was one of the original Freedom Riders. Lyall is presently chairperson of the Kamilaroi ATSIC Regional Council. Among other honours, he was recognised as a 'legend' at the 2003 NSW Aboriginal Housing Conference.



Neita Scott

Neita was born at Narromine and has been involved in a wide spectrum of Aboriginal issues. She has delivered papers at international forums on Aboriginal issues, heritage

and culture and worked on a draft Declaration for Indigenous People's Rights. Neita has been a member of the Aboriginal Housing Development Committee, councillor for the Central Region of the NSW State Aboriginal Land Council, member of the Premier's Council for Women, Rural Women's Advisory Council and Narromine Health Council.



Iris White

Iris spent her childhood at Wallaga Lake before moving to the Shoalhaven area where she lived until 1996. For the past 17 years she has worked with NSW TAFE Illawarra Institute, helping

Aboriginal people on the South Coast to access educational and vocational training opportunities. In 1999 Iris was elected to the Queanbeyan ATSIC Regional Council and became council chairperson in September 2001.

Board Committees and Working Groups

The working groups and committees operating in 2003-04 were as follows.

Audit Committee

The Board's Audit Committee oversees and guides the AHO on statutory compliance, risk management and organisational performance.

Corporate Directions Working Group

This group aims to establish and monitor corporate performance for key operational areas, for example, performance against targets set in the AHO/NSW Treasury Statement of Financial Performance and the Commonwealth/State Housing Agreement.

Employment and Training Working Group

The group develops policy and strategic options for improving employment and training opportunities for Aboriginal people in housing construction and maintenance and in project management.

Policy, Planning and Community Consultation Working Group

The group is responsible for developing a strategic policy and planning cycle and monitoring the effectiveness of AHO consultative mechanisms such as the regional Aboriginal housing committees, summits and the biennial Aboriginal Housing Conference.

Program Review Working Group

The group's function is to develop a risk management plan and monitor performance in the key areas of buying and building standards, quality assurance and direct grants.

Regional Aboriginal Housing Committees

The *NSW Aboriginal Housing Act 1998* requires the AHO to establish a regional Aboriginal housing committee (RAHC) for each AHO region. Under the Act, the Board determines the membership, constitution and procedure of all such committees.

The two main functions of the committees are:

- to advise the Board on Aboriginal housing issues
- to carry out other functions as delegated by the Board, including planning the Aboriginal housing program at a regional level.

The term of appointment of current RAHC members expires on 30 June 2004 when with the current Trilateral Agreement concludes. Following the proposed changes to ATSIC, negotiations with the Commonwealth Government through the Department of Family and Community Services will guide the composition and future committees.

CEO and Staff meeting with the Board of the Mid Lachlan Aboriginal Housing Management Cooperative Ltd.



Performance Summary

The following table shows quantitative outputs for each key performance area as at 30 June 2004.

Developing sustainable housing	Output 02-03	Output 03-04
Registered Aboriginal housing organisations	258	259
Aboriginal housing organisations meeting key performance indicators	73	65
Organisations signing AHO housing agreements	53	14
Aboriginal housing organisations with CentrePay agreements	120	119
Tenants using CentrePay	1,127	1,331
Organisations assisted through operational subsidies	2	2

Focusing on asset management	Output 02-03	Output 03-04
AHO houses upgraded	491	386
Expenditure on AHO Upgrade Program		
Community houses repaired under the Repair and Maintenance Program	1,100	1,490
Expenditure under the Repair and Maintenance Program	\$4.150M	

Increasing access to housing	Output 02-03	Output 03-04
Total houses completed:		
• rural, regional and remote	87	89
• major urban	43	17
• total	130	106
New indigenous applicants for mainstream public housing	2,345	1,873
Total indigenous applicants for mainstream public housing	3,002	3,075
Indigenous households in mainstream public housing (based on Census data adjusted for undercounting)	8,700	8,700
Indigenous households in mainstream community housing (based on Census data adjusted for undercounting)	540	588
Properties sold to AHO tenants	6	6

Promoting Aboriginal employment	Output 02-03	Output 03-04
Housing units constructed/upgraded with Aboriginal trades people and trainees	241	126
Aboriginal building companies contracted	20	11
Aboriginal people studying for the Workplace Training and Assessment Certificate	10	8
Percentage of Aboriginal staff employed with the AHO	70%	75%

Report on Key Performance Areas

Developing a sustainable Aboriginal housing sector

Better service delivery

In 2003–04 the Aboriginal Housing Office continued to implement the recommendations of Service Improvement Project as outlined in the *Moving Forward* report. The changes have strengthened the AHO's ability to deliver regional services while clarifying the functions and responsibilities of our central office. Further improvement in service delivery will flow from our commitment to sustainability as a key objective in all policies and programs and enhanced internal business support systems.

Building the capacity of Aboriginal housing organisations

Major achievements over the reporting period in strengthening the management capacity of Aboriginal housing organisations included:

- implementation of mandatory key performance indicators for liquidity, insurance and rates
- finalisation of 14 housing agreements with funded organisations under the Housing Aboriginal Communities Program (HACP). The agreements included additional conditions designed to improve service delivery and are in accordance with the NSW Aboriginal Housing Policy
- assistance to organisations in developing their own policies and procedures through such means as the HOME training package, special funding for policy development, and the distribution of an AHO sample policy document which organisations can develop further with community input.

2003–04 also saw the AHO provide ongoing systems support to those Aboriginal housing organisations which had received computers and software as part of an IT upgrade. With an improved IT capacity, these organisations should be able to lift housing management and service delivery standards.

Sustainability

Present research shows that housing providers require continuing support to achieve sustainability, ie to maintain their housing business in the longer term.

The key to sustainability, it is generally accepted, is an integrated approach to:

- better housing design
- elimination of the maintenance backlog
- regular maintenance to maintain property standards and extend economic life
- improvement of the financial viability of community providers
- enhancement of the capacity of providers to engage with and effectively manage housing and tenancy issues
- encouragement of tenants to meet their housing responsibilities.

Other factors critical to sustainability are the capacity of the AHO to lead and support reform within the sector and the financial resources available to the AHO to deliver effective services.

Partnerships

To achieve better housing outcomes for Aboriginal people, the AHO must work cooperatively with other key stakeholders and agencies. One of our priorities is therefore to build on established partnerships with key NSW agencies including the Department of Housing, the Office of the Registrar of Aboriginal Corporations and the Department of Aboriginal Affairs as well as with the Commonwealth Government agencies delivering services to Indigenous Australians. We are also pursuing partnerships with other critical agencies such as the NSW Department of Health, NSW Department of Education and Training, local government, Aboriginal Hostels and the NSW Aboriginal Land Council.

A coordinated, partnership approach will result in a sustainable Aboriginal housing sector where the properties currently held in trust by the NSW Government can be transferred to community ownership, thus contributing to the long-term self-determination of Aboriginal people.

Registration

During the reporting period, the AHO progressed development of the Sector Information System as the base component of the Management Information System. Further system refinements led to an increase in the number of Aboriginal housing organisations that registered and submitted Expressions of Interest on-line. The regional offices managed both the registration and Expression of Interest processes following the devolution of responsibilities under the new organisational structure.

At the end of 2003–04, a total of 259 organisations were registered with the AHO.

Management standards

In 2003–04, seven Aboriginal community housing providers trialled the draft standards for managing Aboriginal housing and the self-assessment process. To assist the providers, the AHO conducted a Preparing

for Self-Assessment Workshop and developed manuals and other resources. The AHO's Service Improvement and Accreditation Team also facilitated focus groups and helped provider staff to collect data and complete the self-assessment workbooks.

The self-assessment trial is now coming to an end. To date, five of the participating housing providers have either submitted their self-assessment workbooks and supporting documents or are preparing to do so. After analysing the results, the AHO will finetune the process. Analysis will involve comparison of each provider's self-assessment against the standards and against other providers.

As participating providers complete self-assessment, all are identifying areas in which they need further development. The AHO therefore proposes that the Service Improvement and Accreditation Team and the individual providers work together with other AHO units as necessary to develop an action plan to address identified issues. Once the provider has implemented their plan they should be ready to apply for accreditation.

Case Study 1: Accommodating special needs in Wagga Wagga

Thanks to the AHO, the parents of a young woman who had suffered a brain injury are better able to care for their daughter and help raise her small children.

Initially they struggled to find suitable accommodation when the Wagga Wagga community assisted in bringing Natalie home from a Sydney hospital.

Now, following the intervention of the AHO, the parents live in a specially modified home. With support from the local Aboriginal medical service and the Southern Area Health Service, they can look forward to a more secure future.



Management models

The AHO successfully established three organisations under the Management Models strategy:

- the South East Aboriginal Regional Management Service which covers Bateman's Bay, Ulladulla, Mogo, Moruya and Bodalla
- the Macleay Aboriginal Housing Association covering the Macleay Valley and Kempsey area
- the Mid Lachlan Aboriginal Housing Management Association which covers the Condobolin, Parkes, Forbes, West Wyalong, Cowra, Murrin Bridge and Lake Cargelligo area.

Their establishment will lead to improved service delivery in the above areas through the development and implementation of housing, governance and asset management policies and business plans.

We are still working with local communities to finalise the establishment of management models in the Armidale and Yass/Goulburn areas.

Skills development

The 2003–04 statistics for the Kungala Training and Career Development Unit show increased training participation. Over the course of the year:

- 28 Aboriginal community housing workers participated in the HOME accredited training
- eight Indigenous trainers completed the Certificate IV in Workplace Training and Assessment
- an additional eight Indigenous trainers commenced a Certificate IV in Workplace Training and Assessment.

The Unit continued to implement the Memorandum of Understanding with the NSW Department of Education and Training for the delivery of HOME by the Department.

Communication and community consultation

The regional Aboriginal housing summits organised across the State provided an opportunity for stakeholders to air their views on how the AHO operates. The focal issues were the NSW Aboriginal Housing Act 1988, the Aboriginal Rental Housing Program, the strategic plan for 2004–05 to 2006–07

and the Asset Transfer Strategy as it relates to sustainability of the indigenous housing sector. A good cross section of the Aboriginal community representatives and service providers attended the summits which were held in Marrickville, Campbelltown, Merimbula, Queanbeyan, Bathurst, Griffith, Cobar, Tamworth, Grafton and Newcastle.

Increased focus on asset management

Community organisations

In 2003–04, the AHO continued to promote best practice in asset management by community housing organisations. Experienced AHO project officers inspected community houses and assisted providers to develop strategies for maintenance and upgrades.

With the recruitment of two additional Aboriginal project managers, the AHO was able to increase the level of support to providers through inspections and assistance with engagement of building contractors and contract supervision. The development of project management skills for the staff of community organisations was also a priority.

Case Study 2: A 'first home' delights in Broken Hill

After living in caravans and humpies all his life, one old man was overwhelmed with happiness to move into a refurbished unit. The unit is in a block recently transferred to the Aboriginal community of Broken Hill from the Aboriginal Housing Office.

Identified by the Murdi Paaki Regional Aboriginal Housing Committee as housing for the elderly, the units were modified to make them more culturally appropriate and give a 'small community' appeal. The units are a safe haven and promote social interaction.

The Weimija Aboriginal Corporation manages the units under a head lease while the Thankakali Community Development Employment Program, Broken Hill Aboriginal Medical Service and Home Care all provide services.

Repair and maintenance of community housing

The Repairs and Maintenance Program for 2003–04 was the largest to date, with expenditure of \$12.9M on around 1,500 houses. The proportion of funds allocated to AHO-managed health and safety works was also the largest since the program's inception.

The scale of the program and the inexperience of some housing providers necessitated the active involvement of AHO staff in contract letting and administration. Our involvement ensured that maintenance essential to the longer term viability of housing stock was undertaken.

Upgrading of AHO dwellings

During the year, \$13.37M was spent on upgrading 386 houses owned by the AHO. Aboriginal builders worked on a third of the upgrade projects under the program which generated training and employment opportunities for Indigenous people across the State.

As the AHO Upgrade Program enters its final year, the AHO expects to deal with some complex upgrading issues.

Securing community-owned assets at risk of loss

The AHO intervened to prevent the loss of 18 dwellings and four vacant sites to the community. Intervention took the form of paying debts, primarily council and water rates, and completing the transfer of the properties from three Aboriginal community housing providers.

AHO acquisitions

The AHO directly acquired 18 dwellings, including one in Wagga Wagga for a client with special needs (see the following case studies). All acquisitions were successfully completed within the program year.

With an additional \$5M in unspent funds from ATSIC's Community Housing and Infrastructure Program (CHIP), the AHO was able to acquire a further 13 houses for needy families across the State.

Housing for Health

Under the national 1,000 Houses Program, the AHO completed the survey, fix and upgrade of 190 houses in eight communities in the South Eastern Region. Managing agency the Illawarra Area Health Service spent \$0.38M provided by ATSIC, the AHO and the NSW Department of Health on the program in 2003–04.

Increased access to safe, affordable, and culturally appropriate housing

Housing commitments and completions

A total of 94 units were completed under the Aboriginal Housing Program – 45 units under the Housing Aboriginal Communities Program (HACP) and 49 under AHO programs.

The following table shows the number of dwelling commitments and completions under the Aboriginal Housing Program by region in 2003–04. Commitments in one year are often completions in the following year and therefore the two totals are not cumulative. The AHO commenced (committed) 70 units under the HACP and AHO programs during the year.

Thirty-one per cent of program expenditure was directed to recurrent programs and 69 per cent to capital programs.

AHO Board at an open forum in Byron Bay





2002-03 Aboriginal Housing Program commitments and completions

REGION	Commitments			Completions		
	AHO	HACP	Total	AHO	HACP	TOTAL
Sydney	5	1	6	11	5	16
South Eastern	9	1	10	10	6	16
Many Rivers	4	11	15	5	13	18
Kamilaroi	5	4	9	11	5	16
Binaal Billa	10	10	20	8	13	21
Murdi Paaki	0	10	10	0	7	7
TOTAL	33	37	70	45	47	94

Housing ownership

At 30 June 2004, it was estimated that NSW Aboriginal community housing organisations owned 4,250 dwellings and the AHO 4,124 dwellings.

Appropriate location of housing — targeting identified need

Allocation of capital funding for 2003–04 under the Aboriginal Housing Program was decided after a two-tier assessment process. The first tier involves an analysis of comparative need in the regions for regional allocation purposes, taking into consideration such factors as homelessness, overcrowding and housing affordability. We use the same approach as the analysis of the 1996 Census commissioned by ATSIC which examined the severity of need rather than just the number of households in need.

The second tier involves each regional Aboriginal housing committee (RAHC) undertaking an analysis of projects in their own regions to determine needs-based allocation. The RAHCs take into account available data on housing need, local knowledge, housing management practices, and the availability of funds.

Addressing high needs target groups

The Strategic Planning, Development and Evaluation Unit and regional staff worked in conjunction on

several projects. Some were AHO initiatives while others involved a partnership approach. Among the projects is the Inner City Homelessness Research Project which commenced in June 2004 and is scheduled to conclude by November 2004.

Projects that specifically target youth include the Nowra Youth Project which will support and assist young Aboriginal people who are either homeless or at risk of being homeless. It aims to provide short to medium term accommodation and ensure better access to services through case management and partnership agreements with local agencies.

The Albury/Wodonga Research Project aims to assess the crisis accommodation needs of local Aboriginal youth and the suitability of Crisis Accommodation Program (CAP) and Supported Accommodation Assistance Program (SAAP) models to the Albury Wodonga region, including models from other regional areas and capital cities.

The Nowra Women's Project (Bomaderry) provided two houses for medium term supported accommodation for Aboriginal women. The houses will be managed under a partnership involving Waminda Aboriginal Women's Health and Wellbeing, Nowra Women's Housing and the AHO.

The RAHCs are yet to identify projects in the Many Rivers, Kamilaroi and Murdi Paaki regions.

Service agreement with the Department of Housing

The service agreement between the AHO and the Department of Housing (DOH) was reviewed and renegotiated for 2003-04. The agreement focuses on ensuring property and tenancy management services are delivered in a timely, culturally appropriate and cost effective manner.

We continued to seek improvements in DOH service delivery to Aboriginal tenants through ongoing performance monitoring and regular discussion.

Delivery of AHO capital works programs

Service delivery by Resitech was monitored to ensure houses provided under AHO programs meet the NSW Standards for Building and Buying Aboriginal Housing. We continued a review of the standards. The review will include monitoring standards implementation and promotion of the standards to relevant stakeholders, including Aboriginal housing organisations and project managers.

Mainstream housing policy

Both the AHO and the Board have advisory roles. In 2003-04, the Board advised the Minister on a range of housing issues while the AHO communicated with Department of Housing on policy issues affecting Aboriginal people.

Access to mainstream programs

The AHO ensured that Aboriginal housing organisations had access to mainstream housing programs, as well as to programs specifically funded for Aboriginal people, by keeping all registered organisations informed of mainstream funding opportunities.

Long-term tenure

The long-term tenure pilot for AHO tenants responds to the Aboriginal community's call for improved access to the benefits of home ownership while at the same time ensuring that housing is retained for the long-term benefit of low-income households.

The pilot project entails:

- preparation of legal documentation
- development of a residents' support package
- finalisation of the selection criteria for targeted households
- finalisation of the split of responsibilities between housing providers and beneficiaries.

The households selected for the pilot will have to demonstrate their capacity to take on the broader responsibilities of home tenure. To assist them, we plan to offer a training program in budgeting and home management skills. The trial will commence in selected communities later in 2004.

Home ownership policy

Last financial year the AHO negotiated with ATSIC to expand their existing Home Ownership Program (HOP) in NSW into a jointly funded Home Purchase Scheme. Both parties agreed to provide \$1M to help AHO tenants who meet the HOP criteria to purchase their own homes. The scheme will also assist eligible tenants with legal and conveyancing costs.

To date there have been 180 enquiries in regard to the Home Ownership Program. We anticipate that the first loan will be finalised by September 2004.

Promoting employment opportunities for Aboriginal people

Industry employment

The AHO aims to ensure that Aboriginal people have access not only to work opportunities in housing construction and maintenance, but also to tailored education programs which will equip them for a career in the construction industry.

Some of the year's success stories were:

- Participation of Aboriginal builders/enterprises in various programs. Although the number of properties completed by Aboriginal builders under the AHO Upgrade Program was down on that for 2002-03, some builders expanded their operations across other AHO and DOH programs. For example, Diz Home Improvements won an Accelerated Improvement Program contract for 83 dwellings



and Thankakali AC successfully tendered for the Weimija AC upgrading works.

- Aboriginal builders and individual trades contractors were engaged under the Repairs and Maintenance Community Assets Program at Wallaga Lake, Peak Hill, Parkes, Gilgandra, Wee Waa and Orient Point. Contracts were let to Community Development Employment Programs at Gilgandra (12 houses), Narrandera (8 houses) and Murrin Bridge (12 houses).
- The AHO funded six workers under the Healthy Housing Worker Program in the Murdi Paaki Region.

Builders' directory

The directory, launched in 2002 on our website at www.aho.nsw.gov.au, offers a region-by-region contact listing of licensed Aboriginal builders and tradespeople. Already a useful resource for the community housing sector, the directory was expanded following an advertising campaign in the Koori Mail to attract additional listings.

The listings are free and, once registered with the directory, builders can change their details online.

Aboriginal Housing Office employment

The organisational restructure led to positive changes in the AHO's employment profile. In comparison to the previous financial year:

- the percentage of Aboriginal staff up by 4 per cent
- the number of permanent full-time staff was up by 51 per cent
- the number of permanent full-time Aboriginal staff was up by 69 per cent
- temporary full-time staff numbers were down by 59 per cent
- 21 per cent of non-identified positions were held by Aboriginal staff.

Maintaining and building the capacity of the AHO

2003–04 was an active year for the Aboriginal Housing Office in corporate and business management with substantial progress made in building the capacity of the AHO to meet its obligations and continually improve business performance.

Moving forward

Last year's annual report set out the office's plans to improve service delivery through adopting a new service model. The model strengthens the AHO's organisational structure, provides more opportunities for staff to grow and utilises technology to work smarter.

Underpinning the model was the philosophy that the regional offices are best placed to build relationships with local community housing providers and engage them in the planning and delivery of all Aboriginal housing programs. The central expertise areas of training, program policy and research and asset management were grouped together under a single branch head, the Executive Director Community and Housing Services. Additional positions were added in high work load areas.

In summary, the structural changes have resulted in:

- an increase in the total staff establishment from 55 to 73
- an increase in the number of 'identified' positions from 16 to 48
- an increase in the number of permanent positions from 34 to 63
- a reduction in the number of temporary positions from over 21 to 10.

Milestones in this financial year were as follows:

July:

new organisation structure finalised including the number and type of positions.

August:

job analyses, design and evaluation finalised, resulting in new position descriptions in a consistent format.

September – October:

internal redeployment of eligible staff to new positions.

November:

external advertising of remaining vacant positions.

Human resources development

In July 2003, the AHO finalised a comprehensive human resources development framework which was subsequently endorsed by the management team. By the end of 2003–04, two of the framework

components (job analysis, design and evaluation and planning development and review – work plans) had been implemented and two were still in development (the induction program and the managers' toolkit. Work on the remaining components (Aboriginal employment strategies and career development – skills development) will carry over into the new reporting period.

Risk management and internal audit

Using the findings of the detailed risk assessment completed by the AHO management team, the internal audit program examined those operational areas where management controls are either being developed or are not yet well tested including:

- compliance with funding agreements
- tests of internal controls on the recording and reporting of AHO rental operations transactions
- review of delegations and procedures.

The Internal Audit Bureau was contracted for auditing purposes and additionally assisted the AHO by researching and developing reporting requirements for the housing management models.

The AHO self-insures its properties against fire and bears the cost of all fire damage. An analysis of insurance premiums shows a positive cost to benefit ratio. Major catastrophe insurance is covered through a shared policy with the Department of Housing.

The AHO contributes to the Treasury Managed Fund for workers' compensation, motor vehicle accidents, property loss, public liability and various other insurance risks.

Financial management

The AHO met all program expenditure targets in 2003-04 and, at the same, time kept within the administration budget. This pleasing result was achieved with the assistance the new internal Program Management Group which met regularly throughout the second half of the financial year to review program progress and take corrective action where necessary.

During 2003-04, AHO revenue was higher than the previous year mainly due to ATSIC (CHIP) funding of \$17.990M (\$12.635M in 2002-03) and ACDP funding of \$11.590M (\$6.249M in 2002-03).

The AHO provided grants and subsidies (excluding ACDP) of some \$41.699M (\$37.748M in 2002-03).

	2004 \$,000	2003 \$,000
Total Revenue from Ordinary Activities	93,270	81,076
Total Expenses from Ordinary Activities	81,961	69,752
OPERATING SURPLUS FROM ORDINARY ACTIVITIES	11,309	11,324
Net increase in asset revaluation reserve	131,638	121,049
Net changes to Equity	142,947	132,373
Total Current Assets	34,192	42,890
Total Non-Current Assets	825,822	678,089
Total Current Liabilities	17,742	21,674
Total Non-Current Liabilities	411	391
TOTAL EQUITY	841,861	698,914
NET INCREASE / (DECREASE) IN CASH	(13,593)	1,796
CASH AND CASH EQUIVALENTS	27,400	40,993

Investment advice

The AHO holds some \$27M in cash or investments. The AHO's investment advice is shown in the Financial Statements of this report.

Liability management performance

The AHO does not have a debt greater than \$50M. Current liabilities of \$17.7M are largely comprised of trade creditors (\$16.093M).

Review of the NSW Aboriginal Housing Act 1998

The AHO conducted the review of the Act on behalf of the Minister for Housing. Consultation was extensive, with stakeholders able to make both written and oral submissions. At the same time, the Bilateral Housing Agreement¹ was also under review. Since many of the issues covered by the two reviews overlapped, the consultations were run simultaneously.

As discussed in the Chief Executive's report, the review of the Act found that the model for planning, delivery and evaluation of Aboriginal housing programs in NSW is sound.

Information management and technology

Significant actions under the AHO's updated information management and technology plan included:

- approval of plans to establish an updated Wide Area Network – more effectively linking regional offices with the server in head office through faster and more reliable communication lines
- purchase of video conferencing equipment to fully utilise the new communication lines and reduce travel costs and attendant staff disruption
- further development and testing of the on-line registration system.

Office facilities

Following preparation of a rigorous business case and conduct of feasibility study in November 2003, the AHO decided to relocate its central Parramatta office later in 2004. The new office is situated on level 6, 33 Argyle Street, Parramatta.

The Department of Commerce was engaged to conduct the tender and procurement process for the office fit-out.

Aboriginal Housing Information Service

The AHO established the service to meet the demand for housing information – a demand that other services are unable to satisfy as indicated by the low take-up rate by Aboriginal people of several major housing programs. The Aboriginal Housing Information Service does not have tenant advocacy role but makes sure that Aboriginal people understand their housing options and rights.

The Service staff comprises two full-time project officers and two administration officers working on rotation in the AHO's Parramatta office. As well as answering queries, the service develops communication strategies and referral protocols with other agencies. From November 2003 to 30 June 2004 the service answered over 500 queries.

¹ Agreement on the Provision and Management of Housing and Housing Related Infrastructure for Aboriginal and Torres Strait Islanders 2001 – 2004 (the Bilateral Agreement). This agreement is between the Commonwealth Government, the State Government and the Aboriginal and Torres Strait Islander Commission, and sets out the administrative arrangements for the funding of Indigenous housing in NSW.

Case Study 3: Armidale house designed with caring in mind

Construction of a specially designed house by the AHO will allow an Armidale family to continue to care for their disabled child.

Built almost entirely by Aboriginal apprentices, the house features large living and dining areas, a spacious open patio, a full bathroom plus ensuite to the main bedroom and a double lockup garage. The backyard is landscaped.

With the project completed ahead of schedule, all that remains is for the family to move in.

Appendices

Service standards

The AHO has a service agreement with the Department of Housing for the provision of tenancy and property management services for properties owned by the AHO, and an agreement with the Central Corporate Services Unit for the provision of information technology, human resources, finance and office services. The AHO regularly monitors the service and performance standards set by the two agreements.

Code of Conduct

The full AHO Code of Conduct was published in the 2001-02 Annual Report. No significant alternations were made to the code in the reporting period.

A code of conduct for members of the NSW Aboriginal Housing Office Board appears in the Board's Protocol and Procedures.

Customer guarantee

The AHO keeps in touch with customer needs through numerous workshops and meetings, including regional housing summits and Board and RAHC open forums, as well as through AHO representation on significant external committees.

During 2003-04, the AHO formalised the establishment of an Aboriginal Housing Information Service to provide information to Aboriginal people regarding their housing options and accessing services provided by other agencies.

Consumer response

AHO staff manage complaints, advising the CEO of the complaint and the outcome. Formal complaint handling and appeals mechanisms for the Aboriginal community housing sector are outlined in the HACP Policy Statement and Minimum Criteria.

Complaints by AHO tenants are generally handled by the Department of Housing in accord with the service agreement between the AHO and the Department. Under this agreement, AHO tenants and applicants for AHO housing have access to the Department's formal complaints and appeals mechanisms, including the Client Feedback Line and the Housing Appeals Committee.

Complaints in 2003-04 involved tenancy and property management matters and housing applications. The AHO continued to work with the Department to ensure that complaints were handled in a sensitive and expeditious manner.

Freedom of Information

The AHO received no FOI requests in the reporting year compared with one in the previous year.

Privacy Management Plan

The AHO did not receive any complaints under Part 53 of the *Privacy and Personal Information Protection Act 1998*.



Publicity and promotion

The following publications were available from the AHO in 2003–04 and published on the website at www.aho.nsw.gov.au:

- 2003–04 Business Plan
- Annual Report 2002–03
- *Housing Hints*
- Kungala newsletters
- Strategic Plan Supplement 2003–04.

Committees

The AHO was represented on the following significant external committees:

Chief Executive Officers Group on Aboriginal Affairs	Russell Taylor
Community Housing Advisory Board	Ann Weldon
Homelessness Action Team	Russell Taylor
Housing Advisory Group	Ann Weldon
Housing Ministers Advisory Council	Ann Weldon
Residential Tenancy Tribunal Social Housing Committee	Ann Weldon
Standing Committee on Indigenous Housing	Russell Taylor
Supported Accommodation Advisory Committee	Ann Weldon

Economic factors

The operations of the AHO were largely unaffected by external economic factors. As the AHO is involved in the provision of social housing, rather than property development or speculation, the active property market had a minimal impact on service provision.

Price determination

The AHO was not subject to a determination or recommendation of the Independent Pricing and Regulatory Tribunal.

Credit card certification

In accordance with Treasurer's Direction 205.01, it is certified that credit card usage by officers of the AHO was in accordance with appropriate government policy, Premier's Memoranda and Treasurer's Directions.

Payment of accounts

The AHO uses the Central Corporate Services Unit account payment services. In 2003–04, all accounts were paid within the time stipulated by suppliers.

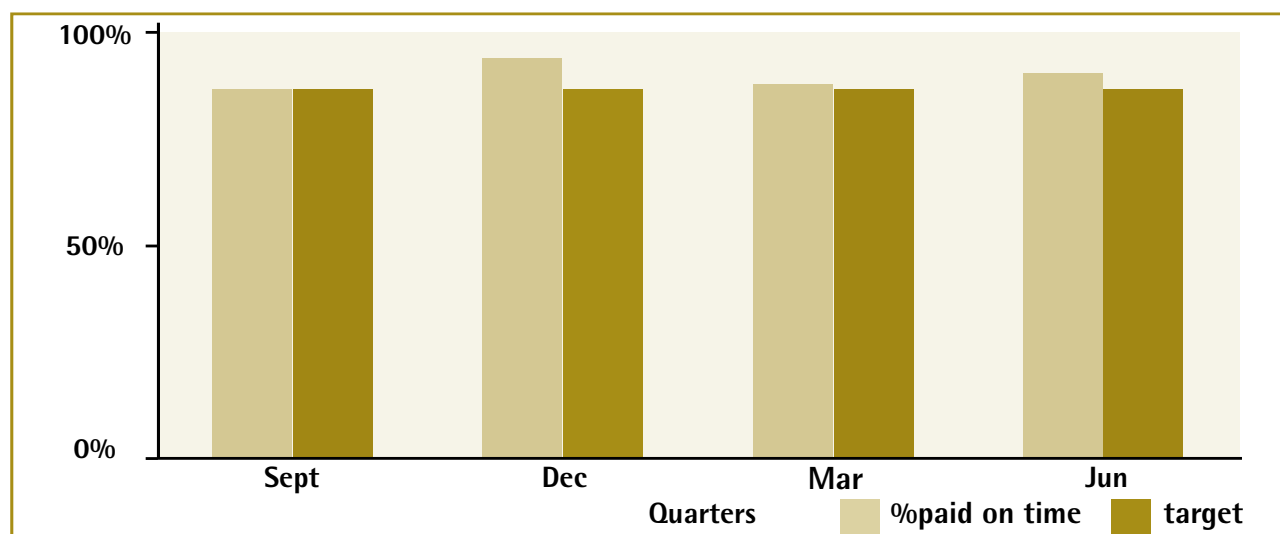
Aged analysis at the end of each quarter

Quarter	Current (ie within due date)	Less than 30 days overdue	Between 30-60 days overdue	Between 61-90 days overdue	More than 90 days overdue
September	3,376	0	0	0	0
December	0	0	0	0	0
March	31,354	0	0	0	0
June	314,395	0	0	0	0

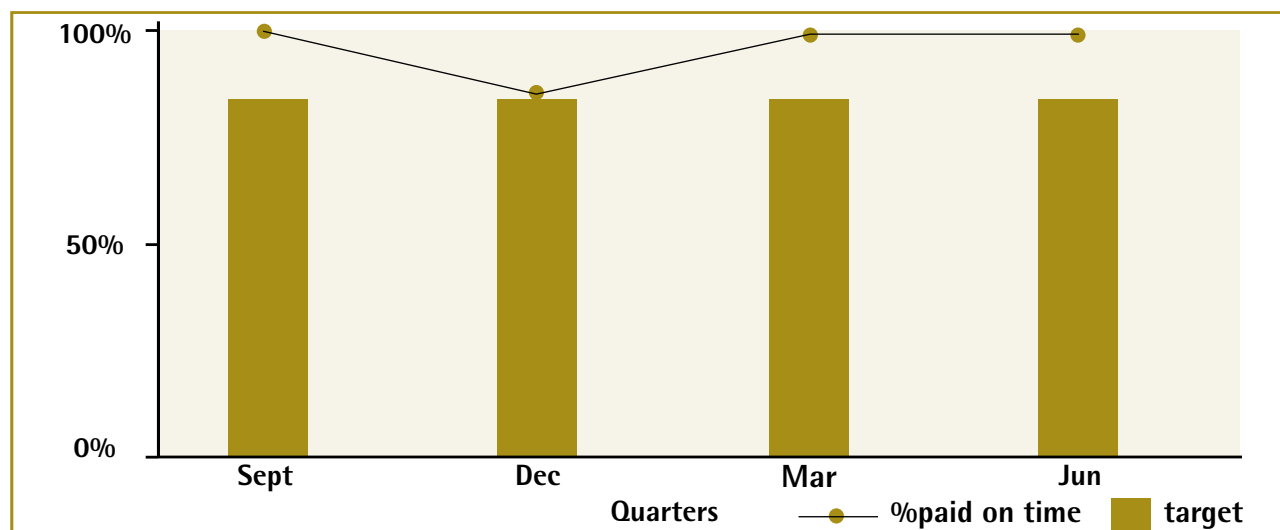
Accounts paid on time within each quarter

Quarter	Target	Actual	\$	Total amount paid \$
September	88%	88%	21,476,038	21,611,358
December	88%	94%	8,048,170	9,075,764
March	88%	89%	17,767,064	17,853,324
June	88%	92%	35,202,625	35,370,161

AHO 2003/2004 Analysis of Accounts paid on Terms by Number



AHO 2003/2004 Analysis of Accounts paid on Terms by Amount





During 2003–04 there were no instances where penalty interest was paid in accordance with section 18 of the Public Finance and Audit (General) Regulation 1995.

There were no significant events that affected payment performance during the reporting period.

Consultants

There was no individual consultancy project costing over \$30,000 in 2003–04.

The AHO engaged seven consultants to undertake projects costing less than \$30,000 each. The total cost of these consultancies was \$31,263 (seven consultants and a total project cost of \$39,300 in 2002–03).

Staffing

Staff distribution by remuneration level

LEVEL	TOTAL STAFF	Men	Women	Aboriginal people & Torres Strait Islanders	People from Racial, Ethnic, Ethno-Religious Minority Groups	People whose Language First Spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
< \$30,146	1	1	0	1	0	0	0	0
\$30,146 - \$39,593	0	0	0	0	0	0	0	0
\$39,594 - \$44,264	3	0	3	3	0	0	0	0
\$44,265 - 56,012	15	2	13	11	1	1	0	0
\$56,013- \$72,434	29	15	14	23	3	3	2	1
\$72,435 - \$90,543	11	6	5	8	2	2	0	0
> \$90,543 (non-SES)	2	2	0	0	0	0	0	0
> \$90,543 (SES)	2	2	0	2	0	0	0	0
TOTAL	63	28	35	48	6	6	2	1

Staff distribution by employment basis

LEVEL	TOTAL STAFF		Men	Women	Aboriginal people & Torres Strait Islanders	People from Racial, Ethnic, Ethno-Religious Minority Groups	People whose Language First Spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment
Permanent	Full-Time	47	18	29	39	6	6	2	1
	Part-Time	0	0	0	0	0	0	0	0
Temporary	Full-Time	9	5	4	7	0	0	0	0
	Part-Time	2	0	2	0	0	0	0	0
Contract	SES	2	2	0	0	0	0	0	0
	Non SES	2	2	0	0	0	0	0	0
Training Position	1		1	0	1	0	0	0	0
Casuals		1	0	1	1	0	0	0	0
TOTAL		64	28	36	48	6	6	2	1

Controlled entities Nil**Research and development**

While the AHO does not conduct specific research and development, we contributed to research on provision of social housing services, particularly research relating to unmet Indigenous housing need and inner city homelessness.

Performance Statement of the Chief Executive

Name: Russell Taylor

Position: Chief Executive, SES Level 4

Period in Position: From 5 October 2003 to 30 June 2004

Results: Following his appointment, the Chief Executive signed a performance agreement with the Minister. The agreement allows for yearly reviews of the Chief Executive's performance by the Minister. The first review is due to commence in October 2004.

The key result areas in the performance agreement include:

- leadership and management

- provision of advice
- sound resource management
- AHO rental portfolio management
- delivery of the 2003-04 Aboriginal Housing Program
- management of relationships with the Board, Minister, other agencies, the Aboriginal community housing sector, and the Aboriginal community.

Equal Employment Opportunity

(Incorporates NSW Government Action Plan for Women and Ethnic Affairs Priorities Statement (EAPS).

Achievements during 2003-04 were:

- the filling of 75 per cent of permanent and temporary AHO positions by Aboriginal staff compared with 70 per cent in 2002-03
- the filling of 54 per cent of permanent and temporary AHO positions by women compared with 55 per cent in the previous year.

The following two tables show the results achieved through corporate commitment to the employment of minority groups.



Trends in representation of EEO groups (% of total staff)

EEO Group	Target	2000	2001	2002	2003
Women	50	53	55	54	55
Aboriginal people & Torres Strait Islanders	2	68	35	51	54
People whose first language was not English	19	17	13	24	22
People with a disability	12	6	9	19	18
People with a disability requiring work-related adjustment	7	0	3	19	3

Trends in distribution of EEO groups (Distribution Index *)

EEO Group	Target	2000	2001	2002	2003
Women	100	Not Calc	75	82	88
Aboriginal people & Torres Strait Islanders	100	Not Calc	Not Calc	78	89
People whose first language was not English	100	Not Calc	Not Calc	Not Calc	Not Avail
People with a disability	100	Not Calc	Not Calc	Not Calc	Not Avail
People with a disability requiring work-related adjustment	100	Not Calc	Not Calc	Not Calc	Not Avail

(* A Distribution Index of less than 100 means that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff.

The Index is not calculated where the number of staff in the Group is less than 20.

As voluntary responses were fewer than 80% some Indexes are Not Available.)

Disability Strategic Plan

All AHO offices are located in buildings with good physical access for people with disabilities. Access issues are considered when venues are selected for consultation and training purposes.

The AHO has a Disability Strategic Plan which was prepared in consultation with the former Ageing and Disability Department.

Occupational health and safety

No reported incidents occurred during 2003-04.

Overseas visits

No AHO officer travelled overseas for official purposes during 2003-04.

Funding to non-government organisations

Grants for housing acquisition, land acquisition and construction 2003-04

Organisation	\$,000
Sydney Region	\$,000
Deerubbin LALC	800
Metropolitan LALC	78
Illawarra AC	277
South Eastern Region	\$'000
Cobowra LALC	600
Browns Flat AC	300
Many Rivers Region	\$'000
Wandiyali ATSI Inc	935
Awabakal Newcastle Aboriginal Co-op Ltd	320
Nambucca Heads LALC	232
Coffs Harbour & District LALC	245
Gugin Guddubba	400
Ngulingah LALC	650
Mindaribba LALC	650
Kamilaroi Region	\$'000
Narrabri LALC	260
Guyra LALC	200
Nungaroo LALC	316
Murdi Paaki Region	\$'000
Dareton LALC	20
Murdi Paaki Regional Housing	20

Repairs and Maintenance Grants 2004-05

Organisation	\$
Sydney Region	\$
La Perouse LALC	403,200
Eastern Zone Aboriginal Housing LTD	110,300
Aboriginal Housing Company	726,039
Gerringong AC	44,000
South Eastern Region	\$
Merrimans LALC	193,050
Munjuwa Health & Housing Corp	27,500
Jerrinja LALC	193,050
Gunangarah Housing AC	27,500
South Eastern Aboriginal Regional Management Services	1,369,189
Many Rivers Region	\$
Awabakal Newcastle Aboriginal Co-op Ltd	258,500
Nambucca LALC	121,000
Casino/Boolangle LALC	7,700
Foster LALC	275,000
Nungera Co-op Society Ltd	74,500
Ngulingah LALC	38,500
Yaegl LALC	47,300
Bundjulong Tribal Society	122,100
Buyinbin AC Casino	57,200
Gumbangerrie AC	115,500
Maclean Aboriginal Housing Association Cooperative Ltd	1,419,000
Kamilaroi Region	\$
Glen Innes LALC	99,000
Guyra LALC	107,800
Mrangalli AC (Inverell/Tinga)	165,000
Wanaruah LALC (Mswelbk)	60,500
Nungaroo LALC	55,000
Uralla Aniwaniwani AC	44,000
Moych "Swamp" AC (Uralla)	88,000
Hunter Valley AC (Mswelbk)	42,900
Tamworth LALC	132,000
Wee Waa LALC	69,300
Moombahlene LALC	71,500

Binaal Billa Region	\$
Wamba Wamba LALC	110,000
Deniliquin LALC	110,000
Balranald LALC	55,000
Narromine LALC	55,000
Woomera LALC	88,000
Wagga Wagga LALC	66,000
Waddi Housing	7,700
Warren LALC	77,000
Leeton & District LALC	41,800
Dubbo Koori Housing	77,000
Wellington LALC	110,000
Hillston LALC	44,000
Hay LALC	27,500
Orange LALC	22,000
Narrandera LALC	82,500
Cudjalong AC	156,387
Lithgow LALC	11,000
Mid Lachlan Aboriginal Housing Management Cooperative Ltd	1,952,653

Murdi Paaki Region	\$
Barriekneal LALC	110,000
Nyampa/Menindee LALC	330,000
Ivanhoe AC	110,000
Wentworth/Dareton	550,000
Collarenebri LALC	220,000
Wilcannia LALC	161,700
Weilmoringale LALC	269,500
Walgett LALC	220,000
Wanaaring LALC	82,500

Administrative grants 2002-03

Organisation	\$
Aboriginal Housing Company	84,700
Murdi Paaki Regional Housing Corporation Ltd	530,200

AA = Aboriginal Association
AC = Aboriginal Corporation
AHC = Aboriginal Housing Corporation
HC = Housing Corporation
LALC = Local Aboriginal Land Council



Index

1,000 Houses Program	21	housing organisations	17, 18, 20, 22, 34-36
Aboriginal Communities Development Program	4	information service	26
Aboriginal Hostels	19	information management and technology	19, 26
Aboriginal Housing Information Service	26	internal audit	25
Aboriginal Housing Program	21, 22	investments	26
Aboriginal Rental Housing Program	3, 20	key performance areas	8, 18-26
account payment	28-29	Kungala Training and Career Development Unit	8, 20
acquisitions	21	legislation – (see NSW Aboriginal Housing Act 1998)	
asset management	20-21	liability management	26
ATSIC	3, 4, 11, 21	long-term tenure	23
bilateral agreement	3, 5	management models	20
Board		management standards	8, 19
appointment, composition, role	11-12	<i>Moving Forward</i> report	5, 18
meetings	12	<i>NSW Aboriginal Housing Act 1998</i>	4, 5, 7, 20, 26
member profiles	13-14	NSW Aboriginal Land Council	19
builders' directory	24	NSW Dept of Aboriginal Affairs	4, 19
capital works	23	NSW Dept of Education and Training	19
case studies	19, 20, 26	NSW Dept of Health	19, 21
CentrePay	17	NSW Dept of Housing	19, 23
Chairperson		occupational health and safety	32
profile	13	office hours	10
report	3-4	office relocation	5-6, 26
charter	7	organisation chart	9
Chief Executive		overseas visits	32
appointment	4	partnerships	19
performance	31	performance summary	17
report	5-6	price determination	28
Code of Conduct	27	Privacy Management Plan	27
committees		publicity and promotion	28
external	28	regional Aboriginal housing committees	11, 16, 22
internal	15-16	registration system	19
Commonwealth Government	3-4, 5, 19	Repair and Maintenance Program	17, 21
Community Housing Infrastructure Program	3, 21	research and development	31
consultants	30	restructure	5, 8, 18, 24
consultation (see summits)		risk management	25
consumer response	27	role and functions	7
contact details	10	senior management	9
corporate plan	5	SES performance	31
credit cards	28	staff	
crisis accommodation	22	development	5, 24-25
customer guarantee	27	profile	24
Disability Strategic Plan	32	statistics	30-31
employment promotion	17, 23-24	standards	
Equal Employment Opportunity	31-32	building and buying	23
financial management	25	service	26
Freedom of Information	27	structure	5, 8-9, 18, 24
funding (for AHO)	3-4, 5, 19	summits	4, 8, 20
grants to non-government organisations	32-33	sustainability	5, 8, 18-19
home ownership	23	training for community housing organisations	20
HOME training	18, 20	Upgrade Program	17, 21, 23
homelessness	22	website	10, 28
Housing Aboriginal Communities Program	18, 21		
housing agreements	18		
housing completions	21, 22		

**Organisations registered under the
NSW Aboriginal Housing Act 1998**

Aboriginal Dance Theatre Redfern
Aboriginal Housing Company Ltd

Albury and District Local Aboriginal Land Council
Allawah Aboriginal Corporation
Amaroo Local Aboriginal Land Council
Anaiwan Local Aboriginal Land Council
Anya-Gunya Housing Aboriginal Corporation
Arakwal Aboriginal Corporation
Araluen Aboriginal Corporation
Armidale Balaapiny Housing Aboriginal Corporation
Armidale Local Aboriginal Land Council
Ashford Local Aboriginal Land Council

Bahtabah Local Aboriginal Land Council

Bankstown Aboriginal Resource Centre
Baradine Aboriginal Corporation
Barjai Aboriginal Corporation
Barrun-bari Aboriginal Corporation
Bega Local Aboriginal Land Council
Belongil Aboriginal Association Inc
Bermagui-Gaunju Aboriginal Housing Co-operative
Bid-ee-gal Aboriginal Corporation for Housing
Big River Dreaming

Billong Housing Aboriginal Incorporated
Binni Aboriginal Corporation
Birpai Local Aboriginal Land Council

Birrigan Gargle Local Aboriginal Land Council
Blacktown Aboriginal Corporation
Boggabilla Aboriginal Corporation
Bohda Ltd
Bonolbo Aboriginal Corporation
Boomerang Housing and Advancement Corporation Ltd
Boree Aboriginal Corporation
Bowraville Local Aboriginal Land Council
Brewarrina Local Aboriginal Land Council

Broken Hill Local Aboriginal Land Council
Budawang Aboriginal Corporation
Bundjalung Elders Council Aboriginal Corporation
Bundjalung Tribal Society
Burabi Aboriginal Corporation
Christian Aboriginal and Torres Strait Islanders Corporation
Coastal Housing Multi Services Aboriginal Corporation

Cobar Aboriginal Advancement Association
Collarenebri Local Aboriginal Land Council
Condobolin Local Aboriginal Land Council
Coolabah Aboriginal Corporation
Coomaditchie United Aboriginal Corporation
Coomealla Aboriginal Housing Company Ltd
Coonabarabran Local Aboriginal Land Council
Cudjallagong Aboriginal Corporation
Dareton Local Aboriginal Land Council
Deniliquin Local Aboriginal Land Council
Dharawal Aboriginal Corporation Community Association
Dorrigo Plateau Local Aboriginal Land Council
Eastern Zone Aboriginal Housing & Community Corporation
Eden Local Aboriginal Land Council
Ganja Housing Aboriginal Corporation
Gerringong Housing Aboriginal Corporation
Gidabel Aboriginal Corporation
Gilgandra Aboriginal Corporation
Goodagah Limited
Goodagan Aboriginal Corporation
Goodooga Local Aboriginal Land Council
Grafton Aboriginal Housing Association Inc
Grafton Ngerrie Local Aboriginal Land Council
Greater Lithgow Aboriginal and Torres Strait Islander Housing Corporation
Gumbangerri New England Aboriginal Elders Tribal Regional Council
Gumtree Housing Aboriginal Corporation
Gunangarah Housing Aboriginal Corporation
Gungyah Ngallingnee Aboriginal Corporation
Gunyah Aboriginal Corporation
Guri Wa Ngundagar Aboriginal Corporation
Hillston Aboriginal Corporation
Island View Aboriginal Corporation
Jali Local Aboriginal Land Council
Jerrinja Local Aboriginal Land Council
Joshua Aboriginal Corporation Dandaloo District
Kamarah Aboriginal Corporation
Kamilaroi Aboriginal Housing Aboriginal Corporation
Kari Aboriginal Services Incorporated
Karrambah Housing Aboriginal Corporation
Kattang Housing Aboriginal Corporation
Kookaburra Aboriginal Corporation
Koompahtoo Local Aboriginal Land Council
Kurranulla Aboriginal Corporation
La Prouse Local Aboriginal Land Council

Leeton Et District Local Aboriginal Land Council
 Lightning Ridge Local Aboriginal Land Council
 Mall-Bunoogah Aboriginal Corporation
 Mara Mara Community Incorporated
 Menindee Local Aboriginal Land Council
 Miimi Mothers' Aboriginal Corporation
 Mingaletta Development Co-operative
 Mirriwinni Gardens Aboriginal Academy LTD
 Moama Local Aboriginal Land Council
 Mooka Traditional Owners Council Incorporation
 Moombahlene Local Aboriginal Land Council
 Moree Local Aboriginal Land Council
 Mudgee Aboriginal Housing Co-operative
 Mudgin-Gal Aboriginal Corporation
 Muli Muli Local Aboriginal Land Council
 Mungindi Local Aboriginal Land Council
 Munjuwa Health, Housing Et Community Aboriginal Corporation
 Murri - Gejarr Aboriginal Corporation

Cooramah Housing Et Enterprise Aboriginal Corporation
 Glen Innes Local Aboriginal Land Council
 Gunida Gunyah Aboriginal Corporation
 Guyra Local Aboriginal Land Council
 Hunter Valley Aboriginal Corporation
 Min Min Aboriginal Corporation
 Moych "Swamp" Aboriginal Corporation
 Mrangalli Aboriginal Corporation
 Narrabri Local Aboriginal Land Council
 New England Aboriginal Corporation
 Nungaroo Local Aboriginal Land Council
 Quirindi Aboriginal Corporation
 Red Chief Local Aboriginal Land Council
 Uralla Aniwan Aboriginal Corporation
 Wahgunyah (Housing) Aboriginal Corporation
 Walhallow Local Aboriginal Land Council
 Wanaruah Local Aboriginal Land Council
 Awabakal Local Aboriginal Land Council
 Awabakal Newcastle Aboriginal Co-operative Ltd
 Bogal Local Aboriginal Land Council
 Boolangle Local Aboriginal Land Council
 Booroongen Djugun Aboriginal Corporation
 Bungree Aboriginal Association Inc
 Bunjum Aboriginal Co-operative Ltd
 Bunyah Local Aboriginal Land Council
 Buyinbin Aboriginal Corporation
 Coffs Harbour Local Aboriginal Land Council
 Forster Local Aboriginal Land Council
 Gugin Gudduba Local Aboriginal Land Council
 Gumbangerrii Aboriginal Corporation

Jubullum Local Aboriginal Land Council
 Kempsey Local Aboriginal Land Council
 Kurrachee Co-op Society Ltd
 Mindaribba Local Aboriginal Land Council
 Mulla Ngulingah Aboriginal Corporation
 Nambucca Heads Local Aboriginal Land Council
 Ngaku Aboriginal Co-operative Ltd
 Ngulingah Local Aboriginal Land Council
 Nulla Nulla Boongutti Aboriginal Corporation
 Nungera Co-operative Society Ltd
 Purfleet/Taree Local Aboriginal Land Council
 Unkya Local Aboriginal Land Council
 Wandiyal ATSI Incorporated
 Barriekneal Housing Company Ltd
 Cobar Local Aboriginal Land Council
 Coonamble Local Aboriginal Land Council
 Gular Aboriginal Corporation
 Murdi Paaki Regional Housing Corporation Ltd
 Murrawari Aboriginal Corporation
 Murrawarri Local Aboriginal Land Council
 Nulla Nulla Local Aboriginal Land Council
 Nyampa Aboriginal Housing Company
 Tibooburra Local Aboriginal Land Council
 Walgett Local Aboriginal Land Council
 Weimija Aboriginal Corporation
 Bangee Ngurra Aboriginal Corporation
 Bateman's Bay Local Aboriginal Land Council
 Bodalla Aboriginal Housing Company Ltd
 Bodalla Local Aboriginal Land Council
 Boomerang Meeting Place Incorporated
 Browns Flat Aboriginal Corporation
 Cobowra Local Aboriginal Land Council
 Merrimans Local Aboriginal Land Council
 Mogo Local Aboriginal Land Council
 Ngunnawal Housing Aboriginal Corporation
 Onerwal Local Aboriginal Land Council
 Twofold Aboriginal Corporation
 Ulladulla Local Aboriginal Land Council
 Deerubbin Local Aboriginal Land Council
 Gandagara Local Aboriginal Land Council
 Illawarra Aboriginal Corporation
 Illawarra Local Aboriginal Land Council
 Mac Silva Centre Aboriginal Corporation
 Metropolitan Local Aboriginal Land Council
 Murrin Bridge Local Aboriginal Land Council
 Mutawintji Local Aboriginal Land Council
 Nanima Progress Association Aboriginal Corporation

 National Aboriginal Et Islander Skills Development Association
 Ngawari Housing Co-operative Ltd

Ngamba Local Aboriginal Corporation
 Ngarabal Aboriginal Corporation
 Ngemba Housing Co-op Ltd
 Ngunnawal Local Aboriginal Land Council
 Nhirrie-Ghin Gum-An-Yi Aboriginal Corporation
 Nowra Local Aboriginal Land Council
 Nunawanna Housing Aboriginal Corporation
 Nungar Aboriginal Corporation
 Pejar Local Aboriginal Land Council
 Piccadilla Aboriginal Corporation
 Pilliga Local Aboriginal Land Council
 Quambone Local Aboriginal Land Council
 Shade & Shelter Aboriginal Corporation for Housing

 Shoalhaven Aboriginal Corporation of Elders & Friends
 Snowy Mountain Elders Aboriginal Corporation
 St Clair Aboriginal Corporation

 Sydney Region Crisis Housing Centre Aboriginal Corporation
 Tamworth Local Aboriginal Land Council
 Tenterfield Aboriginal Corporation
 Tharawal Local Aboriginal Land Council
 Thungutti Local Aboriginal Land Council
 Thungutti Burrell Bullai Aboriginal Corporation
 Toomelah Co-operative Ltd
 Toomelah Local Aboriginal Land Council
 Trangie Local Aboriginal Land Council
 Tru Colors Aboriginal Corporation
 Tumut / Brungle Local Aboriginal Land Council
 Tweed Aboriginal Co-operative Society Ltd
 Tweed Byron Local Aboriginal Land Council
 Ullamulla Pejar Aboriginal Corporation
 Ungooroo Aboriginal Corporation
 Waagul Aboriginal Corporation
 Waddi Housing and Advancement Corporation Ltd
 Wagal Aboriginal Corporation
 Wagga Advancement Aboriginal Corporation
 Wagonga Local Aboriginal Land Council
 Wahroonga Aboriginal Corporation
 Wamba Wamba Local Aboriginal Land Council
 Waminda South Coast Women's Health and Welfare Aboriginal Corporation
 Wanaaring Local Aboriginal Land Council
 Wbrr Incorporation Association
 We Do Care Aboriginal Corporation
 Wee Waa Local Aboriginal Land Council
 Weilwan Local Aboriginal Land Council
 Wilcannia Local Aboriginal Land Council

 Wiradjuri Wellington Aboriginal Town Common Corporation

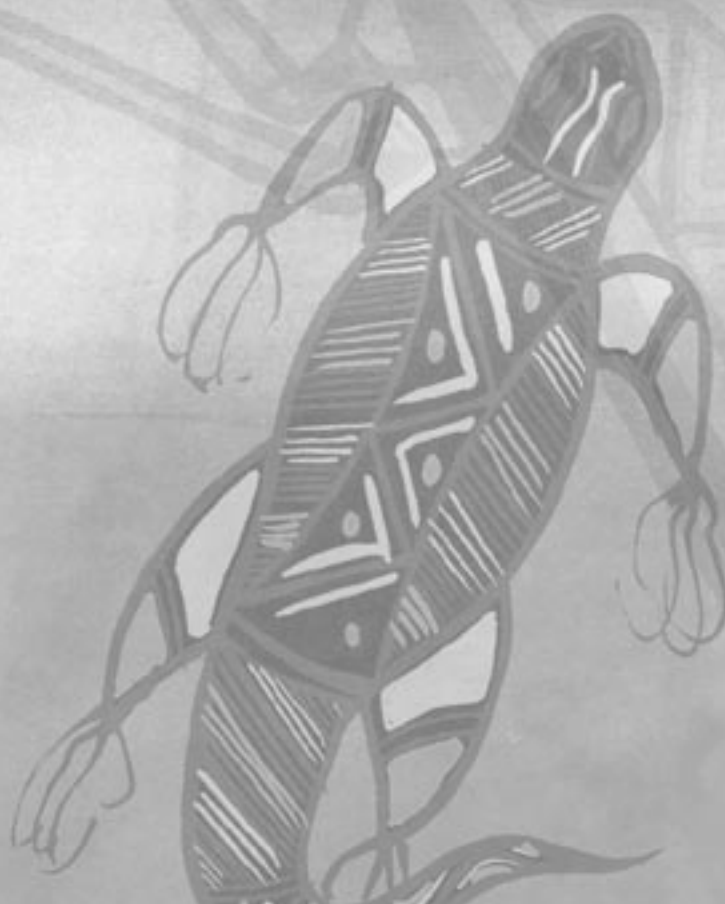
Worimi Local Aboriginal Land Council
 Yaegl Local Aboriginal Land Council
 Yamboora Aboriginal Corporation
 Yarrawarra Aboriginal Corporation
 Ydire Indigenous Incorporated
 Yota-Yota Local Aboriginal Land Council
 Yulawarri Nurai Indigenous Inc
 Amaroo Aboriginal Corporation
 Balranald Local Aboriginal Land Council
 Bathurst Local Aboriginal Land Council
 Bogan Aboriginal Corporation
 Dubbo Koorie Housing Aboriginal Corporation
 Dubbo Local Aboriginal Land Council
 Gilgandra Local Aboriginal Land Council
 Hay Local Aboriginal Land Council
 Multi-Purpose Allira Gathering Association Inc
 Narrandera Local Aboriginal Land Council
 Narromine Local Aboriginal Land Council
 Nyngan Local Aboriginal Land Council
 Orange Local Aboriginal Land Council
 Parkes Multi Purpose Aboriginal Corporation
 Peak Hill Local Aboriginal Land Council

 Riverina Foundation for Aboriginal Affairs Corporation
 Three Ways Aboriginal Housing Corporation
 Wagga Wagga Local Aboriginal Land Council

 Warramunga Advancement Co-operative Society Limited
 Warren Macquarie Local Aboriginal Land Council
 Wellington Aboriginal Co-operative Society Ltd
 Wellington Local Aboriginal Land Council
 Woomera Aboriginal Corporation
 Young Local Aboriginal Land Council



**NSW Aboriginal Housing Office
Financial Report 2002-2003**



NSW Aboriginal Housing Office
Level 3 Signature Tower
2-10 Wentworth Street
Parramatta NSW 2150

Phone: 02 9635 3444
Fax: 02 9635 3400
Email: ahoenquiries@aho.nsw.gov.au
Web: www.aho.nsw.gov.au

BUSINESS HOURS:
9am to 5pm Monday to Friday
excluding public holidays.

ISSN 1442-9624

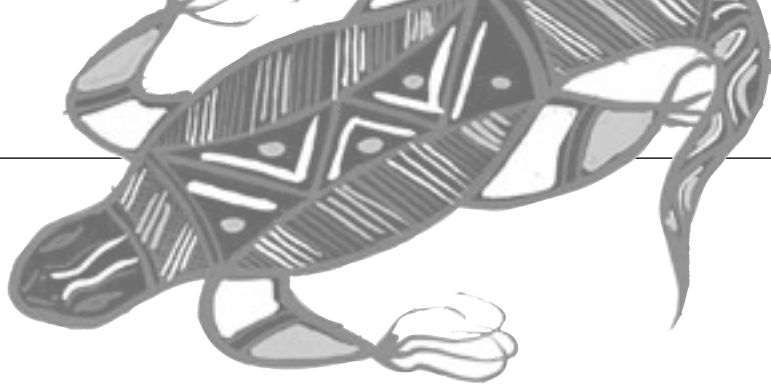
Illustrations by Lionel Phillips, Trangie NSW

Design and production by Artsmith

Printed by Snap Printing, Wollongong

DISCLAIMER:

Any representation, statement, opinion or advice, expressed or implied in this publication is made in good faith but on the basis that the State of NSW, its agents and employees are not liable (whether by reason of negligence or otherwise) to any person for any damage or loss whatsoever which has occurred or may occur in relation to that person taking or not taking action in respect of any representation, statement or advice referred to above.



**Aboriginal Housing Office
Statement by Board Members**

Pursuant to Section 41C of the Public Finance and Audit Act 1983, we declare that in our opinion:

(a) the Financial Statements exhibit a true and fair view of the financial position of the Aboriginal Housing Office as at 30 June 2004 and for the transactions for the year then ended;

(b) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2000 and the Treasurer's Directions;

(c) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

**A. Weldon
Chairperson**

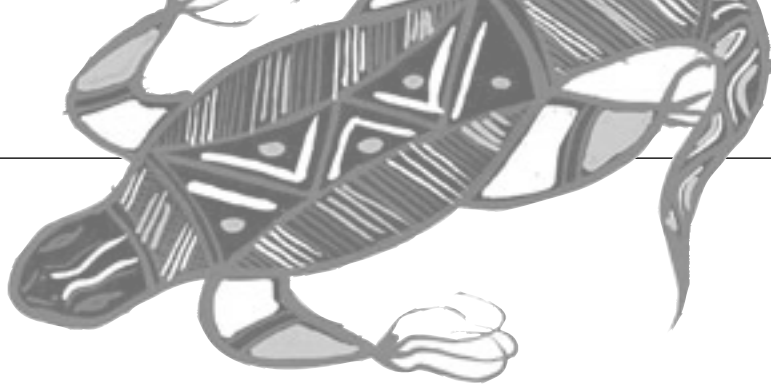
**S. Blunden
Member**

20 Oct 2004

ABORIGINAL HOUSING OFFICE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004	2003
		\$,000	\$,000
Revenue			
Grants	3	69,365	60,884
Rental income	4	18,287	16,623
Interest		1,380	1,467
Sundry income	2.9	4,238	2,102
Total Revenue from Ordinary Activities		93,270	81,076
Expenses			
Employee related	6	5,253	4,220
Other operating expenses	7	2,031	1,805
		7,284	6,025
Property expenses - rental program	4	17,066	15,546
Housing program - other expenses	8	51,738	43,140
Depreciation & amortisation	9	5,136	4,894
Loss on disposal/transfer/demolition of non-current assets	5	737	147
Total Expenses from Ordinary Activities		81,961	69,752
OPERATING SURPLUS		11,309	11,324
Non-owner Transactions Changes in Equity			
Net increase in asset revaluation reserve	14	131,638	121,049
TOTAL REVENUES AND VALUATION ADJUSTMENTS RECOGNISED DIRECTLY IN EQUITY		131,638	121,049
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS		142,947	132,373

[The accompanying notes form part of these statements]



**ABORIGINAL HOUSING OFFICE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004**

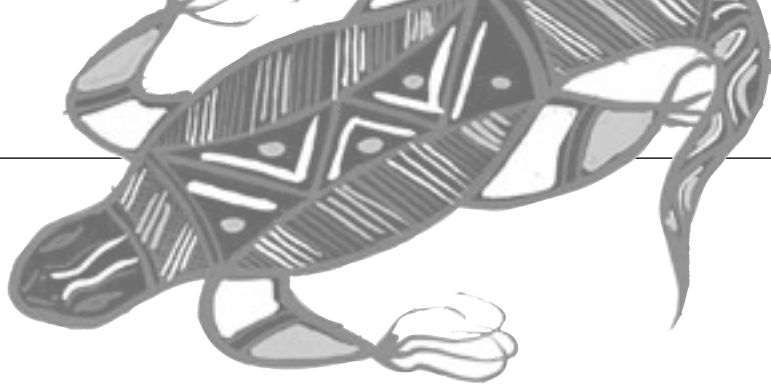
		Notes	2004	2003
			\$,000	\$,000
Current Assets				
	Cash	15	27,400	40,993
	Receivables	10	6,792	1,897
Total Current Assets			34,192	42,890
Non-Current Assets				
	Receivables	10	314	314
	Property, Plant and Equipment	11	825,508	677,775
Total Non-Current Assets			825,822	678,089
TOTAL ASSETS			860,014	720,979
Current Liabilities				
	Payables	12	16,552	20,680
	Provisions	13	1,190	994
Total Current Liabilities			17,742	21,674
Non-Current Liabilities				
	Provisions	13	411	391
Total Non-Current Liabilities			411	391
TOTAL LIABILITIES			18,153	22,065
NET ASSETS			841,861	698,914
Equity				
	Accumulated funds	14	463,126	451,817
	Asset revaluation reserve		378,735	247,097
TOTAL EQUITY			841,861	698,914

[The accompanying notes form part of these statements]

**ABORIGINAL HOUSING OFFICE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004**

		2004	2003
		\$,000	\$,000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee and other expenses		(7,972)	(5,519)
Property expenses		(16,770)	(15,546)
Housing program		(55,881)	(44,069)
Total Payments		(80,623)	(65,134)
Receipts			
Rent		17,849	16,835
Interest		1,414	1,567
Sundry income		85	65
Total Payments		19,348	18,467
Cash Flows from Government			
Government grants		63,558	62,435
Net Cash Flows from Government		63,558	62,435
NET CASH FLOWS FROM OPERATING ACTIVITIES	15(b)	2,283	15,768
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(17,091)	(15,868)
Proceeds from Sale of Property, Plant and Equipment		1,215	1,896
NET CASH FLOWS FROM INVESTING ACTIVITIES		(15,876)	(13,972)
NET INCREASE / (DECREASE) IN CASH		(13,593)	1,796
Opening Cash Balance		40,993	39,197
CLOSING CASH AND CASH EQUIVALENTS	15 (a)	27,400	40,993

[The accompanying notes form part of these statements]



**ABORIGINAL HOUSING OFFICE
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

1. STATEMENT OF PRINCIPAL ACTIVITY

The Aboriginal Housing Office (AHO) is a statutory authority established in 1998 pursuant to the Aboriginal Housing Act 1998. The AHO plans and administers the policies, programs and asset base for Aboriginal housing in New South Wales. This includes resource allocation, sector-wide policy, strategic planning and monitoring outcomes and performance in the Aboriginal housing sector.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

The Financial Statements are a general purpose financial report which have been prepared on an accruals basis, and in accordance with:

- applicable Australian Accounting Standards;
- Urgent Issues Group (UIG) Consensus Views;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- the requirements of the Public Finance and Audit Act and Regulations; and
- the Financial Reporting Directions issued by the Treasurer under section 9(2) (n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting standard, other authoritative pronouncements of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

Except for certain land and buildings, which are recorded at valuation (Refer Note 2.6), the financial statements are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency. The accounting policies adopted are consistent with those of the previous year.

2.2 Outsourced core services

Financial, Human Resources, Information Technology and other corporate services were provided by the Central Corporate Services Unit of Department of Commerce (Refer Note 7). Property and Tenancy Management activities are provided by the Department of Housing (DOH) (Refer Note 4). Project management of the Housing Program for purchasing and construction activities are provided by Residential Technologies Australia (Resitech), a division of DOH (Refer Note 8). Property and tenancy management are contracted to the DOH.

2.3 Employee Benefits and other provisions

(i) Salaries and Wages, Annual Leave, Sick Leave and On-Costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and vesting sick leave are recognised and measured in respect of employees' services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

This is in accordance with AASB 1028 applicable for this financial year. The previous Standard required the nominal basis to use remuneration rates current as at the reporting date. Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, that are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(ii) Accrued salaries and wages - reclassification

As a result of the adoption of Accounting Standard AASB 1044 Provisions, Contingent Liabilities and Contingent Assets, accrued salaries and wages and on-costs have been reclassified to payables instead of provisions in the Statement of Financial Position and in the related note disclosures, for the current and comparative period.

On the face of the Statement of Financial Position and in the notes, reference is now made to provisions in place of employee entitlements and other provisions. A reconciliation is provided for the total employee benefits (including accrued salaries and wages) under Note 13.

(ii) Long Service Leave and Superannuation

Long service leave is measured on a present value basis. The liabilities that are expected to be settled more than twelve months after the reporting date are measured as the present value of the estimated future cash outflows to be made by employers in respect of services provided by employees up to the reporting date. The present value method is based on the remuneration rates that the entity expects to pay at each reporting date for all employees with five or more years of service. This means that where it is expected that employees will receive a pay rise after reporting date, the increased pay rate is used in determining the employee benefit liabilities.

The AHO contributes to the New South Wales Non Budget Long Service Leave Pool Account held by Treasury. The Treasury 'pool' account administers the Long Service Leave provision for agencies and commercial activities whose liabilities were previously assumed by the Crown due to their being part of the Budget Sector. Contributions made to Treasury are included in salaries and wages.

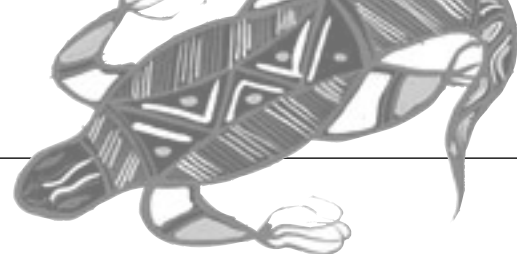
The AHO also contributes to a Superannuation Fund administrator. Refer Note 13 for further information.

(iii) Other Provisions

Other provisions exist when the entity has a present legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events. These provisions are recognised when it is probable that future sacrifice of economic benefits will be required and the amount can be measured reliably.

2.4 Insurance

The AHO carries a comprehensive range of insurance through the Treasury Managed Fund covering property leased for offices, motor vehicles, public liability, Director's liability and other contingencies. In respect of insurance



coverage for housing property assets the AHO provides self insurance for property liability. The AHO also has in conjunction with the Department of Housing insurance coverage for major catastrophes.

2.5 Plant and Equipment

Items of Plant and Equipment costing \$5,000 and above are capitalised on a cost basis. Computer hardware and other attractive assets costing at least \$1,000 are also capitalised. Grouped assets with inter-related functions such as the computer network are capitalised regardless of cost. The cost method of accounting is used for all acquisitions of Plant and Equipment regardless of whether assets are acquired separately or part of an interest in another entity. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition.

2.6 Value of Non-Current Assets - Housing For Aborigines

Residential properties are subject to cyclical revaluations, in accordance with Australian Accounting Standard AASB 1041 and Treasury requirements.

To ensure that the AHO's land and buildings remain at fair value, an indexation methodology was applied as at 30 June 2004. Resitech provided the AHO with an index based on New South Wales government property sales reports for September, December 2003 and March 2004 quarters. The application of this index provided an increment to the fair value of land and buildings of \$131 million. (Note 14).

Works in progress are valued at fair value, which includes all direct acquisition / construction costs and related fees. Fees charged by Resitech for project management of the housing program for acquisition and construction activities are capitalised. The majority of upgrading costs relate to repairs and maintenance expenditure. The AHO Board considers that the nature of these costs do not enhance the service potential of the assets. The Board's policy is not to capitalise these costs but to treat them as recurrent expenses.

2.7 Depreciation & amortisation

Depreciation is provided for on a straight line basis against all depreciable assets so as to write off the depreciable amount of each depreciable asset as it is consumed over its useful life in accordance with Australian Accounting Standard 4 (AAS4) - Depreciation.

Depreciation and Amortisation	% Rate
Buildings	2.00
Furniture and equipment	14.28
Computer equipment	25.00
Leasehold Improvements -Amortised over the period of lease or its useful life whichever is shorter	

* The current leasehold agreement for the AHO expired on 30 May 2004. However the AHO will continue to occupy the premises until the end of September 2004 at which time the leasehold improvements will be fully amortised .

2.8 Provision for Doubtful Debts

Provision is made for doubtful debts based on 90% of former tenants' rental and maintenance account balances as at 30 June where recovery is uncertain.

2.9 Transfer of Assets from Other Agencies

The assets transferred from other agencies are shown at fair value at the date of acquisition in accordance with AAS 29 (7.3).

2.10 Maintenance and Repairs

The costs of maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated.

2.11 Leased Assets

A distinction is made between finance leases that effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

The assets leased by the AHO are motor vehicles and AHO accommodation under operating lease agreements. The operating lease payments are charged to the Statement of Financial Performance in the periods in which they are incurred.

2.12 Leasehold Improvements

The cost of improvements to or on property is capitalised and disclosed as leasehold improvements, and amortised over the estimated useful lives of the improvements or the unexpired period of the lease whichever is shorter.

2.13 Revenue Recognition

Grants are recognised as revenues whether or not cash has been received by the AHO.

Revenue arising from the sale of goods and disposal of other assets is recognised when the AHO has passed control of the goods or other assets to the buyer and consideration is expected by the AHO, whether or not cash has been received.

Revenue from the rendering of services is recognised as and when services have been rendered and there is a valid claim against external parties, whether or not cash has been received.

Interest is recognised for the total period of the investment whether or not cash has been received.

Revenues arising from the contribution of assets to the AHO are recognised when the AHO gains control of an asset or the right to receive the asset.

Revenue is recognised when the property received from another government agency or from the community at below market value, is revalued and recognised by the AHO at its fair market value.

2.14 Accounting for the Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where:

- (a) the amount of GST incurred by the AHO as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense. The AHO has a mixture of input taxed (rental operations) and taxable supplies (e.g. grants, training activities of a Government agency).

Where a transaction relates directly to input taxed activities the GST included in that acquisition is recognised as part of the cost of that item or asset. Where a transaction relates to a taxable supply the amounts are net of GST. Operating overheads are apportioned 50 / 50 across the activities based on the agreed Commonwealth State Housing Agreement compensation arrangements.

- (b) receivables and payables are stated with the amount of GST included.

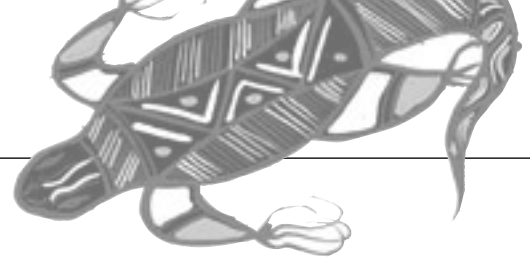
2.15 Adopting AASB 1047 Disclosure

(a) Explanation of how the transition to AIFRS is being managed

The AHO will apply the Australian Equivalent to International Financial Reporting Standards (AIFRS) from the reporting period beginning 1 July 2005.

The AHO is managing the transition to the new standards by allocating internal resources and engaging Central Corporate Services Unit (CCSU) to analyse the pending standards and Urgent Issues Group Abstracts to identify key areas regarding policies, procedures, systems and financial impacts affected by the transition.

As a result of this exercise, the AHO has taken the following steps to manage the transition to the new standards:



The CCSU's Internal Audit Committee is overseeing the transition. The AHO's representative is responsible for the project and reports regularly to the Committee on progress against the plan.

The following phases that need to be undertaken have been identified:

- May / July 2004 - Reviewed the AIFRS;
- August 2004 - Identified the changes applicable to the AHO and disclosed likely impacts of moving to AIFRS in 2004/05 financial statements;
- September 2004 - Major implementation decisions at high level - determined system requirements, reviewed procedures, developed communication plans and assessed training needs;
- October 2004 - Analyse NSW Treasury reporting policy, review position of the AHO, identify and convert to requirements and liaise with Audit Office;
- November 2004 - Prepare draft Balance Sheet as at 1 July 2004 for the NSW Treasury, identify target changes / analysis, develop check lists, review process, liaise with clients and external consultants to review the approach;
- December 2004 - Submit draft Balance Sheet as at 1 July 2004 prepared under AIFRS (in parallel with existing AGAAP financial information and financial statements) to the NSW Treasury and Audit Office;
- January / February 2005 - Finalise status for reporting to NSW Treasury and complete AHO's requirements;
- March 2005 - Finalise audit by the Audit Office, record correct balances in AHO's ledgers, run parallel data, reconcile both sets of figures and develop processes for on going recording and updating training program. Submit final Balance Sheet as at 1 July 2004 prepared under AIFRS (in parallel with existing AGAAP financial information and financial statements) to the NSW Treasury and Audit Office;
- April / June 2005 - Modify the systems used to produce year end financial statements;
- July / August 2005 - Prepare initial set of financial statements for 2004-05 financial year under AIFRS with 2003-04 comparative information and review.

To date we have reviewed the known changes and identified some common changes. The target dates shown above are estimates only because the AIFRS are still being formulated and mandatory provisions have not been finalised by the NSW Treasury.

(b) Key Differences in Accounting Policies

Based on current information, the following key differences in accounting policies are expected to arise from adopting AIFRS:

- AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards requires retrospective application of the new AIFRS from 1 July 2004, with limited exemptions. Similarly, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors requires voluntary changes in accounting policy and correction of errors to be accounted for retrospectively by restating comparatives and adjusting the opening balance of accumulated funds. This differs from current Australian requirements, because such changes must be recognised in the current period through profit or loss, unless a new standard mandates otherwise.
- AASB 116 Property, Plant and Equipment requires the cost and fair value of property, plant and equipment to be increased to include restoration costs, where restoration provisions are recognised under AASB 137 Provisions, Contingent Liabilities and Contingent Assets.
- AASB 117 Leases requires operating lease contingent rentals to be recognised as an expense on a straight-line basis over the lease term rather than expensing it in the financial year in which the lease expenses are incurred.
- AASB 119 Employee Benefits requires the defined benefit obligation to be discounted using the government bond rate as at each reporting date rather than the long-term expected rate of return on plan assets. Where the unfunded superannuation liability is not assumed by the Crown, this will increase the amount and the future volatility of the unfunded superannuation liability and the volatility of the employee benefit expense.
- AASB 1004 Contributions applies to not-for-profit entities only. Entities will either continue to apply the current requirements in AASB 1004 where grants are normally recognised on receipt, or alternatively apply the proposals on grants included in ED 125 Financial Reporting by Local Governments. If the ED 125 approach is

applied, revenue and/or expense recognition will be delayed until the agency supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. The AHO will continue to apply the current requirements in AASB 1004.

- AASB 136 Impairment of Assets requires an entity to assess at each reporting date whether there is any indication that an asset (or cash generating unit) is impaired and if such indication exists the entity must estimate the recoverable amount. However, the effect of this Standard should be minimal because all the substantive principles in AASB 136 are already incorporated in Treasury's policy Valuation of Physical Non-Current Assets at Fair Value.

3. GRANTS

	2004 \$,000	2003 \$,000
Commonwealth / State Housing Agreement	39,765	41,832
Aboriginal and Torres Strait Islander Commission (ATSIC)	17,990	12,635
Department of Health	20	168
Aboriginal Community Development Program (ACDP)	11,590	6,249
Total	69,365	60,884

AHO received grant funding under the Commonwealth State Housing Agreement (CSHA).

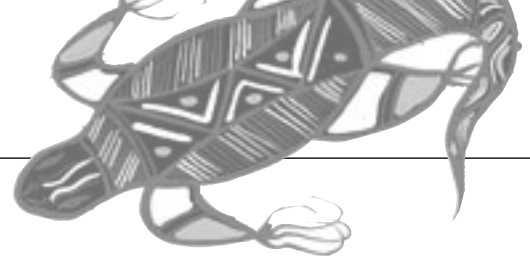
ATSIC funding was received as the NSW Regional Housing component of the Community Housing Infrastructure Program and the Housing for Health program.

ACDP Funds are passed through the Aboriginal Housing Office to afford the protection of the Aboriginal Housing Act to properties.

4. RENTAL INCOME

Rents are derived from properties vested in the Office.

Rental Income	2004 \$,000	2003 \$,000
Market Rental	33,919	32,909
Less: - Rental Rebates	(15,036)	(15,677)
Vacancies	(713)	(746)
	18,170	16,486
Sundry Income	117	137
Rental Income	18,287	16,623
Less: Property Expenses		
Rates (council, water)	(5,936)	(5,459)
Repairs, insurance etc.	(7,726)	(6,302)
Department of Housing management fee	(2,714)	(2,662)
Provision for Doubtful Debts	(690)	(1,123)
	(17,066)	(15,546)
Surplus of Rental Income over Property Expenses	1,221	1,077



5. DISPOSAL OF PROPERTY

	2004 \$,000	2003 \$,000
Proceeds from Sale	1,215	1,896
Written Down Value of Assets sold	1,040	1,954
Gain / (Loss) on Disposal of Property	175	(58)
Demolitions	(385)	(89)
Transfers to Other Agencies	(527)	0
Gain / (Loss) on Disposal of Property	(737)	(147)

6. EMPLOYEE RELATED EXPENSES

Employee Related Expenses comprise the following specific items:	Housing Programs \$,000	Other \$,000	2004 \$,000	2003 \$,000
Salaries and wages (including recreation leave)	1,424	3,086	4,510	3,304
Job Assistance Scheme	0	8	8	5
Superannuation entitlements	43	314	357	520
Long service leave	22	96	118	179
Workers' compensation insurance	0	23	23	22
Payroll and fringe benefits tax	62	175	237	190
Total	1,551	3,702	5,253	4,220

Salaries and wages (including non-monetary benefits), recreation leave and sick leave (regardless of when they are expected to be settled) are measured on a nominal basis in accordance with AASB 1028 (see also Note 2.3 and Notes 12 & 13). Total salaries include \$1,551,000 (\$971,000 for 2002/03) that relates to Housing Programs as detailed in Note 8.

The AHO assumes the responsibility of providing for long service leave, superannuation, workers compensation insurance and payroll and fringe benefits taxes. Refer Note 13 for superannuation details.

7. OTHER OPERATING EXPENSES

Other Operating Expenses are comprised of:	2004 \$,000	2003 \$,000
General Administration	1,184	960
Board Expenses	43	98
Board Members Fees	129	146
Administrative Fees (includes CCSU Fees)	314	228
Operating Lease Rental	263	268
Consultancy Fees	31	39
Audit Fees - for Financial Statement Audit	40	40
Insurance	27	26
Total	2,031	1,805

8. ABORIGINAL HOUSING PROGRAM

The Aboriginal Housing Program (AHP) provides funds towards the acquisition, repair and upgrade of Aboriginal housing and the support of the Aboriginal housing sector.

The Housing Aboriginal Communities Program (HACP) provides rental accommodation and housing related assistance for Aboriginal people in properties managed by Aboriginal community based housing organisations.

The AHO Acquisition Program provides rental housing for Aboriginal people in dwellings owned by the AHO. (Note 4). In addition to the properties transferred to the AHO by the Department of Housing (DOH) in January 1999, the AHO also acquires other properties under this program. These properties form part of the AHO's property portfolio (Note 11).

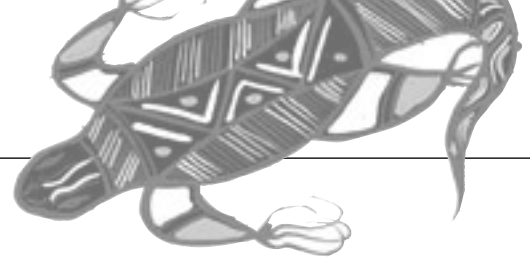
Project management of the Aboriginal Housing Program for purchasing and construction activities are provided by Resitech, a division of DOH.

Programs comprised of:	2004 Employee Related	2004 Other Expenses	2004 Total \$,000	2003 Employee Related	2003 Other Expenses
Sector Support & Resourcing	878	627	1,505	587	645
AHO Upgrading	134	13,488	13,622	0	11,933
AHO - Asset Management	0	257	257	0	491
Housing for Health	0	76	76	51	329
Tenant Participation (TCIP)	131	14	145	0	126
Aboriginal Community Development Program (ACDP)	0	11,590	11,590	0	6,363
Home Ownership	0	1,006	1,006	0	1,010
Community Asset Acquisition of Housing (HACP)	0	10,732	10,732	0	15,620
Community Repairs & Maintenance	113	11,801	11,914	0	4,445
Infrastructure	0	110	110	0	60
Resourcing Community Organization	295	2,037	2,332	333	2,118
Total	1,551	51,738	53,289	971	43,140

Refer Note 6 for details of employee related expenses.

9. DEPRECIATION & AMORTISATION

	2004 \$,000	2003 \$,000
Buildings	4,927	4,737
Computer Equipment	131	85
Plant and Equipment	26	21
Furniture and Fittings	17	17
Ammortisation: Leasehold Improvements	35	34
Total	5,136	4,894



10. RECEIVABLES

	2004 \$,000	2003 \$,000
Current		
Sundry Debtors*	5,186	151
Department of Housing	261	704
Employee Advances	45	26
Provision for LSL	14	14
FBT Refund	0	14
Rental Debtors	2,454	2,022
Goods and Services Tax (Net)	775	484
Prepayments	15	0
	8,750	3,415
Less: Provision for Doubtful Debts	(1,958)	(1,518)
Total Current Receivables	6,792	1,897
Non Current		
Provision for LSL	314	314
Total Non Current Receivables	314	314
Total	7,106	2,211

* Sundry Debtors include CSHA funding of \$5.1M receivable from Department of Housing.

Provision for Doubtful Debts

	2004 \$,000	2003 \$,000
Opening Provision	(1,518)	(607)
Plus: New Provision	(657)	(1,123)
Less: Bad Debts written off	217	212
Provision as at 30 June	(1,958)	(1,518)

The provision has been made on the basis of 90% of vacated tenants account balances.

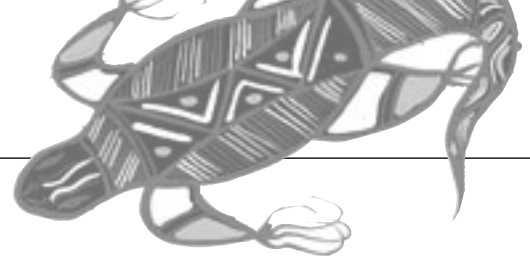
11. PROPERTY PLANT AND EQUIPMENT

	2004 \$,000	2003 \$,000
Land and Buildings		
At Fair Value	811,833	667,816
	811,833	667,816
Plant & Equipment		
At Fair Value	1,636	1,300
Less: Accumulated Depreciation	577	447
	1,059	853
Capital Work in Progress	12,616	9,106
TOTAL PROPERTY, PLANT & EQUIPMENT AT NET BOOK VALUE	825,508	677,775

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below:

	Land and Buildings \$,000	Capital Work in Progress \$,000	Plant and Equipment \$,000	Total \$,000
2004				
Carrying amount at 1 July	667,816	9,106	853	677,775
Additions	0	18,529	425	18,954
Disposals (Note 5)	(1,030)	0	(10)	(1,040)
Depreciation expense (Note 9)	(4,927)	0	(209)	(5,136)
Other movements				
Transfers to Department of Housing (Note 5)	(527)	0	0	(527)
Transfers from Department of Housing	2,478	0	0	2,478
Transfers from Communities	1,751	0		1,751
Transfers from Work In Progress	15,019	(15,019)	0	0
Demolition (Note 5)	(385)	0	0	(385)
Revaluation (Note 14)	131,638	0	0	131,638
Carrying amount at 30 June	811,833	12,616	1,059	825,508
2003				
Carrying amount at 1 July	534,172	10,769	668	545,609
Additions	0	15,675	353	16,028
Disposals	(1,954)	0	(55)	(2,009)
Depreciation expense	(4,737)	0	(157)	(4,894)
Other movements				
Transfers from Department of Housing	2,037	0	0	2,037
Transfers from Communities	3,292	(3,292)	0	0
Asset Reinstatements	6,831	0	0	6,831
Transfers from Work In Progress	14,046	(14,046)	0	0
Demolition	(89)	0	0	(89)
Revaluation of properties	114,218	0	0	114,218
Write Back on Disposal	0	0	44	44
Carrying amount at 30 June	667,816	9,106	853	677,775



12. CURRENT LIABILITIES - PAYABLES

	2004 \$,000	2003 \$,000
Sundry Creditors	314	23
Accrued salaries, wages and on cost	114	206
Trade creditors	16,093	18,715
Amount Received in Advance	20	1,737
Goods and Services Tax (Net)	11	0
Total	16,552	20,681

Trade creditors include \$7.7m (\$16.58m in 2002-2003) payable to Resitech for property construction and acquisition costs.

13. CURRENT / NON-CURRENT LIABILITIES - PROVISIONS

Employee benefits and related on-costs	2004 \$,000	2003 \$,000
Current Provisions		
Recreation Leave	383	362
Long Service Leave	269	166
Superannuation	538	466
Total Current Provisions	1,190	994
Non-Current Provisions		
Long Service Leave	411	391
Total Non Current Provisions	411	391
Total Provisions	1,601	1,385
Aggregate employee benefits and related on-costs Reconciliation	2004 \$	2003 \$
Provisions - current	1,190	994
Provisions - non-current*	411	391
Accrued salaries, wages and on-costs (Note 12)	114	205
	1,715	1,590

* Employee related provisions have been aged in accordance with the Australian Accounting Standard 1028, AASB 1028 Employee Benefits', which became operative for the reporting period on or after 1 July 2002.

Superannuation Funds

Following advice from NSW Treasury, the AHO is required to meet all its superannuation liabilities as a separate employer. Funds are provided to cover the anticipated liability of the AHO for superannuation and retirement benefits after termination of the employees' services. Any unfunded superannuation liability is recognised as a liability in the Statement of Financial Position. Prepaid contributions are recognised in the Statement of Financial Position as an asset.

The Actuary employed by Superannuation Administration Corporation has calculated the Superannuation Liabilities for the defined schemes administered by the State Authorities Superannuation Trustee Corporation for the financial year ending 30 June 2004. These schemes include the State Superannuation Scheme (SSS), the State Authorities Superannuation Scheme (SASS), the State Authorities Non Contributory Superannuation Scheme (SANCS).

The 2004 assessment of SASS, SANCS and SSS is based on the full requirements of Australian Accounting Standard (AAS25) - "Financial Reporting by Superannuation Plans". This requires that a 'market determined risk adjusted discount rate' be applied as the valuation interest rate in the calculation of the value of accrued benefits. A review of the interest rate assumption used in the 2004 valuation has confirmed that the interest rate of 7% per annum is applicable for the year 2004 employer liabilities calculations. In order to satisfy the AAS25 requirements the financial assumptions which have been applied for the calculations are:

	2003/2004 % pa	2004/2005 % pa	2005/2006 % pa
Rate of investment return	7.00	7.00	7.00
Rate of salary increase	4.00	4.00	4.00
Rate of increase in CPI	2.50	2.50	2.50

The membership data bases used in this year's assessment are those as at 30 June 2004. The net superannuation liability / prepaid contribution disclosed in the Statement of Financial Position is composed of:

	SASS (i) \$'000	SANCS (ii) \$'000	SSS (iii) \$'000	Total 2004 \$'000	2003 \$'000
Accrued Liability Assessed by Actuaries as at 30 June	(228)	(256)	(1,500)	(1,984)	(1,668)
Less: Estimated Reserve Account Balance	207	203	1,036	1,446	1,203
(Net Liability) / Prepaid Contribution	(21)	(53)	(464)	(538)	(468)

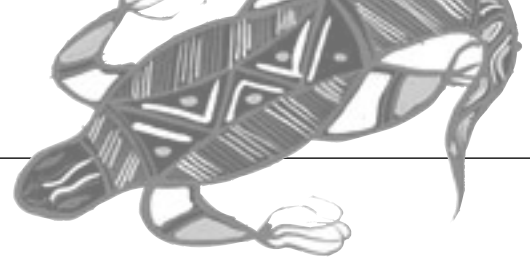
(i) SASS - State Authorities Superannuation Scheme

(ii) SANCS - State Authorities Non Contributory Superannuation Scheme

(iii) SSS - State Superannuation Scheme

14. CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Total Equity at beginning of the reporting period	451,817	440,493	0	0	451,817	440,493
Opening Balance - Asset Revaluation Reserve	0	0	247,097	126,048	247,097	126,048
Transfers to Asset Revaluation Reserve	0	0	131,638	114,218	131,638	114,218
Asset Reinstatements	0	0	0	6,831	0	6,831
Ordinary activities	11,324	14,046			11,324	14,046
Total Equity at the 30 June	463,126	451,817	378,735	247,097	841,861	698,914



15. NOTE TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and at bank. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position.

Cash	2004 \$'000	2003 \$'000
Cash at Bank	27,394	40,987
Cash on hand	1	1
Travel Advance Account	5	5
Total	27,400	40,993

(b) Reconciliation of Net Cash Flows provided by Operating Activities to Operating Result	2004 \$'000	2003 \$'000
Operating Results	11,309	11,324
Sundry income due to movements non cash items	(4,229)	(2,037)
(Increase) / Decrease in Interest Receivables	0	(33)
Depreciation & amortisation	5,136	4,894
Written down Value of Non-Current Assets Disposed	1,952	1,954
Proceeds from Sale of assets	(1,215)	(1,896)
Increase / (Decrease) in Accounts Payable	(5,991)	632
Increase / (Decrease) in Employee Entitlements and other provisions	216	1,048
(Increase) / Decrease in Receivables	(4,895)	(118)
Net Cash Flows provided by Operating Activities	2,283	15,768

16. CONTINGENT ASSETS AND LIABILITIES

There are no known contingent assets and contingent liabilities as at 30 June 2004 (Nil at 30 June 2003).

17. COMMITMENTS

(a) Capital Commitments

Aggregate capital expenditure for the acquisition and replacement of AHO properties contracted for at balance date and not provided for:	2004 \$'000	2003 \$'000
Not later than one year	2,815	11,962
Total (including GST)	2,815	11,962

(b) Other Expenditure Commitments

Aggregate other expenditure under the HACP and AHO repairs and maintenance contracted for at balance date and not provided for:	2004 \$'000	2003 \$'000
Not later than one year	2,113	11,003
Total (including GST)	2,113	11,003

(c) Operating Lease Commitments

Future non-cancellable operating lease rentals not provided for and payable are:	2004 \$'000	2003 \$'000
Not Later than one year	191	307
Between one and five years	1,033	92
Total (including GST)	1,224	399

18. Financial Instruments

For the purpose of these financial statements, a financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. For the AHO these include cash, receivables and payables.

(a) Interest Rate Risk

Interest rate risk, is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. The AHO's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised at the balance date are as follows:

Financial Instruments	Floating Interest Rates		Non-interest Bearing		Total carrying amount		Weighted Effective interest	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 %	2003 %
Financial Assets								
Cash	27,394	40,988	6	6	27,400	40,994	4	4
Receivables	0	0	6,792	1,897	6,792	1,897		
Total financial assets	27,394	40,988	6,792	1,903	34,192	42,891		
Financial Liabilities								
Payables	0	0	16,552	20,680	16,552	20,680	N/A	N/A
Total financial liabilities	0	0	16,552	20,680	16,552	20,680		

* Weighted average effective interest rate was computed on a daily basis.

(b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract / or financial position failing to discharge a financial obligation thereunder. The AHO's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Statement of Financial Position.

The credit risk on financial assets of the AHO which have been recognised on the Statement of Financial Position, is the carrying amount, net of any provision for doubtful debts.

(c) Net Fair Value of Assets and Liabilities

The AHO's financial assets and liabilities included in the Statement of Financial Position are carried at amounts that approximate net fair value.

19. AFTER BALANCE DATE EVENTS

There were no events subsequent to balance date which affect the financial report.

END OF AUDITED FINANCIAL STATEMENTS