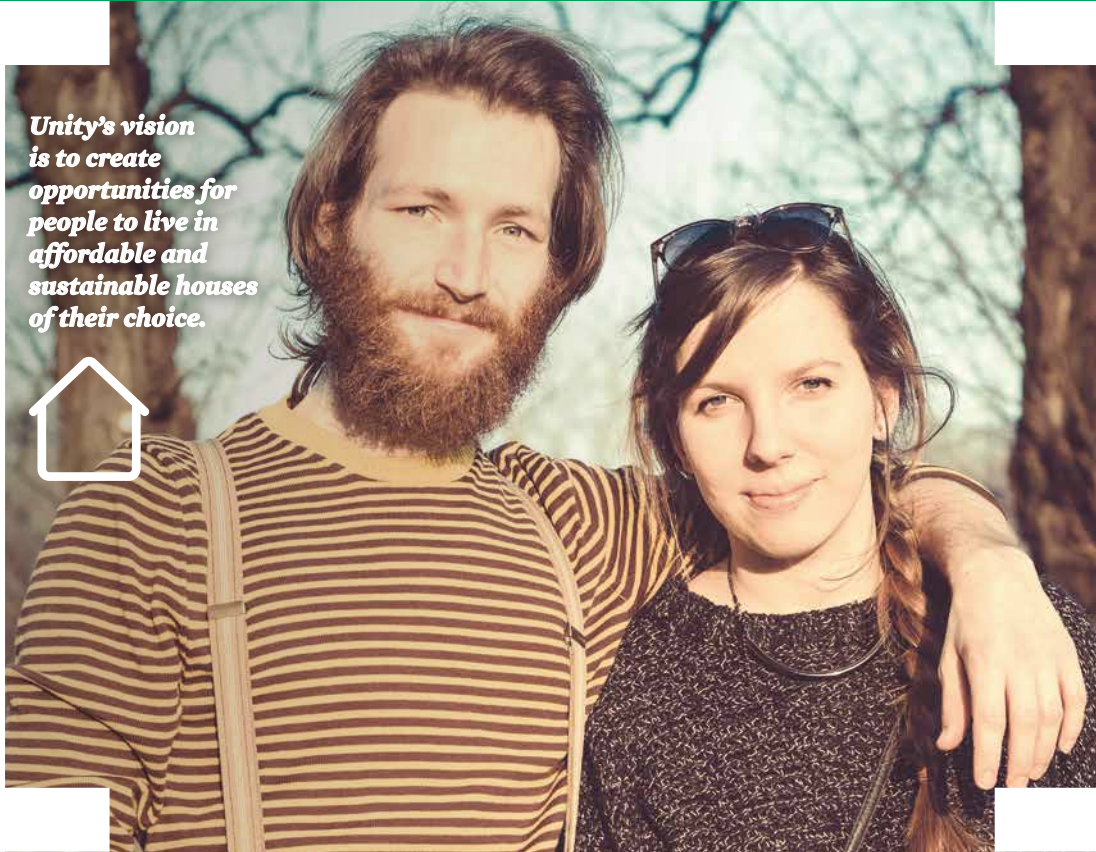
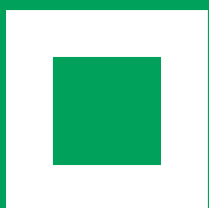


*Unity's vision
is to create
opportunities for
people to live in
affordable and
sustainable houses
of their choice.*



ANNUAL REPORT 2014.



UNITY
HOUSING COMPANY

UNITY HOUSING.



Unity Housing Chairman, Frank O'Neill welcomes guests at the opening of the new affordable housing development in St Clair as Unity Housing CEO Matthew Woodward looks on.

**AFFORDABLE
HOUSING.
SUSTAINABLE
COMMUNITIES.**

CHAIRMAN & CEO REPORT.

Unity is a medium sized social enterprise organisation, which manages a property portfolio of over \$450 million. It has a net equity capacity of \$77 million, an annual turnover of \$20 million and employs 60 staff.

Unity now ranks among the top 100 companies registered in South Australia.

Our primary aim is to provide affordable and sustainable housing for vulnerable people and people on low incomes, particularly those living with disabilities or experiencing homelessness.

Over 2013-14 Unity continued to consolidate its role as the largest community housing provider in SA with more than 500 new homes added to its portfolio.

This now consists of 2000 units of accommodation, housing over 4,500 low income South Australians.

This growth has included:

- Construction of 29 affordable housing developments at St Clair, Adelaide;
- Construction of 42 units of key worker accommodation in Bowden, Adelaide;
- Construction of 100 houses across nine SA regional centres;
- Successful tender for 250 Transitional Housing Properties providing accommodation for some of South Australia's most vulnerable;
- Addition of over 100 new properties to our fee-for-service property management program to privately owned affordable NRAS properties.

This development program which has delivered \$78m in new housing, underpinned by \$38m of Unity debt facilities, is now coming to completion.

As well as this significant expansion, a key focus at Unity in 2013-2014 has been the consolidation and further development of infrastructure, systems and staff capabilities to ensure a platform for both delivery on existing commitments and for future growth.

This work was recognised in Unity's accreditation as a Tier 1 Provider under the new National Regulatory System and our continuing accreditation under National Community Housing Standards. Unity has also committed to the implementation of a new business IT system, which will significantly enhance the organisation's effectiveness and capacity.

Tenants remain at the core of all we do, and Unity's growth has been achieved in the context of continuing to deliver responsive and professional services to the many vulnerable adults, the majority of people we accommodate.

To ensure tenants receive the support necessary to sustain their tenancies, Unity has also continued to develop close working relationships with support providers and formalise Memorandum of Understandings (MOUs) with 42 organisations that provide support to Unity tenants. The quality services provided by our support partners ensure the best possible outcomes, as we work together to respond to the needs of our tenants.

A key element of Unity's commitment to the creation of housing that is not only affordable, but also socially and financially viable, is recognition of the importance of balanced and functional communities.

Unity continues to grow its extremely successful "Community Connect" program which focuses on supporting tenants to participate in community based activities and their integration into local communities.

Unity recognises that it is part of a national response to the critical shortage of affordable housing supply in Australia and looks forward to continuing to work with partners in the private housing and finance sectors. We also continue to work with colleagues in Public Housing and NGOs across Australia as we seek to deliver housing to ensure that all have access to adequate and affordable accommodation. As part of this commitment we provide ongoing support to the Venture Housing Company in Darwin.

This extensive list of achievements over the past 12 months, is largely due to the efforts of our skilled and committed staff who have consistently delivered exceptional outcomes.

The contributions of a professional, multi-skilled and committed Board of Directors has not only provided crucial guidance and structure to Unity over the past 12 months but has also established sound governance and a strategic platform to take the organisation forward.

We appreciate what the Staff and Directors have achieved and thank them for their passion and commitment.

Chairman, Board of Directors
Francis O'Neill

Chief Executive Officer
Matthew Woodward

ABOUT US.

Unity's vision is to create opportunities for people to live in affordable and sustainable houses of their choice. Established in 2008, Unity is an independent, not for profit statewide organisation with the capacity to deliver at scale and increase the supply of affordable housing for families and individuals on low incomes in South Australia.

Unity has a long and strong history of providing housing to some of the most vulnerable people in our community. We have built a reputation as a leader in the sector through continuous improvement, evidence based practice and innovation.

The state's largest and most innovative provider of affordable and social housing, Unity currently manages more than 1,950 properties, providing accommodation to over 4,500 people per annum.

Unity seeks to build balanced and functional communities through its diverse housing portfolio of low income, affordable and high needs housing. It delivers a continuum of housing options including: a boarding house program which provides an entry point for highly vulnerable people into low cost, safe and secure accommodation; a community housing program which offers accommodation to people on low incomes, living with a disability or experiencing homelessness; and an affordable housing portfolio providing opportunities for people who may not otherwise be eligible for subsidised housing. Affordable housing meets a broad spectrum of need in the community, including retirees, young couples and individuals as well as families who struggle in the private rental market.

Unity has an active property development program, delivering more than \$77 million in affordable properties since 2011. With strong organisational and staff capacity, and a growth pipeline, it continues to respond to its strategic goal of increasing affordable housing supply.

The establishment of a new division, delivering fee for service property management to over 280 privately owned affordable National Rental Affordability Scheme properties, has laid a solid foundation for continuing expansion of Unity's business platform.

Tenants remain at the core of all we do, and Unity's growth has been achieved in the context of delivering a responsive and professional service to the many vulnerable adults who are accommodated by Unity each night.

Unity has also continued to develop close working relationships with support providers and we now have formalised Memorandums of Understandings (MOUs) with over 50 organisations which provide support to Unity tenants.

The quality services provided by our support partners ensure the best possible outcomes for our tenants.

GOVERNANCE

Board of Directors

Frank O'Neill, Chairman
 Richard Willson, Company Secretary-Director
 Ben Brazier, Director
 Josephine Tiddy, Director
 Sacha Wainwright, Director
 Leigh Garrett, Director
 Fairlie Delbridge, Director

Chief Executive Officer

Matthew Woodward

ACCREDITATION

The provision of outstanding service is central to all that Unity does and the organisation has an ongoing commitment to quality improvement.

Unity strives for best practice in the delivery of its housing services and has adopted a number of frameworks and strategies in order to achieve this.

Over the past three years Unity has devoted significant time and resources to meeting established benchmarks for best practice in organisational governance, management and service delivery.

Unity is approved by the SA Government as a Preferred Growth Provider, is accredited under the National Community Housing Standards and is one of a small number of organisations accredited under the National Regulatory System as a Tier 1 provider.





“After my marriage broke down I moved nine times in 14 months. I was in and out of some very scary and inappropriate housing. Then I got a place in Unity’s boarding house, The Terrace. The staff there literally saved my sanity and my life. Over time they helped me regain my confidence to create a stable life for myself. Now I’m in my own home within Unity’s community housing program.”

*3,500 people living
in 1,300 properties*

COMMUNITY HOUSING.

Community housing is the cornerstone of Unity's overall housing portfolio. The core of our work is the provision of accommodation for people on low incomes, living with a disability or experiencing homelessness.

In the last year, Unity provided safe housing with sustainable rents to more than 3,500 people living in 1,300 properties.

We are proud to have created a portfolio and tenant mix that mirrors the diversity of our community with a variety of cultures, family structures and age groups.

Our high occupancy rates are a key indicator that Unity has created a sustainable housing model and in the coming year we will have an increased focus on tenant engagement and community participation as we seek to achieve our goal of "affordable housing, sustainable communities".

With the bulk of this portfolio focusing on vulnerable people experiencing homelessness and/or living with a disability, Unity's model incorporates integrated support through its external and independent partner agencies.

A large range of options are provided to people at risk of homelessness and wanting to break the cycle of homelessness.

The Community Housing division continues to focus on further developing our service model to ensure positive outcomes across the entire property portfolio for tenants, neighbours, and our local communities in general.

Unity conducts extensive research into best practice models and implementing new and innovative solutions in collaboration with support agencies.

CO-ORDINATED SUPPORT MODEL

Unity's tenant group typically experiences multiple issues, such as: mental illness, substance abuse, gambling addiction, premature ageing and personality disorders.

Many have suffered significant grief and loss and have endured a cycle of homelessness and dependence on health and welfare agencies.

During the early 2000s it became clear that the provision of housing and support for people with high and complex needs should be separated but with strong relationships and co-ordination between the providers.

Unity's model is evidence based and has evolved over the past few years as the research from the psychiatric disability field (and others) has been adopted for the social housing sector.

Central to Unity's service model is our capacity for creative, individualised and holistic responses rather than a 'one size fits all' model.

Partnerships are crucial to Unity's success. We link tenants to community based support through our many partner agencies, providing a mix of tenancy and social support which is the key to independent living for many of our tenants. Unity places a high value on the development of positive and enduring relationships between ourselves, tenants, support agencies and local communities.

Unity has a comprehensive range of partnerships across the metro and regional areas underpinned by Memorandums of Understanding (MOUs), contracts and partnership agreements and is committed to a business model which empowers people and builds social cohesion by working in a collaborative, inclusive and co-operative manner.



AFFORDABLE HOUSING.

Over the past three years Unity has built **more than 300 new properties**, providing affordable accommodation and long term tenancy rented to low income people at less than 75% of the market rent.

Unity's affordable housing portfolio provides access to high quality, well located housing for people who struggle to afford private rental but may not otherwise be eligible for subsidised housing, such as public housing.

In 2014 Unity expanded the geographic spread of this program into the northern country region of SA delivering over 100 housing opportunities for low income working people across 11 communities and establishing a new office in Port Augusta to service these properties.

This portfolio contains a wide range of property types to meet the broad spectrum of need in the community, including retirees, young couples, individuals and families. The properties include one, two, three and four bedroom options.

Over 50 properties developed to specifically target aged people and those living with a disability.



"I would like to take this opportunity to thank the management of Unity Housing for allowing us to live in one of your properties. Indeed, you were used by God to bless us in this country. You are such a great help for new migrants like us. Thanks for giving us a good reference to move into the property we are living in. God bless us all and more power to you and the Unity Housing family!"



"The thing my family and I appreciate about Unity is that they are so easy to talk to. Unity is very accommodating – their staff members are approachable and very nice people."



PROPERTY DEVELOPMENT PROGRAM.

Unity's Property Development Program has delivered **\$77 million worth of property developments** since 2011, in partnership with a wide range of stakeholders and funding sources underpinned by Unity debt and equity.

Key partners include the Commonwealth Government through the provision of infrastructure and NRAS funding; the State Government through grant funding, NRAS contributions and land partnerships; local government through land contributions and partnerships; community groups; local Church/parish support and a wide range of other local businesses and community groups.

The key to bringing these parties together to achieve such successful outcomes has been Unity's commitment to a consultative, co-operative and partnership based approach to harnessing the expertise and capacity of government, developers and a range of other partners.

Whilst this portfolio is largely focused on providing affordable accommodation to low income working people, it also includes over 50 properties developed to specifically target aged people, and those living with a disability and linked to services providing clinical and psychosocial rehabilitation in addition to support for individuals in a community setting.





“I’ve been in the boarding house for 14 months now. I feel safe and secure which gives me peace of mind. Unity has helped me gain confidence in myself and all the staff are very kind and friendly.”

BOARDING HOUSES.

Unity's Boarding House Program provides an entry point for highly vulnerable people into low cost, safe and secure accommodation. It provides housing for people who are marginalised due to a range of social factors including family breakdown, financial management issues, domestic violence, mental health issues, social isolation and drug and alcohol misuse.

The boarding house service model is a springboard from which, once settled, people can transition to more stable and independent accommodation options in the community.

Successful boarding house programs and similar accommodation rely heavily on collaboration, partnerships and creative property and tenancy management solutions.

Unity has established successful partnerships in tenancy support and community engagement and continues to focus on formalising these relationships through well defined and tenant-focused memorandums of understanding (MOUs).

Through its five boarding houses Unity provides accommodation to 170 people every night, the majority males but with two boarding houses specifically targeting women. Most tenants are over 45 years of age, unemployed and on incomes less than \$15,000 a year - usually government benefits.

A major focus for the Boarding House Program, in collaboration with key support agencies, continues to be the development of pathways for tenants from boarding house environments into long term affordable housing in the community.



Through its five boarding houses Unity provides accommodation to 170 people every night.



PROFESSIONAL PROPERTY MANAGEMENT.

As a licensed land agent, Unity offers a professional property management service for owners of NRAS investment properties. This provides the opportunity for Unity to support private investors to build their housing portfolios while facilitating low to moderate income earners to access well located and affordable rental housing.

Unity is highly skilled at identifying and selecting the right tenant for a positive long term outcome for the landlord, the tenant and the local community. Our experienced team is highly respected as a specialist property manager in this field.

Unity is currently contracted to manage over 280 properties across the suburbs of Evanston Gardens, Munno Para West, Morphett Vale, Northgate, Huntfield Heights and in Murray Bridge in regional South Australia and intends to actively expand this program over the coming year.

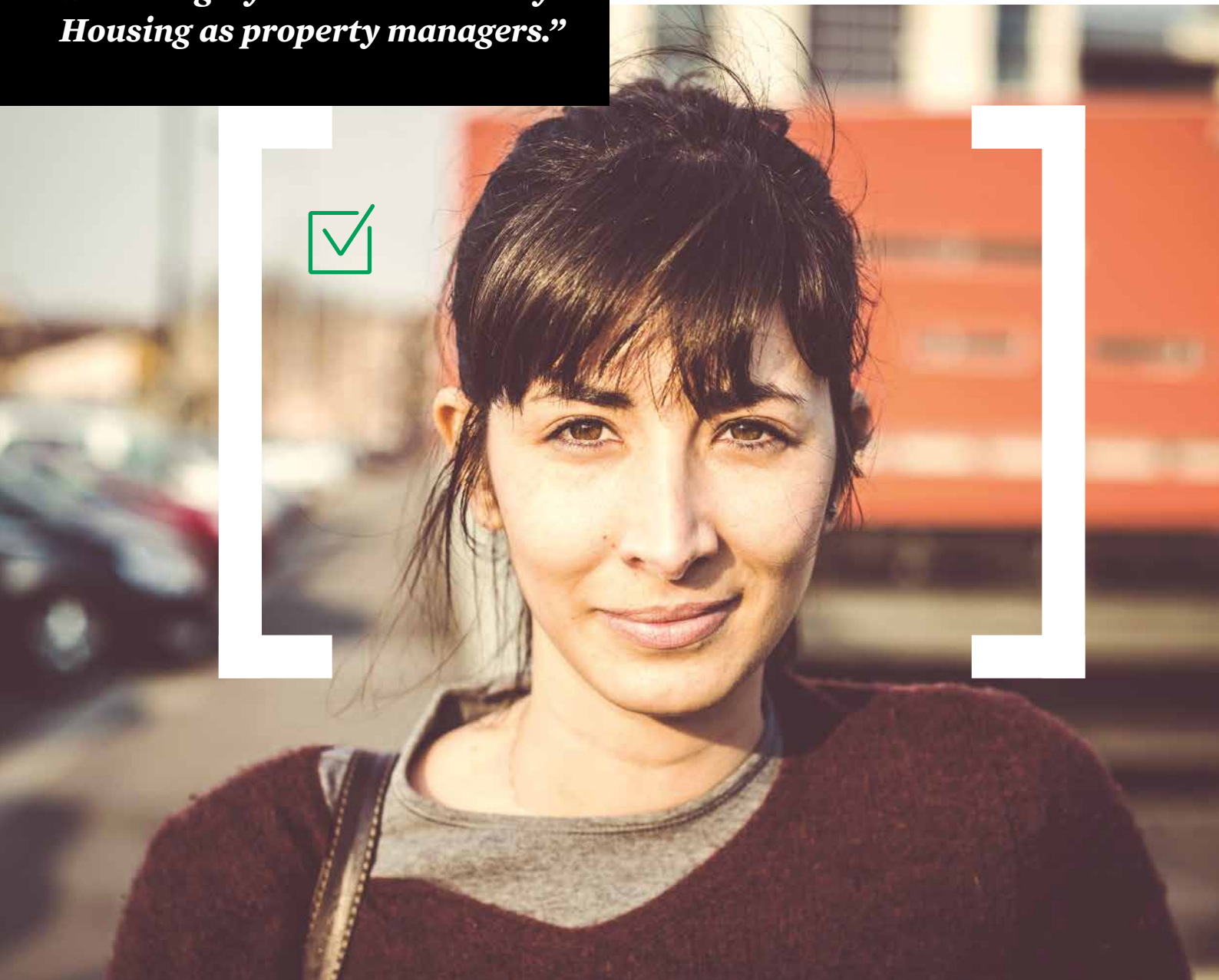


*Unity Housing
manages over 280
properties across
South Australia.*





“I have dealt with Unity Housing as my property manager and the staff are always courteous, knowledgeable, efficient and professional with all aspects of property management. I would highly recommend Unity Housing as property managers.”



On Ya Bike is a cycling club available to boarding house tenants. Tenants can borrow a bike and helmet and are invited to join group rides around the city.

Unity also has a successful grants and partnership strategy which enhances our ability to offer longer-term community development and skills building projects.



COMMUNITY CONNECT.

Unity's Community Connect Program seeks to make a long lasting difference to people's lives. The Program's model is holistic, evidence-based and designed to help tenants develop new skills, boost their confidence and increase their capacity for sustainable community living.

The Community Connect model is how we implement our long-standing Community Engagement and Participation Framework which includes initiatives from regular and relevant communications such as the tenant newsletter, "Around the house", to tenant consultations and social events.

Unity also has a successful grants and partnership history and strategy which enhances our ability to offer

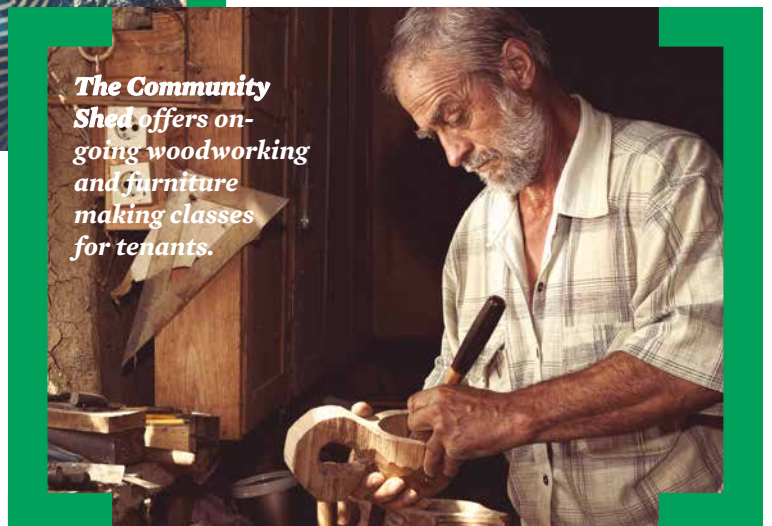
longer term community development and skills building projects. The grants and partnerships approach is driven by the needs of tenants and taps into local facilities and services. It uses a strengths-based methodology, ensuring that we focus on what people or communities are doing well and take into account their assets. Every person and all communities have strengths to build upon.

The outcomes generated by our grant and partnership-funded initiatives support tenants to make a range of improvements to their own lives but they also contribute to building more secure tenancies and, in turn, sustainable communities.

Community Connect in the City is a project introduced to grow community relationships. One of our most successful social occasions is the Bocce and Brunch event in the eastern parklands for tenants and the locals.



The South Project is Unity's flagship regional initiative to reduce social isolation and improve life skills for our tenants in Adelaide's inner south.



The Community Shed offers on-going woodworking and furniture making classes for tenants.

SPECIAL THANKS TO OUR PARTNERS.

Partnerships are central to Unity’s service model and success, allowing us to deliver creative, individualised and holistic housing and social service solutions for tenants. Unity places a high value on the development of positive and enduring relationships, which are underpinned by Memorandums of Understanding (MOUs), contracts and partnership agreements. The quality services provided by our support partners ensure the best possible outcomes for our tenants.

- Adelaide City Council
- Adelaide Hills Council
- Alexandrina Council
- Anglicare SA
- Australian Refugee Association
- AV Jennings
- Bank mecu
- Barkuma Incorporated
- Bedford Group
- Bendigo Bank
- Build Tec Group
- Calvary Lutheran Family Support
- Cambodian Association of SA Incorporated
- Catherine House
- Cedars North, Glenside
- Centacare Catholic Family Services
- Central Domestic Violence Service
- Centrelink
- Chinese Welfare Services of SA Incorporated

- City of Charles Sturt
- City of Marion
- City of Onkaparinga
- City of Salisbury
- City of Victor Harbor
- Clare and Gilbert Valley Council
- Clare Community Mental Health Services
- Common Ground
- Community Accommodation and Respite Agency (CARA)
- Community Living and Support Services (CLASS)
- Community Living Options (CLO)
- Community Sector Banking
- DeafCanDo
- Department for Communities and Social Inclusion (DCSI)
- Department of Families, Housing, Community Services and Indigenous Affairs (FAHCSIA)
- Department of Planning, Transport and Infrastructure’s Community Grants
- Devine Homes
- Disability SA
- District Council of Peterborough
- EBL Disability Services
- Families SA
- Felixstow Mental Health
- Fleurieu Homelessness Support Service
- Glenside Hospital
- Hindmarsh
- HomeStart Finance
- Housing Choices Australia

- Housing SA
- Hutt Street Centre
- Individual Supported Accommodation Services (ISAS)
- Inner Southern Homelessness Service
- James Nash House
- Job Prospects (SYC)
- Junction and Women’s Housing
- Leedwell Strategic
- Life Without Barriers
- Lutheran Community Care
- Mental Illness Fellowship (SA)
- Minda Incorporated
- Murraylands Homelessness Service
- NEAMI
- Northern Domestic Violence Service
- Offenders Aid and Rehabilitation Services of South Australia Incorporated (OARS)
- Orana
- Outer Southern Generic Homelessness Service
- ParaQuad SA
- Personal Helpers and Mentors (PHaMs) Programs
- Questus
- Regional Council of Goyder
- Renewal SA
- Rossdale Homes
- SA Health, Mental Health Services
- Salvation Army
- Service to Youth Council
- Southern Domestic Violence Service
- Southern Fleurieu Mental Health Service

Southern Junction
Community Services

St John's Youth Service

Street to Home

The Salvation Army

The Wyatt Benevolent Institution Inc.

Towards Independence

Uniting Communities

UnitingCare Wesley Country SA

UnitingCare Wesley Port Adelaide

University of South Australia

Vietnamese Community
in Australia, SA

Wahlstedt Quality Homes

Westpac

AFFILIATIONS

Australian Housing Institute

Australian Institute of
Company Directors

Australian Institute of Management
Business SA

Community Housing Council of SA

Housing Industry Association

Master Builders Association of SA

PowerHousing Australia

Real Estate Institute SA (REISA)

South Australian Council of
Social Service (SACOSS)

Urban Development
Institute of Australia



**AFFORDABLE
HOUSING.
SUSTAINABLE
COMMUNITIES.**

FINANCIAL STATEMENTS.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

Income	2014 (\$)	2013 (\$)
Housing rental income	10,598,027	9,842,965
Government recurrent grants	1,694,468	1,706,048
Government capital grants	7,578,235	68,545
Other income	768,120	807,212
TOTAL INCOME	20,638,850	12,424,770
Expenses	2014 (\$)	2013 (\$)
Administration expenses	1,509,143	1,726,785
Capital contributions paid to State Government	1,355,522	1,035,222
Property expenses	4,358,605	4,287,145
Staffing costs	4,412,438	3,868,193
Depreciation expenses	83,396	67,439
Interest expense	878,235	951,898
Other expenses	466,139	351,881
TOTAL EXPENSES	13,063,478	12,288,563
Net Operating Profit	7,575,372	136,207
- Less Transfers to provisions	(120,560)	(26,727)
Net Profit for the Year	7,695,932	162,934
Other Comprehensive Income	2014 (\$)	2013 (\$)
Net gain on revaluation of land & buildings	-	(15,000)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7,695,932	147,934

This is an abridged version of the financial statements of Unity Housing Company Ltd for the year ended 30 June 2014. The full set of financial statements and accompanying notes are obtainable upon request from Unity Housing.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

Current Assets	2014 (\$)	2013 (\$)
Cash and cash equivalents	2,436,021	3,844,709
Trade and other receivables	2,817,107	1,545,970
Other current assets	237,797	83,742
TOTAL CURRENT ASSETS	5,490,925	5,474,421
Non-current Assets	2014 (\$)	2013 (\$)
Fixed assets	89,523,294	74,411,413
Intangible contractual right	6,135,925	6,135,925
TOTAL NON-CURRENT ASSETS	95,659,219	80,547,338
TOTAL ASSETS	101,150,144	86,021,759
Current Liabilities	2014 (\$)	2013 (\$)
Trade and other payables	1,679,156	715,242
Bank loans	2,003,175	411,944
Provisions	379,588	462,593
Other liabilities	587,452	555,747
TOTAL CURRENT LIABILITIES	4,649,371	2,145,526
Non-Current Liabilities	2014 (\$)	2013 (\$)
Maintenance provisions	1,777,372	1,658,744
Tenant service provisions	190,376	253,995
Other provisions	211,185	30,981
Bank Loans	18,616,770	13,923,375
TOTAL NON-CURRENT LIABILITIES	20,795,703	15,867,095
TOTAL LIABILITIES	25,445,074	18,012,621
NET ASSETS	75,705,070	68,009,138
Equity	2014 (\$)	2013 (\$)
Retained Earnings	73,837,334	66,141,402
Asset Revaluation Reserve	1,867,736	1,867,736
TOTAL EQUITY	75,705,070	68,009,138

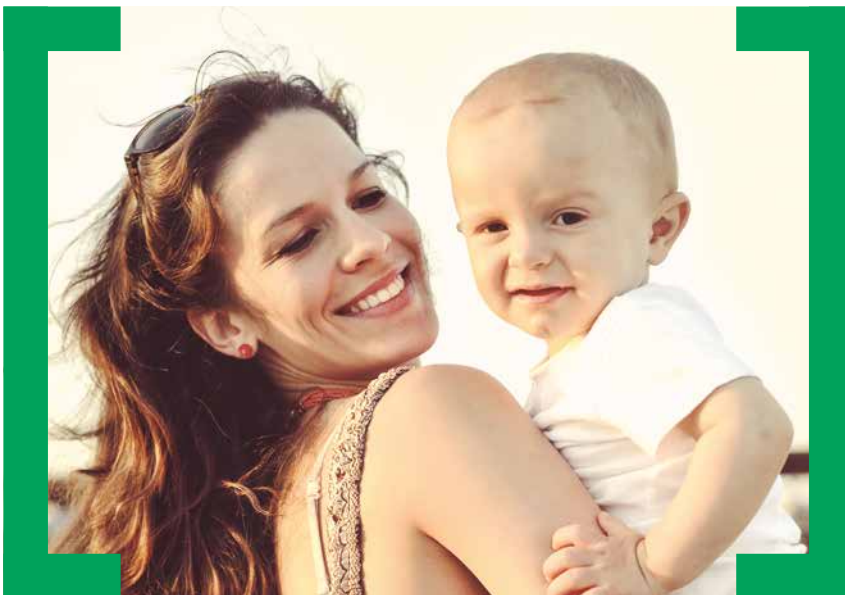
2014

In 2014 Unity Housing Company recorded a profit of \$7.696M which included \$7.578M in Government grants to finance development works of \$35M currently being undertaken by the company. These development works underpin Unity's commitment to increasing the supply of affordable housing to the South Australian community.

The property portfolio managed by Unity Housing Company now totals more than \$450M as at 30 June 2014. As the largest community housing provider in

South Australia, the company returned in excess of \$1.3M in recurrent capital contributions to the South Australian Government from its social housing portfolio rental income.

This year Unity Housing Company continued to invest the revenues generated by its activities into infrastructure and best practice property management, achieving Tier 1 registration under the National Regulatory System for Community Housing.



***Safe, secure
and sustainable
accommodation
for people on
low incomes.***





UNITY
HOUSING COMPANY

UNITY HOUSING .ORG.AU

CENTRAL OFFICE AND GENERAL ADMINISTRATION

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E admin@unityhousing.org.au
ABN 12 130 704 648

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E nras@unityhousing.org.au

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F 08 8232 4582
E theterrace@unityhousing.org.au

OFFICE HOURS

Unity's office hours are 9am to 5pm,
Monday through Friday.