



St Kilda
Community
Housing

Annual Report
2023-24



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St Kilda Community Housing; Tackling Local Homelessness

Mission: To provide great homes to people so no one misses out, and to make sure the housing works.

Vision: To be the solution to local homelessness.

Purpose Statement: We exist to provide disadvantaged local people with safe affordable homes. We know that our mission allows people to settle, recover and thrive.

Values:

- **Optimism** – We believe in people, in their capacity for change, and work with them to achieve their goals.
- **Perseverance** – We know our work is hard, and important, so we go the extra mile to keep people housed.
- **Bravery** – We do the right thing, we back our judgement, speak truth to power, and give people every chance to succeed.
- **Empathy** – We aim to work with people wherever they are at on their journey, with compassion, and without judgement.
- **Collaboration** – We partner in good faith, and this amplifies our impact and supports great outcomes.



CEO Report

A year of reflection, commitment, and growth

Dear friends and valued stakeholders,

It is my privilege to present our annual report, reflecting a year defined by introspection, renewed commitment to our values, and strategic growth.

Our Identity and Purpose

This year's strategic planning process prompted a deep examination of our agency's identity. For over forty years, we have served our community by providing housing for vulnerable individuals funded by very low rents with our social enterprise maintenance program offering meaningful employment to our renters, helping to break the cycle of poverty.

Our self-funded asylum seeker project remains a cornerstone of our work, offering safe, bill-free homes where individuals can heal and rebuild their lives.

Staying True to Our Roots

Born from a mission to preserve modest housing amid gentrification, we recommitted ourselves to serving our community's most vulnerable members. Despite financial challenges, we've chosen to strengthen this focus, recognising that for many, we represent their final hope for safe, affordable housing.

Navigating Challenges and Evolution

We face increasing costs in providing contemporary social housing, with our rental income model encountering structural challenges. Additionally, some properties have reached the end of their serviceable life, leading to difficult but necessary decisions such as the recent sale of one property that no longer met community standards.

Looking ahead, we will focus on replacing and expanding several assets, carefully managing this transition to maintain continuity for current residents. We're grateful for our government and philanthropic partners' support in this process.

Addressing Current Challenges

The large-scale sell-off of modest, privately rented accommodation in our area mirrors the challenges that sparked our founding. This concerning trend threatens affordable housing availability for low-income individuals. In response, we're actively seeking partners who share our vision of preserving community-owned housing stock in perpetuity.

Looking Ahead

As we move forward, we remain committed to providing safe, affordable housing to those most in need. We view our challenges as opportunities to innovate and collaborate, strengthening our dedication to creating a more inclusive community.

I invite you to explore this report and join us in our ongoing journey to create positive change.

Thank you for your continued support and trust.

Andrew D'Arcy
Chief Executive Officer



Chair Report

It is with pride and a renewed sense of purpose that I present our Annual Report for the 2024 financial year. The Board and I deeply appreciate the care, resilience, and unwavering commitment demonstrated by our organisation, its staff, and the community we serve.

Honouring Our Legacy, Embracing Our Future

For over four decades, St Kilda Community Housing has been a beacon of hope, providing housing with dignity, security, and a foundation for a better future. This year's strategic planning process reaffirmed the profound impact and continuing relevance of our mission in the local area, while acknowledging the financial challenges we face.

Our unique model combines sustainable, very low-rent housing with a social enterprise maintenance program, ensuring our residents have both safe homes and pathways to employment. This holistic, community-centred approach more effectively addresses complex social challenges.

Meeting Current Challenges

Post-COVID, we have faced rising costs, market uncertainty, and ongoing gentrification pressures. These challenges have strengthened our resolve and shaped our strategic priorities. Our Common Ground development project in Wellington Street progresses on schedule and budget, while the

necessary sale of our Barkly Street property marks a step toward asset renewal to better support our residents' wellbeing.

I'm particularly proud of our self-funded asylum seeker project, providing sanctuary for individuals rebuilding their lives, and our successful initiative to help residents access government energy relief payments.

Looking Ahead

As the social housing landscape evolves, we must adapt while staying true to our mission. The accelerating sale of unsubdivided flats mirrors the conditions that led to our founding, driving our ambitious plan to rejuvenate and expand our housing stock. We're actively building partnerships to preserve and enhance community-owned housing for generations to come.

A Call to Action

Our work has never been more important, nor the need more pressing. We invite our supporters, partners, and community members to join this vital mission. Your advocacy, support, and partnership are invaluable in creating a more inclusive and equitable community.

I sincerely thank my Board colleagues for their insight, our CEO Andrew D'Arcy for his unrelenting commitment, and all our staff for their dedication. To the individuals and families we serve, thank you for your trust in our organisation.

Together, we are building a stronger, more compassionate community for all.

With warmth and gratitude,

Liz Johnstone
Chair

Our Board



Liz Johnstone
Chairperson

Liz is Board Chair and Chair for the Housing and Development Committee. She has long term experience in public policy related to urban planning, building and sustainability at a local government level. Liz was appointed to the Board in 2015, providing professional input to the Board, Management & Finance, and Housing & Development committees.



Peter Seamer AM
Treasurer

Peter is Chair for the Finance and Risk committee and has been involved in the planning and growth of cities with a particular emphasis on their long-term planning. He has worked in local Government and currently has advisory roles with both Government and non-government organisations.



Carmel Collins LLB
Secretary

After a decade at Parliamentary Counsel, Carmel held senior management and directorship positions in Natural Resources, Infrastructure and Law departments of the state government. She was Manager of Tenancy Services in the Office of Housing.



Greg Mundy FCHSM

Greg Mundy has held senior management and Chief Executive positions in several government and health and human services organisations. He has been a director and Board member of national bodies in health and aged services.



Jack Haber

Jack is a registered Architect, Land Economist, and Valuer with postgraduate qualifications in Applied Finance and Financial Planning. Since 1997, he has managed medium to large projects in various sectors and currently serves as Head of Development at Haven Home Safe, a large community housing association.



Frieda Yeo

Frieda is an experienced Director in the Not For Profit sector (Education and Crisis Support), with a demonstrated professional history of working in the IT industry. Skilled in Budgeting, Accounting, Financial Accounting, Financial Reporting, and Corporate Tax. A Qualified Chartered Accountant with a Bachelor's Degree focused in Accounting and Arts (Psychology) from Monash University.

Our Residents At A Glance

Properties

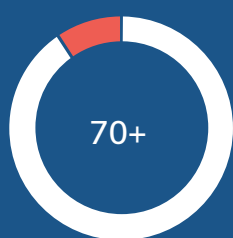
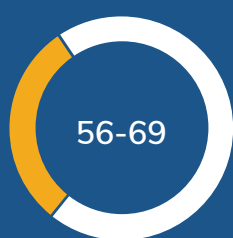
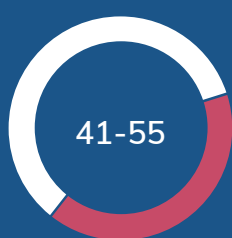
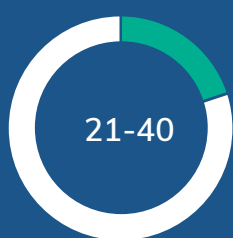


20 properties



315 dwellings

Ages & Gender



71% Male



28% Female

1% Self Described

Tenancies



299 tenancies
at 30 June 2024



78.26% tenancies
maintained for 12 months

Income



33
Age Pension Single



1
Carers Payment Single



138
Disability Support Pension



22
Newstart Over 55



79
Newstart Over 21



2
Red Cross



23
Wages Salary / Own Business



1
Workcover/ Compensation

Wellington Street

This year our Common Ground project at 26 Wellington St has finally evolved from an idea to a reality. Getting to the construction phase has been a long process, complicated by unforeseen global events: the COVID-19 pandemic and invasion of the Ukraine. These events significantly increased construction costs and left us with a large funding shortfall.

Our two project funders, Homes Victoria and the City of Port Phillip, remained committed to the project and with their help we were able to find the additional funds for this critically important project.

In August 2023, submitted tenders were assessed and our construction partner, Bowden Corporation was appointed in December.

With mixed feelings we saw the old rooming house demolished in January, and we are excited to see the new building taking shape. Formal construction works commenced on 19 February with a sod-turning ceremony, with our partners, dignitaries, residents and Government and Council representatives in attendance.

Work has progressed at a tremendous rate towards lock up before the year's end and the internal fit-out is well underway for project completion by August 2025.

We acknowledge the dedicated work of the design team, led by our Project Manager, Nick Gammaldi of NPG Project Management and our builder, Bowden Corporation, led by their Project Manager, Izad Samsudin. The support and hard work of Board Member, Jack Haber and our Property Manager, Steve Skurnik is also acknowledged.

When completed in August 2025 the Wellington Street Common Ground project will provide supportive and permanent housing for 26 long-term rough sleepers from within the local community. With on-site support and concierge services, funded by the State Government, this accommodation will offer security, stability, comfort, and a base for people to rebuild their lives.



Left to Right: Liz Johnstone, John Berger, Heather Cunsolo



Left to Right: Frieda Yeo, Andrew D'Arcy, Greg Mundy, John Berger, Liz Johnstone, Peter Seamer, Jack Haber

Barkly Street History and Sale



It was bittersweet to sell our old rooming house on Barkly Street. The building offered 18 rooms with shared facilities, as well as some lovely, shared areas and relaxing gardens.

Formerly a private hotel, a student hall of residence, and at one time, a private home, the property could no longer offer accommodation that matched community standards. The rooms were small and the heritage overlay, solid brick construction, layout, and associated costs prevented us from remodelling it.

We cannot afford to lose 18 homes from our portfolio, and neither can the local community. Focused as they were on the most vulnerable community members, it is critical that they are replaced in line with our strategic direction through the purchase of better-quality local homes.

We need your assistance to make our plan a reality. Please support us when you can.

**We need your
assistance to
make our plan
a reality.**

**Please
support us.**

DONATE NOW

Happy Retirement Harry



St Kilda Community Housing would like to celebrate the achievements and hard work of Harry, who has retired from St Kilda Community Housing after 24 years. Harry made a huge contribution within our maintenance team, ensuring that our properties were clean, welcoming and safe. Harry remembers starting his journey at St Kilda Community Housing when the organisation was run out of a space below a stairwell, which has now been incorporated into one of our units. He recalls working in the time of Jeff Lyons, John Broderick and John Enticott, and marvelled at how so much work could be done from such a tiny space!

Harry can recall many a story from his years of service, from the peaceful days at our lovely Seaside property on Beaconsfield Parade, to a police siege he encountered on his way to work on Brighton Road, many years ago.

Harry praises the work of his long-time colleagues and feels it's that it is not an easy job and requires both courage and heart. Harry plans to keep busy in his retirement and we will make sure he stays in touch. We farewelled Harry with a get together at our office, and presented him with a beautiful lemon tree, thoughtfully chosen by Harry's colleague and fellow gardener, Lily, our HR and Compliance Manager.

L'Oréal



Kalara, Grey Street, St Kilda - birthplace of the Helena Rubinstein Beauty Empire

In 1901, Helena Juliet Rubinstein moved into Mrs Isabella Stern's boarding house Kalara at 77-79 Grey Street, St Kilda. Over a century later, St Kilda Community Housing is utilising the same property to provide homes to support people in the community. Like many of our residents, Helena was given the chance to establish her life in Australia with the security of a home, through this boarding house.

A year or so later, Helena's cosmetics business was established, which by the time of her death in 1965 was worth 60 million dollars. It is accepted that James Thompson, the Managing Director of the Robur Tea Company, was instrumental in the establishment of Helena's business by providing financial, business and marketing support and advice. It is said that they met while she was waitressing at the Winter Garden Tea Rooms, but new evidence has come to light that they first met at Mrs Stern's boarding house, and so 77-79 Grey Street, St Kilda can be considered to be the birthplace of Helena Rubinstein's beauty empire (L'Oréal). Helena's example is a shining reminder of the capacity people have for great things and what they can accomplish when given opportunities in life. Now, 122 years later, we hope to give members of our community the same chance as Helena and help them to achieve their goals.

References:

victoriaspast.blogspot.com

cosmeticsandskin.org

Financial Report

Statement of Surplus or Deficit and other Comprehensive Income for the Year Ended 30 June 2024

	2024 \$	2023 \$
Revenue	3,507,118	3,537,363
Other Income	159,231	102,895
Administrative expenses	(190,087)	(164,931)
Bad and Doubtful Debts	(104,582)	(77,457)
Depreciation and amortisation	(233,089)	(278,990)
Employment Expenses	(1,537,773)	(1,454,222)
Finance charges	(328,970)	(275,363)
Property Management expenses	(523,603)	(399,856)
Tenancy Management and operational expenses	(946,671)	(966,908)
(Loss) on Sale of Asset	(595,289)	-
Other expenses	(49,360)	(28,753)
	(4,509,424)	(3,646,470)
Deficit Before Income Tax Expense	(843,075)	(6,212)
Income tax expense	-	-
Deficit After Income Tax Expense	(843,075)	(6,212)
Other comprehensive income for the year (net of tax)	-	-
Total Comprehensive Income for the year	(843,075)	(6,212)

The St Kilda Community Housing Limited (SCH)'s finances are sound, and our auditor Stannards Accountants and Advisors have provided a favourable report on accountability, controls, and management within our organisation.

There are two items that have significantly affected our budgets for some years, and which are both nearing a positive resolution. Following State and Council funding support, the Wellington Street redevelopment commenced in January 2024 which had a slight impact on the 2024 revenue and will continue to have an impact on the revenue until the development is completed in July/August 2025.

Secondly the property owned by SCH at 96 Barkly Street was sold in March 2024 for \$2,850,000. The net sale proceeds are expected to be received in January 2025 and will assist in reducing the debt owed and provide substantial finance cost relief to the organisation.

The financial deficit of \$843,075 for this financial year, includes a book loss on the sale of 96 Barkly Street of \$595,072. The operational loss, excluding this book loss is \$248,003, \$81,329 more than the budgeted loss of \$166,674. The major factors underlying this were an increase in bad debts, utility cost increases, refurbishment and repairs and maintenance costs, cyclical maintenance and consulting costs.

Statement of Financial Position as at 30 June 2024

	2024 \$	2023 \$
Current Assets		
Cash & cash equivalents	1,588,174	3,102,693
Trade receivables & other assets	452,612	515,952
Assets held for sale	2,850,000	-
Total Current Assets	4,890,786	3,618,645
Non-Current Assets		
Property, Plant & equipment	6,934,521	10,536,045
Total Non-Current Assets	6,934,521	10,536,045
Total Assets	11,825,307	14,154,690
Current Liabilities		
Trade & other payables	261,510	261,510
Rent received in advance	81,622	80,415
Borrowings	4,195,731	4,189,150
Provisions	179,726	137,571
Unearned Revenue – Wellington Project	1,121,164	2,550,391
Total Current Liabilities	5,790,305	7,219,037
Non-Current Liabilities		
Borrowings	476,401	542,112
Provisions	52,683	44,548
Total Non-Current Liabilities	529,084	586,660
Total Liabilities	6,319,389	7,805,697
Net Assets	5,505,918	6,348,993
Equity		
Accumulated Surplus	3,605,918	4,448,993
Asset Revaluation Reserve	1,900,000	1,900,000
Total Equity	5,505,918	6,348,993

Cash reserves on June 30 2024 is \$725,340, compared to June 30 2023 of \$922,957. Funds held for the Wellington Street project is \$1,121,164.

Total equity on the Balance Sheet has reduced from \$6,348,993 to \$5,516,050 predominately on the loss on the sale of the 96 Barkly Street property.

The most significant risks for the organisation continue to be the maintenance and upkeep of some poor properties and the challenging behaviour of some residents. The loan outstanding will remain a challenge, but there is an expectation that this will reduce the use of available surplus funds over time. This will also be assisted by improved rent income for the greater part of the 2024/5 year.

The Finance Committee met regularly throughout the 2023-24 financial year with our accounting policies and reporting remaining strong. Our outgoing Finance Director Franco Pugliese, has placed great emphasis on evolving our internal controls and reporting and his greatly respected work has brought our financial system to a highly professional state.

Our bottom line is that our finances are strong and the SCH has successfully provided much needed safe and affordable accommodation for around 333 residents in 20 community houses in St Kilda.

Note: These abridged financial statements are extracts from the audited financial statements of SCH as approved by the Board of Directors on October 2024. A copy of the audited Financial Statements is available on request from the registered office of St Kilda Community Housing Ltd.

Peter Seamer
Treasurer

Thanks To Our Partners



AlfredHealth



Servants
COMMUNITY HOUSING



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www.stkch.org.au

St Kilda Community Housing Ltd acknowledges that we are on the traditional land of the Boonwurrung and Wurundjeri people and offer our respects to the elders past, present and emerging.

