

Baptcare
Affordable
Housing

Annual Report

2023-2024



*A meaningful
difference*

baptcare.org.au

Our Mission, Vision and Values



Our Mission

To partner with communities to provide affordable housing solutions that bring hope and opportunity to the most disadvantaged.



Our Vision

Communities free from housing related poverty, where all residents can participate fully in life



Our Values

Focused when working alongside our tenants, partners and supporters; the very young to the very old; the vulnerable and families, through all of life's stages and challenges.

Our Mission and Vision are lived through our WE CARE Values



Wellbeing: you living your life with meaning, we partner with you to enhance your health, safety, comfort and spirituality.



Ethics: being genuine with you, leading with integrity and fulfilling Baptcare's purpose in harmony with community expectations.



Co-creating: building personalised and innovative solutions with you and our allied partners, with your goals as our shared focus.



Accountability: fulfilling our commitments to you and accepting our responsibilities to continually improve.



Respect: understanding and embracing your individuality, standing up for your equality and protecting your dignity.



Effectiveness: being focused on achieving the best outcomes for you, with you.

Baptcare Affordable Housing acknowledges Aboriginal and Torres Strait Islander peoples as First Australians and recognises their culture, history, diversity and their deep connection to the land. We acknowledge that we are on the land of the traditional owners and pay respects to Elders past and present.

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“Housing is a human right... there can be no fairness or justice in a society in which some live in homelessness, or in the shadow of that risk, while others cannot even imagine it.”

Jordan Flaherty

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Message from the Board Chair

As I reflect on the year that has passed, much like the year before, I am honoured to lead this devoted, passionate and growing organisation. Amidst ongoing concerns about housing availability, the cost of living and ever-increasing risk of homelessness amongst more demographics in Victoria and nationally, it is clear that the mission and work of Baptcare Affordable Housing (BAH) is more essential than ever.

The housing crisis across the country has not eased. Cost of living, lack of availability and affordability of houses to purchase and rent is making finding a home for many people impossible. Now this impacts not only those who are unemployed or at risk of homelessness, but also those who are on lower incomes.

Kate Colvin, CEO of Homelessness Australia said, “People who could have afforded private rentals just a few years ago are now resorting to couch surfing, sleeping in cars or pitching a tent.”* This is a story we’ve heard too many times around the country for the last couple of years.

The need for prompt action from government to move to remedy this crisis is more critical than ever. Affordable and safe accommodation should not be a distant dream for so many people in the community, and we at BAH consider it a basic human right.

A Report conducted on behalf of Homelessness Australia found that the number of people at risk of homelessness across the country increased by 63% between 2016 - 2022.** The number today is likely to be even higher.

Demand for services to assist individuals and households experiencing homelessness has surged with organisations finding themselves so under resourced and underfunded they are turning people away. 23 specialist homelessness services were surveyed over two weeks in September 2024 revealing the worrying state of these services and the huge measures that are required to service the demand for homelessness support.

The results revealed, for example, that 83% of services surveyed were unable to answer phone calls at times, 74% couldn’t respond to urgent emails and nearly 40% of those services surveyed were forced to close their doors during operating hours.

Director	Appointment	Meeting eligible	Meeting attended	Director	Appointment	Meeting eligible	Meeting attended
Carol Geyer	February 2021	9	9	Belinda Dale	November 2023	4	4
Matthew Hick	March 2019	9	8	Kathryn Mitchell	November 2023	4	4
Ellen Matusko	February 2021	9	9	Nemesia Kennett	November 2023	4	4
Anthony Bridge	February 2021	9	5				

There is not enough funding and staffing to meet the demand for support for those who are experiencing homelessness or at risk of homelessness.

The report by Impact Economics for Homelessness Australia also identified Victoria as one of the states with the fastest growing risk of homelessness or people losing their home due to increasing affordability pressures and a 23.1% increase in rental stress. This translates to 987,405 people were at risk of losing their home this year.

BAH has made strides this year in growing our housing portfolio and diversifying the types of accommodation we can provide to those in need. Our continued partnership with Homes Victoria under the Community Housing Placement Program (CHPP) has seen much success. The 159 homes and apartments we tendered for under this program in late 2022 have all come under BAH management with residents moving in throughout the year.

The work of housing organisations like BAH, working with Homes Victoria, is critical to providing housing relief to the Victorian community.

Our affordable housing development projects in Lalor and Keilor are in full swing, having broken ground in Feb 2024. When these projects are complete they will provide safe and secure homes to an additional 92 households and increase our portfolio. This will further our ability to provide accommodation to more people who need it. This is our mission.

In addition to the 92 houses in Lalor and Keilor, eight Interim General Leases have come under BAH management through the CHPP. Additionally, we have 18 four- or five-bedroom houses also part of CHPP currently under construction and due to be finished in late 2024. We have observed the need to house larger households as well and so built bigger homes to provide accommodation for large households.

Our Board has also grown this year, and we were delighted to welcome three new board members, with experience in housing, planning and building to bolster the expertise of our board.

They have been valuable contributors and I look forward to working with them in this new phase of the organisation.

Thank you to Baptcare, our parent company for its continued support of our work and mission. Without their dedication and assistance, we would not be able to deliver our mission.

At the time of publication, it was announced that Baptcare, BaptistCare (NSW, ACT, WA) and Baptist Care SA will unite to become one of the largest integrated care and service providers in Australia.***

On 13 November 2024, the board and executives of all three organisations announced the decision to merge, subject to the appropriate approvals.

The merger is expected to be complete in March 2025, followed by a period of integration. Charles Moore from BaptistCare (NSW, ACT, WA) has been announced as the new CEO-elect of the new company. Geraldine Lannon, our BAH CEO will be taking some well-deserved annual leave and then finish at Baptcare and BAH in March 2025.

We will continue to drive the mission of BAH alongside the merger activity and forge ahead with the ambitious works we currently have in the pipeline. We look forward to continuing to grow and provide more affordable homes to who need them.

I would like to take this opportunity on behalf of the board to extend my heartfelt gratitude to Geraldine Lannon, our CEO, for her outstanding and inspirational leadership and great support during the last year of growth for BAH and during her tenure as CEO of Baptcare and BAH.

I would also like to personally wish her all the absolute best in her next chapter and I'm sure she will bring her signature warmth, innovation and big picture thinking to her next endeavour.

I look forward to the year ahead with BAH and thank our board for their ongoing diligence and focus to provide affordable, secure and comfortable housing for those most in need.

Carol Geyer – Chair, Baptcare Affordable Housing

*Kate Colvin, CEO Homelessness Australia, Media Release: Australians Missing out on homelessness support as services buckle under strain: report, 18 Nov 2024

**Call Unanswered Report conducted by Impact Economics for Homelessness Australia November 18, 2024.

***Market position calculated based on the combined revenue of the merging entities, compared against the largest care providers that offer services in more than one category across residential aged care, retirement living, home care, community housing and community services.



Chief Executive Officer's Report

Baptcare Affordable Housing (BAH) has been providing accommodation for people who are the most disadvantaged in our community since 2013. Aligned to our mission of partnering with communities to provide affordable housing solutions that bring hope and opportunity to the most disadvantaged, BAH's intent remains to provide housing that is well-located, of quality build and affordable.

The housing and cost of living crisis in Victoria and nationally, has been well documented this past year. In addition, with the increased risk of homelessness across multiple socio-economic groups becoming more pronounced, the future looks challenging for many.

The work of BAH – to provide affordable and energy efficient accommodation to Victoria's most vulnerable – has never been more important.

Building on the achievements of previous years, this year BAH experienced significant growth across the housing portfolio and within the realm of being an innovative, community housing provider.

BAH's dwelling portfolio increased from this year as did the number of people living in BAH properties.

BAH also achieved important milestones throughout the year. These include, but are not limited to, progression of our development projects in Lalor and Keilor Downs in partnership with Homes Victoria; completion of the final transition of properties under the Community Housing Placement Program (CHPP) contract with Homes Victoria; and government minister visits to some of the completed housing that is now under BAH's management in Point Cook, as part of CHPP.

As of June 2024, BAH has a total of 125 dwellings in its committed pipeline of future housing. This pipeline ensures we are continuing to deliver on BAH's mission to partner with communities to provide affordable housing solutions that bring hope and opportunity for people in need.

I wish to extend my appreciation and gratitude to the Board for their commitment to driving the mission and goals of BAH. Now, more than ever, the work we do each day to provide affordable housing for those most in need is not only important, but it is critical.

As of June 2024, BAH has a total of 125 dwellings in its committed pipeline of future housing. This pipeline ensures we are continuing to deliver on BAH's mission to partner with communities to provide affordable housing.



Architectural render of Keilor Downs Affordable Housing development

Important update/postscript:

At the time of publication, it was announced that Baptcare, BaptistCare [NSW, ACT, WA] and Baptist Care SA will unite to become one of the largest integrated care and service providers in Australia*.

As part of this merger Charles Moore (currently the CEO of BaptistCare) has been announced as CEO-elect of the merged organisation. I will therefore be officially leaving in March 2025.

Although I am very sad to be leaving Baptcare and BAH, the merger has my full support and it will, without a doubt, enhance mission delivery, our employee value proposition and our ability to make a meaningful difference in people's lives.

I have enjoyed working in Baptcare and with Baptcare Affordable Housing every day and I feel privileged and honoured to have been CEO. I will hold this time with our staff, our clients and residents very close to my heart.

Geraldine Lannon – CEO, Baptcare Affordable Housing

*Market position calculated based on the combined revenue of the merging entities, compared against the largest care providers that offer services in more than one category across residential aged care, retirement living, home care, community housing and community services.



566

Total number of people
housed with Baptcare
Affordable Housing



Point Cook homes providing safety and security

Tamara* and her young family were some of the first residents to move into a recently completed apartment in Point Cook, which forms part of 33 homes managed by Baptcare Affordable Housing (BAH).

The houses, completed in late November 2023, are a part of the Community Housing Placement Program (CHPP).

“I really like the peacefulness of the area and the security provided to my family”, Tamara said.

Tamara and her family moved into a second-floor apartment which is soundproof, well designed and solidly built. The space in the apartment is particularly special for Tamara.

“The large open space of our unit compared to other public housing options is a great change and enjoyable. We have a large space for our family to live in and make our own,” Tamara says.

Before we met her, Tamara has experienced homelessness, couch-surfing and years of insecure housing. Now, she and her family have a beautiful home to enjoy and thrive in. They live close to the shops, close to her son’s kinder and everything is within walking distance. They enjoy living in Point Cook.

To acknowledge and celebrate the opening of these houses and the official handover to BAH, the Honourable Harriet Shing MP, Minister for Housing and Mr Mathew Hilakari MP for Point Cook visited the BAH Point Cook site in December 2023.

*Name and image at left and on the Annual Report cover have been changed to protect privacy.

Homes Victoria, Hallmarc, Chief Executive Officer Geraldine Lannon, members of the Baptcare Executive Leadership Team along with members of the BAH team were all present and delighted to witness firsthand the profound impact BAH has had on Tamara and her family’s lives.’

“It is absolutely fantastic; we’ve had two good nights already and we absolutely love it”, Tamara said at the official opening event.

BAH tendered for a portion of the CHPP housing back in 2022. The tender was successful and BAH has been allocated 159 homes to manage across the program, in conjunction with Homes Victoria. This is part of Victoria’s Big Housing Build, creating more affordable, energy efficient and comfortable homes for those in need.

“The positive and lasting impact of a secure, accessible and modern place to call home can never be underestimated,” said Minister for Housing Harriet Shing¹ in a press release after the event at Point Cook.

The impact of safe, secure and energy efficient housing on our resident’s lives cannot be overstated. For people like Tamara and her young family, it has been life changing. BAH is dedicated to continuing this mission, ensuring many more years of meaningful support for our community.

¹ Quoted from The Hon. Harriet Shing Minister for Housing Press Release 4 December 2023.

Well-located and soundly-built housing for people on lower incomes who are at risk of, or already experiencing, homelessness, delivers not just a roof over someone’s head, but also a sense of security and belonging.

We are proud to provide our residents with the basic human right of secure, quality and affordable housing. The BAH portfolio reaches across Metropolitan Melbourne, Greater Geelong, Wangaratta and Devonport.



Architectural render of Lalor Affordable Housing development

Baptcare Affordable Housing Update

For over ten years, Baptcare Affordable Housing (BAH) has provided accommodation for people in need. BAH's services are central to our vision of creating communities where everyone is valued and respected. The housing crisis in Victoria and throughout the country has not abated. With the added cost-of-living crisis and the increased risk of homelessness across multiple socio-economic groups becoming more pronounced, the future looks challenging for everyone, but especially those experiencing or at risk of homelessness.

The work of BAH - to provide affordable and energy efficient accommodation to Victoria's most vulnerable - is more important than ever.

Over this financial year, BAH has built on the successes of previous years, with significant growth in our housing portfolio and further evolution as an innovative community housing provider. BAH's dwelling portfolio increased from 191 in the previous financial year to 281 by June 2024. The number of people living in BAH properties increased from 348 to 566 by the end of June 2024.

The final transition of properties under the Community Housing Placement Program (CHPP) was completed this year. The CHPP is a Victorian government initiative and part of the Big Build. BAH is delighted to be collaborating with Homes Victoria on this project and others. The CHPP provides secure, affordable, long-term rental housing managed by not-for-profit community housing organisations such as BAH for people on low incomes. BAH successfully tendered for management of a portion of these homes in 2022. The project is firmly in line with BAH's mission and has resulted in a significant increase in the scale of our long-term social housing operations.

In December 2023, Housing Minister for Victoria the Hon. Harriet Shing, local MP for Point Cook Mr. Mathew Hilakari MP, Geraldine Lannon Chief Executive Officer and members of the Baptcare Executive Leadership Team visited some of the completed housing that is now under BAH's management in Point Cook, as part of the CHPP program. This visit was a wonderful way to celebrate and acknowledge the importance of this program.

We progressed our BAH development projects in Lalor and Keilor Downs this year, both also in partnership with Homes Victoria.

These projects broke ground in February 2024 and are progressing well.

Together these projects will deliver 92 additional dwellings in the coming years.

The BAH board made a strategic decision this year to increase our portfolio to include larger four- or five-bedroom dwellings. This is in direct response to the increased need for affordable housing for larger family units and to address overcrowding. Following the delivery of the current development pipeline, BAH's portfolio of dwellings will have 59 dwellings with four or more bedrooms.

We made great progress on delivering what will be a total of 33 four- and five-bedroom houses as part of our CHPP contract with Homes Victoria. As of June 2024, 18 of these houses are under construction with an expected completion date of December 2024. A further two are anticipated to complete by March 2025, 11 by July 2025 and the two remaining PassivHouses by March 2026.

BAH has a number of houses that are built according to the PassiveHaus international standards for airtightness, thermal insulation, ventilation, use of high-performance windows and doors and thermal bridge free construction. All these elements are utilised to provide energy efficient, comfortable and affordable housing. BAH looks forward to celebrating the completion of these projects in the coming months.

As of June 2024, BAH has a total of 125 dwellings in its committed pipeline of future housing. This pipeline ensures we are continuing to deliver on BAH's mission to partner with communities to provide affordable housing solutions that bring hope and opportunity for people in need.

Financials Update

STATEMENT FOR END OF FINANCIAL YEAR 2023-24

Statement of Profit or Loss

Statement of profit or loss and other comprehensive income
for the year ended 30 June 2024

	2024 \$'000	2023 \$'000
Revenue	3,370	1,613
Other revenue	375	125
EXPENSES		
Employee benefits expenses	(591)	(319)
Property maintenance expenses	(370)	(166)
Services and utilities expenses	(948)	(413)
Other expenses	(612)	(246)
Surplus for the year prior to depreciation expense and finance costs	1,224	594
Depreciation expense	(366)	(333)
Finance costs	(105)	(134)
Surplus for the year	753	127
Other comprehensive income for the year	-	-
Total Comprehensive Income for the Year	753	127

The surplus for the year prior to depreciation expense and finance costs amounted to \$1,224,000 (2023: \$594,000). The total surplus for the Company amounted to \$753,000 (2023: \$127,000).

Baptcare established Baptcare Affordable Housing (BAH) as a separate but related company in response to changes in the Housing Act with the intent to provide pathways to secure social and affordable housing for existing clients including asylum seekers, homeless persons, people with a disability and low income older persons.

BAH is one of Victoria's 36 community housing providers and achieved registration in 2013.

As a community housing provider, it operates in compliance with the regulatory framework and performance standards as prescribed by the Office of the Housing Registrar (Victoria). It operates with its own Board and CEO but subcontracts most of its work to Baptcare.

BAH's Board oversees and monitors the performance of the organisation by setting

its strategic direction, monitoring compliance and performance and managing risk.

BAH is in the midst of an exciting period of growth as it expands its social housing portfolio. This is mainly through the commenced construction of new dwellings at our Lalor and Keilor Downs sites.

BAH has also entered into turn-key arrangements for new dwellings in the north-west outer suburbs of Melbourne with 18 new homes due for completion in the coming year.

Statement of Financial Position

Statement of financial position
as at 30 June 2024

Assets	2024 \$'000	2023 \$'000
Current assets		
Cash and cash equivalents	422	306
Trade and other receivables	449	485
Prepayments	173	65
Total current assets	1,044	856
Non-current assets		
Property, plant and equipment	27,311	23,971
Total non-current assets	27,311	23,971
Total Assets	28,355	24,827
Liabilities		
Current liabilities		
Trade and other payables	1,933	109
Related party balances	2,464	749
Contract liabilities	369	314
Total current liabilities	4,766	1,172
Non-current liabilities		
Related party balances	3,426	3,766
Contract liabilities	13,812	14,133
Total non-current liabilities	17,238	17,899
Total Liabilities	22,004	19,071
Net Assets	6,351	5,756
Equity		
Contribution of equity by owners	2,727	2,885
Accumulated surplus	3,624	2,871
Total Equity	6,351	5,756

STATEMENT FOR END OF FINANCIAL YEAR 2023-24

Financials Update

STATEMENT FOR END OF FINANCIAL YEAR 2023-24

Statement of Changes in Equity

Balance as at 30 June 2024

Statement of changes in equity for the year ended 30 June 2024

	Contribution of equity by owners \$'000	Accumulated surplus \$'000	Total equity \$'000
Restated balance at 1 July 2022	2,885	2,744	5,629
Surplus for the year	-	127	127
Other comprehensive income for the year	-	-	-
Total Comprehensive Income for the Year	-	127	127
Contribution by owners for the year	-	-	-
Balance at 30 June 2024	2,885	2,871	5,756

	Contribution of equity by owners \$'000	Accumulated surplus \$'000	Total equity \$'000
Restated balance at 1 July 2023	2,885	2,871	5,756
Surplus for the year	-	753	753
Other comprehensive income for the year	-	-	-
Total Comprehensive Income for the Year	-	753	753
Contribution by owners for the year	(158)	-	(158)
Balance at 30 June 2023	2,727	3,624	6,351

The full financial statements for Baptcare Affordable Housing Ltd will be publicly available on the ACNC (Australian Charities and Not-for-profits Commission) website by 31 December 2024 (www.acnc.gov.au)

Statement of Cash Flows

Net increase/(decrease) in cash and cash equivalents and total cash and cash equivalents at the end of the financial year

Statement of cash flows for the year ended 30 June 2024

	2024 \$000	2023 \$000
Cash flows from operating activities		
Receipts from residents	3,514	2,160
Receipts from government sources	-	12,074
Payments to suppliers and employees	(868)	(482)
Net cash from operating activities	2,646	13,752
Cash flows from investing activities		
Net payments for property, plant and equipment	(11,116)	(11,116)
Proceeds on sale of investments	500	-
Net cash used in investing activities	(3,640)	(11,116)
Cash flows from financing activities		
Amounts advances from related parties	2,674	1,500
Repayments of borrowings from related parties	(1,564)	(4,000)
Net cash provided by /(used in) financing activities	1,110	(2,500)
Net increase in cash and cash equivalents	116	136
Cash and cash equivalents at the beginning of the financial year	306	170
Cash and cash equivalents at the end of the financial year	422	306

STATEMENT FOR END OF FINANCIAL YEAR 2023-24

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Annual Report

2023-2024

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Camberwell VIC 3124
Phone: 03 9831 7222
Email: bah@baptcare.org.au
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