



stellar living



Annual Report 2020



Here At Stellar Living

We're focused on building a better tomorrow through the provision of sustainable affordable housing.

With \$40.4m total property assets

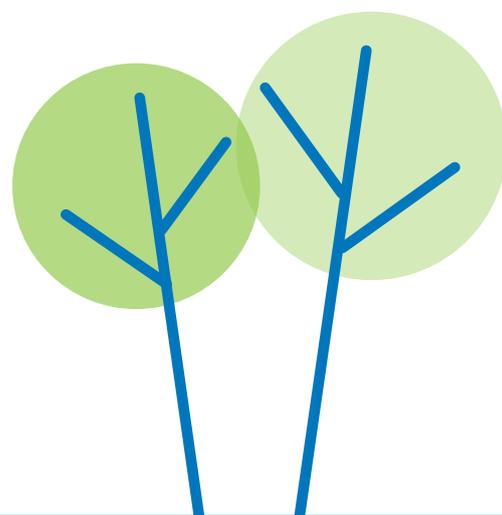
\$36.6m in Total Equity

EBITDA ratio to Total Revenue of 44%

258 properties under management

95,129 day rental for all properties

192 properties owned



66 properties leased

**93% Tenant Satisfaction across
18 local government areas**

**We strive for
a culture of
excellence in
all we do.**



Director's Report

Welcome to Stellar Living's Annual Report for 2020. As Board Chairman and CEO, we are pleased to present the annual report to our Member, tenants, partners, stakeholders and employees.

The Year in Review

Our objective for 2019-20 was to drive continuous improvements, review the way we work to create efficiencies and ensure we are delivering value for money through a thriving organisation.

As part of our succession planning for the CEO role we recruited a General Manager, Kathryn Moorey, at the end of the last financial year. This new role presented an opportunity for us to refine our practices and make significant improvements in how we operate.

Kathryn, our now current CEO, joined the organisation in May 2019. Having worked in the industry in WA for more than 10 years she has brought knowledge and experience in social housing property and tenancy management and enabled us to take stock of what was working well in our operations area and where improvements could be made. We were able to review a number of processes to create efficiencies and consistency in the organisation.

We identified that we needed to have a consistent and structured approach to how we deliver our service across the Peel region, Kalgoorlie and the metropolitan area. This meant improved tools to manage tenancies were required. Our newly implemented database required further development to provide us with improved reporting and workflows to manage day-to-day operations. Our database will continue to be developed this year as we strive to have high quality processes so that we can continue to deliver high performance services in parallel with pursuing options for growth and expansion.

Programs and improved relationships for better outcomes

Stellar Living's commitment to delivering programs in partnership with Support Providers continues to grow and evolve. We have a strong network of partner organisations who we work with to achieve the positive outcomes we all strive for through our work. At the start of the year we re-established a shared understanding of roles and responsibilities within our existing support programs to create improved strategies to ensure our tenants succeeded in their homes, had the skills to move into alternative secure accommodation and that exit strategies were in place to prevent homelessness.

We are continuing to explore new partnerships and ways to expand options for housing in the community.

We have also improved our communication and engagement with tenants with regular newsletters, correspondence and feedback mechanisms. This is an area we will continue to build on.

Unforeseen Challenges

The start of 2020 saw a new challenge that was to impact on the way we operated as an organisation. The Covid 19 pandemic affected us all as individuals and as a business, especially in the early days when no one was sure what the extent of the impact was going to be. Our staff excelled in responding to the need to work from home and quickly adapted processes to ensure we could carry on providing a high quality service, while maintaining safety for tenants, contractors and staff.

When required, we halted property inspections and only dealt with emergency maintenance. We hope the interruption of service to tenants and the impact on the business was minimal.

We would like to thank our tenants for being so understanding and patient in what has been a challenging period.

Outlook for 2020-2021

Stellar Living's ethos has been centered on being excellent and delivering quality tenancy and property management services.

With that in mind, our main focus for the coming year is to review our property maintenance and asset management planning to ensure that our tenants have the best possible service, and we are looking after our property standards to be fit for purpose into the future.

We are committed to ensuring that our organisation has the short and long term financial and organisational capacity to grow and continue to provide stable and affordable housing for more people in the communities we currently connect with.

We also work with our tenants to build resilience in ways that are meaningful to them and aligned with how they aspire to live their lives. We would like to thank them for their ongoing feedback and support.

We acknowledge the assistance of our service partners who we work with to deliver our services helping tenants realise their goals. We also extend sincere thanks to Stellar Living's employees, without whom we would be unable to be the thriving organisation we are so proud to be part of.

Finally, we must acknowledge the service of the outgoing CEO, Steve Walker, and the outgoing Chair, Stuart Duplock. Steve was the inaugural CEO of Stellar Living from 2010 and was on the Board of Centrecare before then. Steve has been a highly respected leader and a champion of community housing nationally. He was instrumental in getting Stellar Living to where it is today, growing an organisation with 60 headleases to an organisation owning 192 properties and a total property count of 258. Steve is passionate about the organisation's objectives and remains a much-valued Director. Stuart was on the board from 2011 and Chair from 2012 was fundamental to the success of Stellar Living growth and development. We wish them both well in their next ventures.

We are pleased to have welcomed two new Board members, Megan Adair and Daniel Miskiewicz, who are already adding value to our organisation.

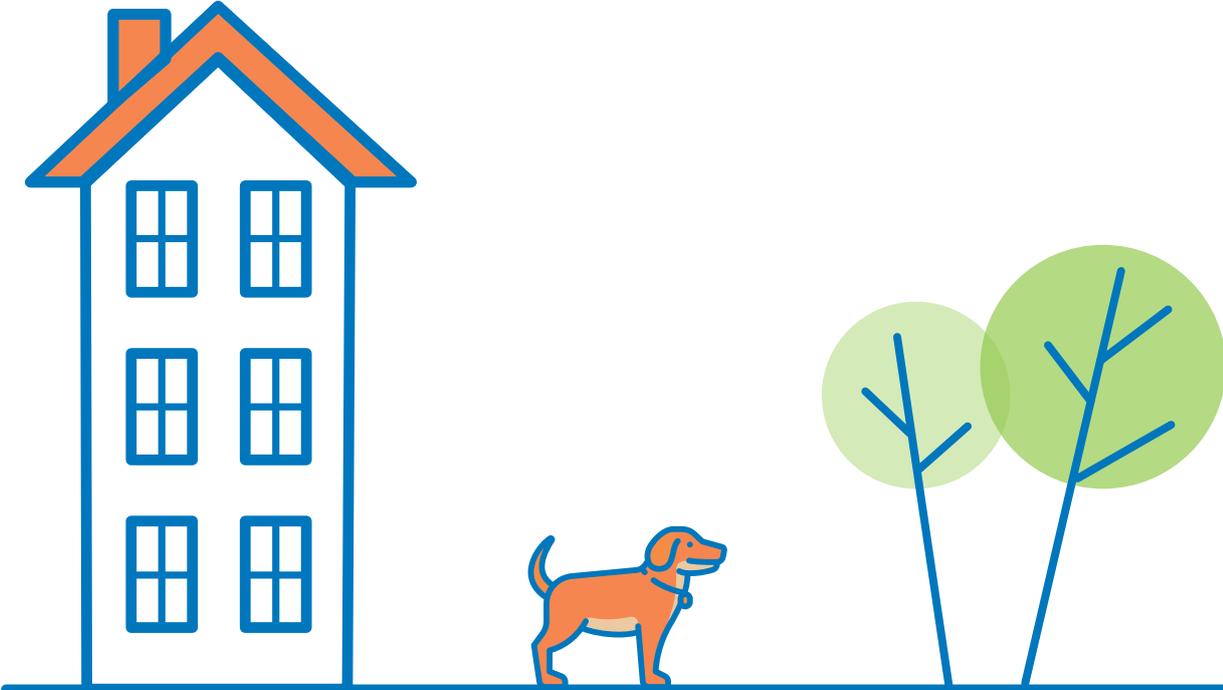
We are looking forward to an exciting future.



Kathryn Moorey
CEO



Anthony Bevan
Chair, Stellar Living



Strategic Plan 2020 - 2022

Vision **A better housing option for all.**

Purpose **Improve lives through providing affordable homes and quality service.**

Our Goals **Maximise Opportunities for Growth** **Value Our Residents and Our Homes** **Be a Strong Innovative Organisation**

| | | | |
|-----------------------|--|---|---|
| Our Objectives | <p>Cultivate effective development partnerships.</p> <p>Expand our portfolio to meet community needs.</p> <p>Be open to new delivery models and market innovations.</p> <p>Maintain the confidence of our regulators and investors.</p> <p>Maintain financially viable growth.</p> | <p>A strong commitment to customer satisfaction.</p> <p>Investing in and upgrading our homes.</p> <p>Ensure we offer the best service we can to remain an exemplary landlord.</p> <p>Be recognised as a sector leader with which other organisations want to do business.</p> | <p>Be a great place to work, retaining and attracting the right staff.</p> <p>Maintain a focus to remain agile and able to act when opportunities arise.</p> <p>Maintain strong influential relationships in the sector.</p> <p>Demonstrate good value for money in everything we do.</p> <p>Drive efficiencies and innovation in our business.</p> |
|-----------------------|--|---|---|

Our Success **More affordable housing.** **A provider of choice** **Financially and culturally responsive, efficient and trusted.**

About Stellar Living

We at Stellar Living continue to pursue our Vision to construct and manage housing for communities of people who may be vulnerable, have complex needs, are low income earners, or be in crisis. We work with many other organisations to help people find accommodation so they may concentrate on some of the other challenges they encounter.



Care and respect

We will treat people with respect, dignity and common courtesy with recognition of the intrinsic worth of all human beings and the importance of sustaining their dignity and valuing their views.



Innovation

Actively striving to develop new ways of 'thinking and doing' things in our business and in challenging others to do the same.



Integrity

Taking an honest, fair, ethical and transparent approach in everything we do.



Acceptance

Welcoming people in all their diversity in a manner that diminishes anxieties, enhances self-worth, communicates goodwill and leads to reconciliation.



Collaboration

We are not afraid to work with others towards reaching a common goal. We share our knowledge and skills to help develop our internal capacity to ensure effective and efficient outcomes.



Excellence

We strive for a culture of excellence in all we do.



Testimonials

The management is very professional and helpful at all times.



Thank you for everything you have done for me. This place is unbelievable and I'm very happy and its making re-socialisation/ integration for me a lot better.

Love living here, just to know you can get in touch for anything is brilliant.

I have found Stellar Living to be a good landlord. I have never had any problems when something needed doing. I have thoroughly enjoyed my time here and hope to for many years to come.

I absolutely appreciate the high standards of Stellar Living accommodation. Thank you

My customer service with Stellar Living has always been friendly and punctual. I love how caring and well informed the customer care has been towards me which makes it easier to cope with life.



Our Customers

Our customers are at the heart of our business. Our customers come from a range of backgrounds and we shape our services around their diverse needs and aspirations. We are focused on our customers to improve their wellbeing and foster formal and informal links to our organisation.



258

Properties



603

People Housed



316

Primary Tenants



56%

Female



44%

Male



29%

Children



262

Customers aged
over 55



164

Customers aged
over 70



160

Single Person
Households

Our Assets

Stellar Living Limited provides safe and affordable housing across Western Australia. We provided a place to call home for more than 600 people who live in 258 properties throughout Western Australia.



66
Leased



192
Owned



258
Total

stellar living 

Perth Metro

84 Managed Properties

Kalgoorlie

17 Managed Properties

Mandurah

157 Managed Properties



Excerpt from...

Statement of Comprehensive Income

For the year ended 30 June 2020

| | 2020 | 2019 |
|--|--------------------|--------------------|
| | \$ | \$ |
| <u>Revenue:</u> | | |
| Revenue from ordinary activities | 2,756,196 | 2,697,301 |
| Grant funding | 247,541 | 246,432 |
| | 3,003,737 | 2,943,733 |
| <u>Expenses:</u> | | |
| Property Management expenses | (785,763) | (705,080) |
| Administration expenses | (273,876) | (325,910) |
| Employee Benefits | (730,874) | (687,152) |
| | (1,790,513) | (1,718,142) |
| <i>Profit for the year before interest, tax, depreciation, amortisation and impairment</i> | 1,213,224 | 1,225,591 |
| <u>Less:</u> | | |
| Depreciation & amortisation | (996,772) | (993,384) |
| Interest expense | (189,741) | (264,425) |
| Impairment expense | (2,471,422) | - |
| | (3,657,935) | (1,257,809) |
| Profit/(Loss) for the year | (2,444,711) | (32,218) |
| Total comprehensive income for the year | (2,444,711) | (32,218) |

Statement of Financial Position

For the year ended 30 June 2020

| | 2020 | 2019 |
|--------------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Current assets: | | |
| Cash assets | 802,814 | 567,339 |
| Trade & other receivables | 213,910 | 102,310 |
| Total current assets | 1,016,724 | 669,649 |
| Property, plant & equipment | 40,409,070 | 43,831,470 |
| Total non-current assets | 40,409,070 | 43,831,470 |
| Total assets | 41,425,794 | 44,501,119 |
| Current liabilities: | | |
| Trades & other payables | 298,527 | 210,351 |
| Provisions | 65,060 | 92,179 |
| Borrowings | 4,471,638 | - |
| Total current liabilities | 4,835,225 | 302,530 |
| Non-current liabilities: | | |
| Borrowings | - | 5,171,638 |
| Provisions | 12,663 | 4,334 |
| Total non-current liabilities | 12,663 | 5,175,972 |
| Total liabilities | 4,847,888 | 5,478,502 |
| Net assets | 36,577,906 | 39,022,617 |
| Equity: | | |
| Retained profits | 36,577,906 | 39,022,617 |
| Total equity | 36,577,906 | 39,022,617 |

Statement of Cash Flows

For the year ended 30 June 2020

| | 2020 | 2019 |
|--|------------------|--------------------|
| | \$ | \$ |
| Cash flows from Operating Activities: | | |
| Receipts from customers | 2,581,870 | 2,681,084 |
| Payments to suppliers and employees | (1,708,082) | (1,688,885) |
| Grant funding received | 296,787 | 315,510 |
| Interest received | 435 | 875 |
| Interest paid | (189,741) | (264,425) |
| Net cash provided by operating activities | 981,269 | 1,044,159 |
| Cash flows from Investing Activities: | | |
| Purchase of property, plant & equipment | (45,794) | (591) |
| Net cash (used in) investing activities | (45,794) | (591) |
| Cash flows from Financing Activities: | | |
| Repayments on loan from St George Bank | (700,000) | (1,008,665) |
| Net cash provided by financing activities | (700,000) | (1,008,665) |
| Net (increase) in cash held | 235,475 | 34,903 |
| Cash at the beginning of the year | 567,339 | 532,436 |
| Cash at the end of the year | 802,814 | 567,339 |

Directors

Stellar Living has a contemporary and appropriate structure, suitable for the size and complexity of our business and the requirements of our stakeholders.

Our Directors and team members work together with passion and purpose to deliver great outcomes for the people we serve. We invest in our people, attracting a values-aligned team who deliver great outcomes for our customers.

Thank you to all Directors for their ongoing stewardship of Stellar Living on behalf of those we serve.

Mr Tony Bevan

Chair of the Board of Directors

Mr Anthony Pietropiccolo

Board of Directors

Mr Luigi D'Alessandro

Board of Directors
and Company Secretary

Mr Daniel Miskiewicz

Board of Directors

Ms Anne Burns

Deputy Chair of the Board of Directors

Ms Megan Adair

Board of Directors

Mr Stephen Walker

Board of Directors

Acknowledgment of Service

This year we acknowledge our retiring Chairman; **Stuart Duplock**. Stuart served as Stellar Living's Chairman and led the organisation through a period of great growth.

We thank Stuart for his stewardship, time and expertise.

Strong Partnerships

We are committed to work in partnerships with our support providers that help deliver a variety of housing options for people on different parts of their housing journey. By providing housing we hope it will enable people to access opportunities that increases a tenant's independence.

Stellar Living's employees and our partner support providers deliver high-quality services to our tenants. Their passion, commitment, diverse skills, capabilities and experience are key drivers of our success.

As partners, we provide a coordinated response to housing those in need. We do this by providing communication, shared advocacy and continuous improvement.

This collaboration with support provider demonstrates the maturity and capacity of the community housing industry and our joint commitment to delivering a streamlined and consistent service to our customers.

Warmest thanks to all our support providers who help Stellar Living support our tenants and maintain the tenancies of some of the most vulnerable members of our community.



Centrecare

When Stellar Living was initially established, we started managing properties that were part of support programs that were managed by Centrecare. Centrecare is a well-respected Catholic not-for-profit organisation providing a variety of counselling and professional social services inspired by compassion and respect for human dignity.

Now coming into Stellar Living's 10th year of operation, we continue to work in close partnership with Centrecare, providing transitional tenancies for people who require a level of support to stabilise their lives and develop the skills needed to maintain longer-term tenancies when they exit the programs.

The two key programs are the Metro Based Centrecare Family Accommodation Services which saw 47 families housed during the year with the majority moving successfully into both private or long term social housing. Then in Kalgoorlie there are 9 dedicated properties to accommodate and assist tenants with a mental health illness who again need support to develop skills to move into long term accommodation.

The teams work closely together to ensure tenancies are sustainable and successful. Matching tenants to properties and regular program meetings are important to ensure any concerns or issues are identified and a clear united action plan is developed and monitored.



ReSet



Kathryn Mooney (CEO of Stellar Living) and Michael Winton (Reset Manager)

Thank you for everything you have done for me. This place is unbelievable and I'm very happy and it's making re-socialisation/integration for me a lot better."

ReSet tenant

ReSet is a wraparound holistic case management program. In its second year of operation, it includes accommodation and housing support for males and females who are reintegrating back into the community from prison around the Perth and regional areas. The main objective of ReSet is to reduce reoffending which includes sourcing safe and appropriate housing options. Stellar Living and ReSet co-manage a stock of dedicated transitional tenancies to reduce the risk of homelessness and promote independent living.

ReSet clients are intensively supported in three phases. During pre-release, clients are screened, assessed and supported to plan prosocial goals and plan for release. The day they are released they are supported to secure tenancies and other fundamental requirements. During the post release phase, clients are supported by ReSet and provided with tenancy education and 1-1 individual support tailored around the client's needs.

The program has seen 40 tenancies since its commencement and the success relies on having a co-ordinated approach to the program, an appreciation of the overall objectives of the program and of each organisation's role as well as a willingness to reflect and develop a framework of continuous improvement.

From a landlord perspective this program is not without its challenges but is immensely rewarding when tenants move into their private rental, start jobs, reunify with family and start integrating into the community.

Bruce's Story

Bruce is one of our tenants who has a passion and talent for art.

He remembers painting and drawing being part of his life from a young child and enjoys the 'feel good' factor it gives and it helps him feel inspired. Bruce particularly likes drawing nature and structures because they are so dynamic. We love doing our inspections at properties where tenants show us their hobbies and talents.

Bruce likes to encourage others to take up art by starting to draw and paint something that you love as that will help you flow and encourage yourself to pursue different facets of art.



Norbert's Story

Bert moved into a complex in the metro area in June 2016 when it was brand new.

He was used to looking after a larger garden and as he likes to be kept busy, he enjoys doing a bit of gardening at the complex. He has recently built a little bird bath and planted a few additional plants to make the place look more homely.

I like to keep the place beautiful as it makes me feel happy and it feels good to give a little back to the community

Pam's Story



I know at some point I may need more support and am open to moving closer to my family, but for now I want to stay where I am

Pam moved to WA in 2007 following her family over here from London.

After meeting her late partner, John, they both moved around in different rental properties before moving to Mandurah where the rents were cheaper.

"Privately renting felt like we were constantly on the tight rope and we didn't want to keep moving.....being offered stable accommodation with Stellar Living gave us the security that we had a long term tenancy and the owner would not sell"

Moving into the property in 2011 when it was first built, Pam has cared for the property as if it was her own, personalising the garden particularly. Pam was keen to maintain her independence rather than moving back in with family following the passing of John in 2016. Being active in the community with swimming, dancing and connecting with family and friends keeps Pam feeling fit and healthy.

JC's Story

JC is one of our newest tenants who has recently moved into a property provided through the Justice - Adult Reintegration Program.

Having accommodation was essential to JC not just for personal stability but also to provide a base to complete the reunification with her four young children.

JC's father is a talented artist and in order to relieve her own stress and built up emotion she started painting as a positive outlet. The picture featured represents JC surrounded by her family. The spots represent Elders and the tracks are showing both protection and the journey.

JC is obviously looking forward to her next journey. Not only will she have her children back with her, but she has also secured work as a receptionist near to where she is living.



stellar living



Contact

stellarliving.com.au

enquiries@stellarliving.com.au

Telephone

Ph: (08) 9452 9200

Ph: (08) 9535 7311 (Mandurah)

Address

Office 1

1 Hadlow Place

Thornlie WA 6108