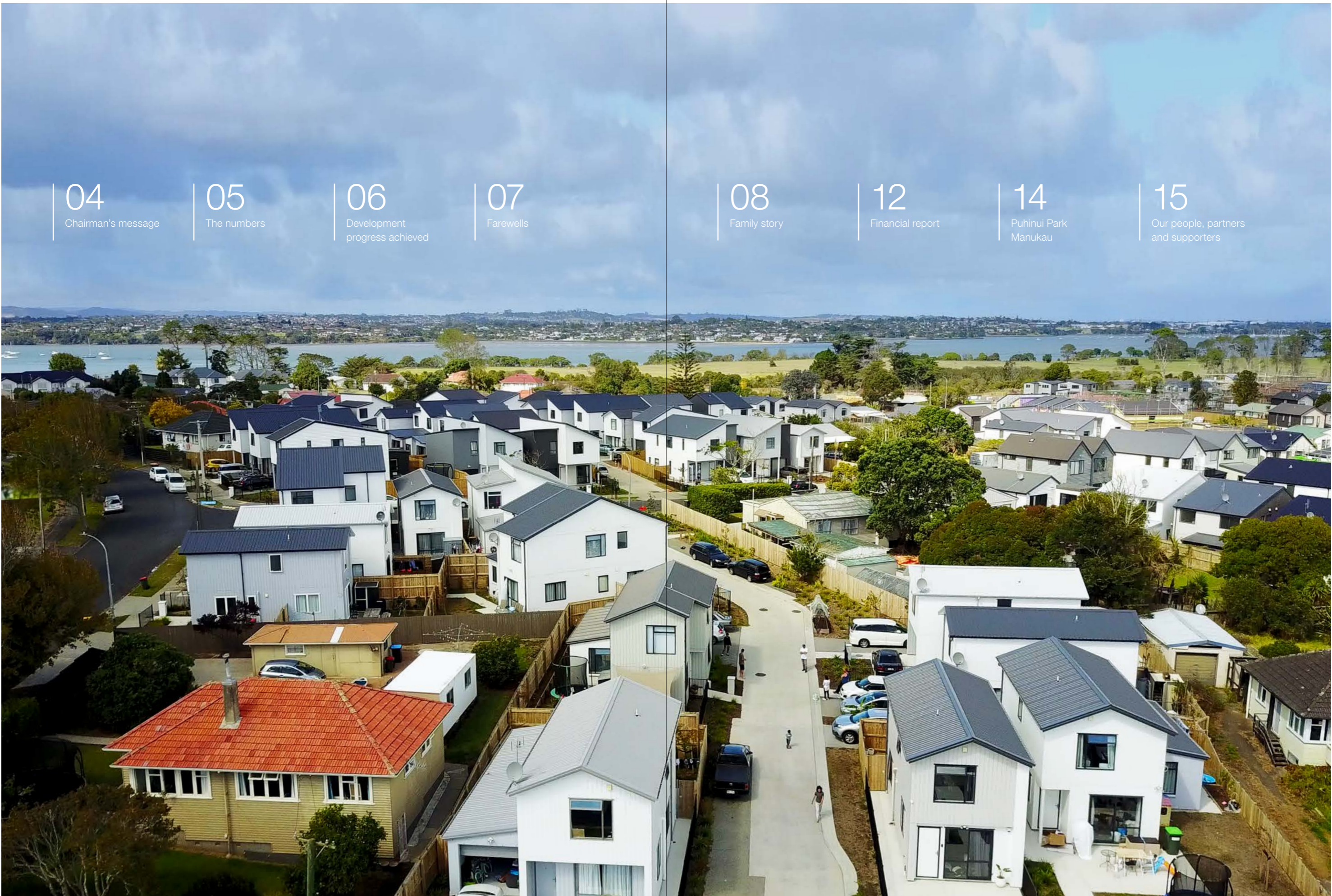




2020
**ANNUAL
REPORT**





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CHAIRMAN'S MESSAGE

The past year has seen some significant change within the Housing Foundation. Brian Donnelly, our founding executive director, stepped down after 17 years of leading the organisation. I am pleased to pay tribute to Brian for his considerable contribution to the Housing Foundation and to the cause of affordable housing in New Zealand. He remains an influential figure in the national effort to provide safe and secure accommodation for all New Zealanders.

Dominic Foote, who has been with the Housing Foundation for 12 years, was appointed as the chief executive officer in September and taken up the challenge of leading NZHF going forward. We are very fortunate to have a person of Dominic's knowledge, experience and capability to head up Housing Foundation and to take on the continuous challenges of delivering affordable homes.

Tony Lanigan, who had been chairman of the board of trustees of NZHF for over 11 years, stepped down from this role at the beginning of this year. I feel greatly privileged to be able to take over this role, which has been made easier for me by his enormous contribution in leading the board over the past years. I would like to thank him for his service and leadership. Tony remains as a trustee.

These changes within the team and the board, whilst often tinged with a sense of loss for those leaving their roles, are part of normal business as we look to the future and longevity of the organisation and the opportunities ahead of us.

These changes take place against the affirmation of our mission, which is to assist families out of poverty and into affordable home ownership. It is our aim to increase our capacity to deliver more homes and to assist more families into either home ownership or secure, affordable tenure as renters. Access to adequate housing is a fundamental human right, acknowledged by the United Nations and by our government. We would like to make this a reality for as many people as possible.

As an organisation, we have developed specific skills in the areas in which we operate, but we are constrained in terms of capital and opportunities. We see the opportunity to build capacity by constructive partnerships with others working in related areas of endeavour. We want to develop stronger ties with other parties such as Iwi, Kainga Ora, other community housing providers and the government so that we can work in partnership with them to deliver more homes.

We are very mindful that it is not enough simply to build homes and place people in them. The journey into home ownership or secure tenure is a long and complex one which goes well beyond moving into the home. Our focus is on creating successful outcomes through paying attention to place making, support and guidance for new homeowners and on-going community development and support.

Right now, the world is a challenging place. The country's response to Covid-19 has already hit many families hard and, over the next few years, we can expect further economic challenges,

job losses and changes to the way businesses function. Whilst interest rates are at an all-time low, accessing bank funding has not become any easier. This will impact on the intending and current homeowners with whom we partner, so we need to be ready and capable to respond to these challenges. The need for our products will increase as people's circumstances change.

Over the past year we have been working hard at building capability and capacity in serving what we might call our traditional markets. We know, though, that there are many others for whom security of tenure and home ownership is a great challenge. Young people newly in the work force can struggle to find accommodation close to work opportunities. For many older New Zealanders with very little in the way of equity or savings, finding safe and affordable accommodation can be a challenge, and we know that the demand in this area will increase significantly over the next two decades.

Looking back over the year, we have completed 42 homes with 288 planned and under construction. The Waimahia development was wrapped up at the end of 2018 and by recycling returns we are now progressing a new affordable housing development in Puhinui Park in Manukau, a joint venture with CORT and Te Tumu Kainga (the Maori Trustee). This development will provide homes for almost 180 families and households, the first residents moved into their new homes in June 2020. We remain active in the Tamaki Redevelopment programme in partnership with Tamaki Regeneration Company and Kainga Ora either as providers of affordable homes or as advisors and supplier of household management services to Tamaki Regeneration Company for their shared ownership and affordable rental programmes.

We could not do what we do without two very important groups of people. Firstly, there are the homeowners, our primary partners in our business. Without their commitment, determination and sacrifice, there would be no shared home ownership or successful communities. I am humbled by their efforts towards home ownership and to improving the life and opportunities for their families. It is a source of on-going inspiration for all of us to be alongside them in the journey to home ownership and beyond.

Secondly, there is the dedicated team within Housing Foundation. For them (as for me), this is much more than a job. From top to bottom, they are committed and energised, and live the values of the organisation every day. It is a great privilege to be part of the same enterprise as such people.

Sandy Foster
Chairman – NZ Housing Foundation



THE NUMBERS

874
homes have been built to date

288
homes planned and under construction

42
houses built in the 2019/20 year

1,159
total houses built or under construction

DEVELOPMENT PROGRESS ACHIEVED

Auckland and Christchurch only, excludes Kaitiaia, Kaikohe, Coromandel and other locations.



FAREWELLS

Tony Lanigan

Outgoing Chair

A good chairperson is essential for any non-profit organisation. Their ability to provide leadership, vision and direction is often the key to success and the achievement of organisational purpose. Unfortunately, people with the range of skills required are scarce.

After its initial Chairperson Ken Stevenson stood down, Housing Foundation was fortunate to have available Tony Lanigan, a person with all these desirable capabilities, available to step up as chairperson.

Throughout Tony's leadership, Housing Foundation grew from being a small provider of a house or two, into New Zealand's leading, not for profit housing company. Housing Foundation has worked with Government, Builders, major philanthropic individuals and organisations, churches, Iwi and Maori providers in a range of partnerships and joint ventures to provide housing estates and developments in Auckland, Christchurch and other locations. Hundreds of households shut out of home ownership are now enjoying their own home as a result of the direction and vision Tony provided to the Housing Foundation

The key to Tony's leadership has been the ability to build a close relationship between governance and the management team. Always available to the CEO, the combination of Tony, Brian Donnelly and latterly Dominic Foote has ensured the Housing Foundation always moved forward. Ensuring Housing Foundation was always focused on innovative products which provided home ownership for whanau who were not able to achieve this goal from the more traditional for-profit housing sector.

Bringing his commercial experience from the construction sector, Tony has been able to ensure Housing Foundation provided affordable and quality housing while at the same time building an organisation which is robust and sustainable in the New Zealand housing sector.

Thank you, Tony, for all you have contributed to the Housing Foundation and Community Housing provision in New Zealand. In all but your choice of rugby teams to support, you have done a remarkable job.

Campbell Roberts

Salvation Army

Brian Donnelly

Immediate Past Executive Director and CEO

I first meet Brian at Housing NZ where he headed up the asset management team, this was 25 years ago. When I decided to go it alone we had started a development project for Housing NZ in South Auckland and Brian asked if I would continue to act for Housing NZ as the Project Manager, my first project and working together here enabled us to get to know each other at another level.

When Brian set out to get NZHF up and running over 13 years ago he asked if I would be interested in helping with the Construction Management aspects which I only too happily accepted. Since then we have been working together consistently at the Foundation for the past 20 odd years. The guiding principles which Brian brought with him to the organisation have, from the beginning, provided the backbone to how the Foundation operates and what has made the organisation the success it is today. The straight-up honesty and integrity together with the trust provided to the team has enabled it to move from success to success. This approach provided the team, as it evolved, with the confidence to get out and get it done. He encouraged partnerships in a common cause which has enabled us to benefit from excellent relationships in the Construction Industry, this is reflected by the fact that Consultants and Builders that we contracted 20 years ago are still working with us now. Brian's contribution has been the cornerstone to a very successful and innovative housing solutions provider, I very much doubt the Foundation would be where it is today without his leadership.

Frank Rientjes

Housing Development Project Manager & Consultant

A PLACE
TO COME
HOME TO



The Seiuli family were thrilled to be offered a new house in Flat Bush. It was a culmination of almost 18 months with the Housing Foundation but many years striving to get a home of their own. It was their biggest wish to celebrate Christmas 2020 in their new home and importantly have the kids start at their new school in the new year.

Tony and Tonya along with their 3 children had been living with Tonya's Dad in his two bedroom Wiri home for over 2 years but always with the burning ambition of home ownership. Tony said the family was certainly ready to move on "we had worked with Geoff going through the Financial Capability Programme and knew we had the savings to make it happen, we just needed the Housing Foundation to give us the opportunity!"

Tonya said, "it really was so amazing when we met with Geoff and spoke about the house plans and stuff then he said, "you guys are going to be in by Christmas for sure". We almost couldn't believe it – and Giovanni (5) and Jack (4) were very excited".

Tony explained that having a home of their own means family stability "no more moving when the house gets sold, the kids can have a stable education and when they're older the kids know they have a place they can come home to. This home won't just change life for me and Tonya, it's our next generation that will experience a better future".

The Progressive Home Ownership programme is funding the equity and this will be the first shared ownership household assisted in to affordable / progressive home ownership with the fund.

This home won't just change life for me and Tonya, it's our next generation that will experience a better future.

Homes for generations



FINANCIAL REPORT

Statement of Comprehensive Revenue and Expenses

For the Year Ended 31 March 2020

Revenue from exchange transactions	2020	2019
Property Sales	18,782,276	10,725,991
Less Property Purchases	14,262,035	7,814,081
	4,520,241	2,911,910
Other Operating Revenue		
Grants Received	8,333	588,932
Rent Received	1,189,926	1,298,497
Other Fees, Interest and Capital Gains	4,255,270	6,928,559
	5,453,529	8,815,988
Less Expenses		
Operating and Administration Expenses	2,575,318	2,427,864
Interest	31,403	56,013
	2,606,721	2,483,877
Net Surplus	7,367,049	9,244,021
Partner's share of surplus / (loss) from Waimahia Inlet and Puhinui Park	(7,781)	139,802
Net Surplus and Total Comprehensive Revenue and Expenses	7,359,268	9,383,823

Statement of Financial Position

As at 31 March 2020

Current Assets	2020	2019
Cash and Cash Equivalents	32,291,127	28,872,436
Receivables	2,330,428	383,932
Land and Buildings Held for Sale	2,491,225	2,915,621
Work in Progress	7,879,790	2,696,497
	44,992,570	34,868,486
Current Liabilities		
Accounts Payable	1,165,975	1,555,995
Grant facilities and provisions	748,510	319,992
Term Loan Payable – Current Portion	3,441,488	49,345
	5,355,973	1,925,332
Net Current Assets	39,636,597	32,943,154
Non Current Assets		
Land and Buildings	39,077,041	36,936,308
Computers and Office Equipment	7,656	2,357
Investments	1,407,616	1,720,549
	40,492,313	38,659,214
Non Current Liabilities		
Term Loan Payable	2,571,814	1,404,540
Net Assets	77,557,096	70,197,828
Trust and Shareholder's Equity	77,557,096	70,197,828

The financial report has been audited by William Buck, Auckland.

PUHINUI PARK MANUKAU

A joint venture with CORT and Te Tumu Kāinga (the Māori Trustee)
with significant Crown funding support



OUR PEOPLE, PARTNERS AND SUPPORTERS

Board of Trustees

Kate Armstrong

Sandy Foster

Tony Lanigan

Ian Mitchell

Bill Roest

Sarah Sinclair

Ken Stevenson

Team Members

Joanne Campbell

Brian Donnelly – resigned as Exec Director Sept 2019

Jason Donnelly

Geoff Fariu

Dominic Foote

Terry Foster

Greg Freeman

Paul Gilberd – resigned Nov 2019

Malcolm Hope

Bill King

Denise McCombe

Austin Parsons – resigned April 2020

René Patolo – resigned April 2020

Frank Rientjes

Nigel Spratt

Janice Thompson

Juanelle Uaisele

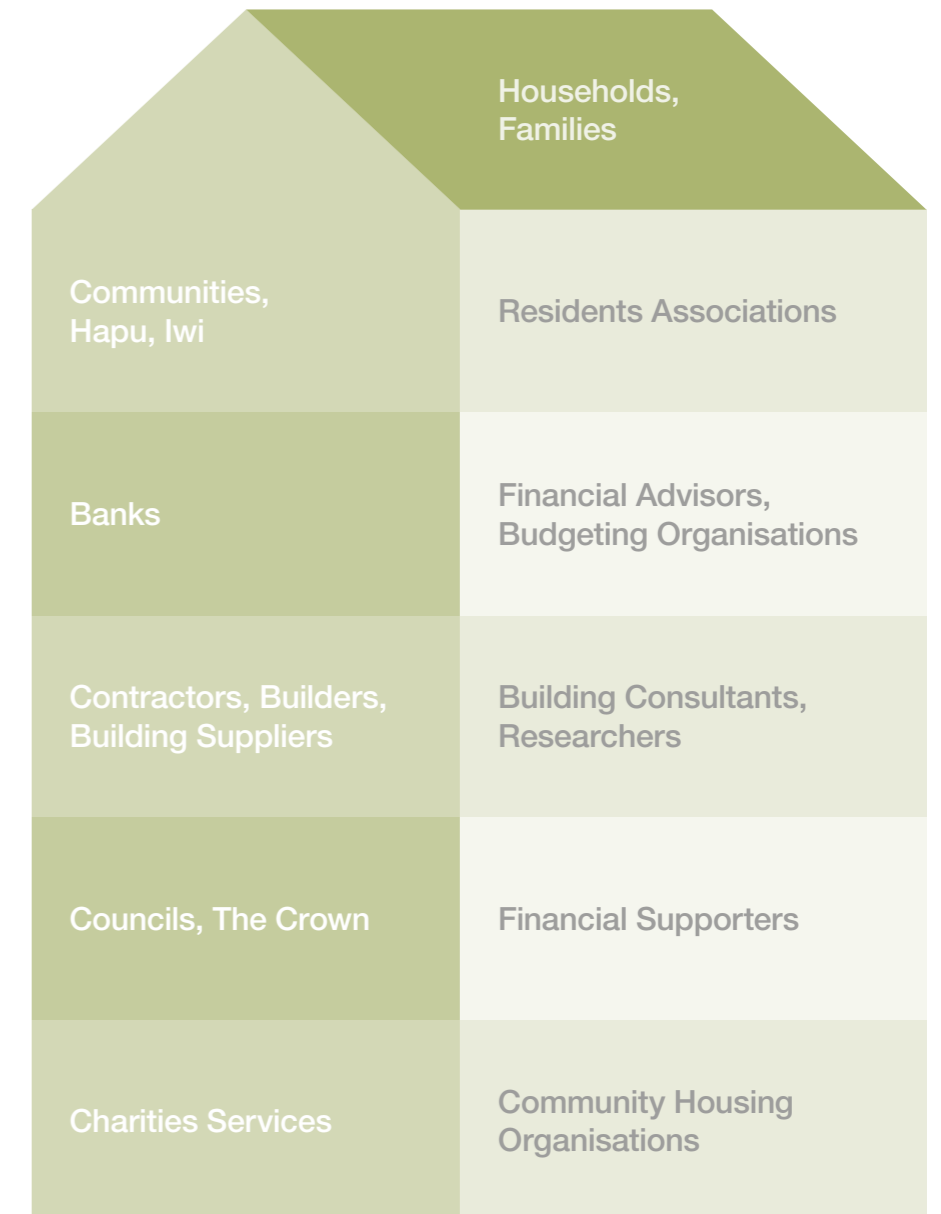
Talei Williams

Russell Ness – joined March 2019

Julia Kranenburg – joined June 2020

Angela Castles – joined May 2020

Issac Liava'a – joined February 2020



The Housing Foundation works with a broad range of trusted individuals, groups and organisations to deliver our mission. We value your ongoing partnership, your companionship and your support. Thank you everyone. We are deeply grateful.

Special thanks to The Tindall Foundation, a foundation partner and enduring supporter.



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The New Zealand Housing Foundation is a registered New Zealand Charitable Trust (CC23927)
and Registered Class 1 Social Landlord with the CHRA (RA019).

