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NILS Network of Tasmania Ltd

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Annual Report
2023–24



Our Mission

Supporting Tasmanians living on a low income by providing access to safe and affordable loans since 2002.

Our Guiding Principles

Efficient loan delivery and systems to provide a real alternative to exploitative lending.



We work towards Tasmanians gaining financial confidence through accessing and repaying our loans.



Maintain and enhance the community access points of our network to provide true community-connected lending.



Be a strong and respected advocate for fair and equitable lending for low income Tasmanians.



“The NILS loan was a gift from God, we were homeless and needed bond money for a house which we managed to get from NILS helping us 2 days before Xmas, NILS helped us get 3 kids in to a house in time for Xmas and will for ever be grateful.”

Chair Report: Kym Goodes

It gives me great pleasure to present the Annual Report for 2024 on behalf of the Board of Directors. This year Tasmanians living on a low income continued to face rising cost of living pressures. NILS Tasmania continued to assist them with access to safe credit to enable them to purchase essential household goods and services, aspire to create small businesses and purchase a safer car. The impact of our loans is so evident when our clients have a new fridge in their kitchen, access the dental care they need, or are finally driving their family in car that is safe and reliable.

The Board recognised this year as an important strategic point as we faced some significant challenges in our operational budget. We chose to invest in our core systems to set NILS up for the next decade, as the team worked with a developer to create a secure and modern digital loan management system. At the same time we maintained our staffing levels as we continued to respond to the very high demand for our safe and affordable loans.

During the year the Board developed a comprehensive investment strategy on the revenue required to develop NILS into the service Tasmania needs. Both major parties supported this in their election platforms, agreeing that NILS was an important cost of living solution and an investment in Tasmania. It was gratifying to see the Liberal State Government confirm an investment uplift for three years in the recently delivered state budget. This means the next few years are exciting with a firm financial foundation beneath us and we want to thank the State Government for this three-year commitment and look forward to reporting on what we achieve through this investment.

On behalf of the Board I want to thank and pay credit to our team at NILS Tasmania, lead by our CEO John. The operations team remained committed to delivering our loans to Tasmanians while managing the continuing build of our loan management system. We want to congratulate the operational team for their professional management of our loan book, adhering to responsible lending while being compassionate and supportive to Tasmanians needing our loans.

To my fellow Directors, thank you. Your efforts to develop our strategy to determine the revenue that NILS Tasmania needs to provide the levels of service that Tasmanians require from us, have enabled this first three year plank to be in place. We avoided the scenario in which we would wind back operations to fit a reduced revenue. Instead we are now able to forward look to what NILS Tasmania can be for Tasmanians, even beyond the next three years.

In closing, I want to acknowledge the contribution of our long-standing Treasurer Nicolette Quinn, who will be stepping off the Board in the 24-25 financial year after seven years of service to NILS. Nicolette has played a very significant role in creating the solid and vibrant organisation NILS is today.

Board members at June 30 2024

Kym Goodes	<i>Director 3P Advisory</i>
Stacey Millbourne	<i>Manager Doorways Tasmania, Salvation Army Tasmania</i>
Nicolette Quinn	<i>Founder Savvy CFO</i>
Kane Ingham	<i>Chief Financial Officer Tas Water</i>
Marla Giacon	<i>Business and Scheduling Operations Manager, Anglicare Tasmania Inc.</i>
Lance Balcombe	<i>Various Directorships</i>
Will Barbour	<i>Chief Customer Officer Aurora Energy</i>

2023–2024 Summary

Operating funds in: \$1,520, 357

Loan capital:



\$5.9 million



\$450,000

Converted to: 4353 loans worth \$8.12 million

Loans were used for:



464
VEHICLES PURCHASES



268
BOND/RENT



91
DENTAL/MEDICAL



16
FUNERAL



127
MICRO-BUSINESS



319
HEATPUMP



68
VET



369
FRIDGES



15
MOBILITY SCOOTER



268
WASHING MACHINE

This supported the
Tasmanian economy

5347 purchases worth \$8.83 million

through 1113 suppliers (including energy subsidies)

Spending distribution

\$2.03 Million

23%

24%

\$2.11 Million

\$4.67 Million

53%

CEO Report: John Hooper

Each of us at NILS sees every day, the impact a safe, affordable loan can make to Tasmanians living on a low income. Whether that's for a secondhand car, a micro business or a new washing machine – each loan provides what a Tasmanian needs and at the same time ensures that they don't have to turn to exploitative, predatory lenders as an alternative.

First of all I want to acknowledge and celebrate our fantastic team: Melissa Reid (Operations Manager), and our team in Adam, Andrea, Bec, Brian, Dean, Fiona, James, Janine, Mandy, Nicole, Tina and Trish. During the year we said farewell and thanks to Amy as Operations Manager and Donella from our loan processing team.

Kym, our chair, has acknowledged how the team have juggled the new loan management system build while the core business of enabling Tasmanians to efficiently access our safe affordable credit. In particular I want to single out the significant and committed efforts of Nicole and Melissa to lead the project after Amy left. Thanks to their project leadership, the efforts of the team and the developers we are close to finishing the project. We will all be glad to be safely in our new system and able to focus on what we do well – provide safe affordable credit.

We must thank the 495 trained NILS loans officers who are part of the 92 Delivery Partner organisations who support people from their community every day to apply for a NILS loan.

Thank you to Stella Avramopoulos (CEO) and the entire team at Good Shepherd Australia New Zealand (GS) who are our central NILS partner providing guidance, support and brokering our access to the capital we access through NAB. GS also manages the NILS4Vehicles loans that our team help Tasmanians apply for.

Bank of us our capital partner for Micro Business has enabled 127 Tasmanians start up or expand a small micro business this financial year. This is a unique Tasmanian partnership between NILS Tas, State Government and Bank of us.

Aurora Energy is our longest term funding partner as NILS, providing our start-up capital in our first year to now donating \$165,000 in subsidy funding for our clients and \$35,000 in operational contribution. It's a partnership which Aurora and NILS Tasmania should take pride in.

Our thanks to Errol Stewart and the Isabel & John Gilbertson Charitable Trust for their ongoing financial support of NILS Tasmania – those donations are so important to an organisation like ours.

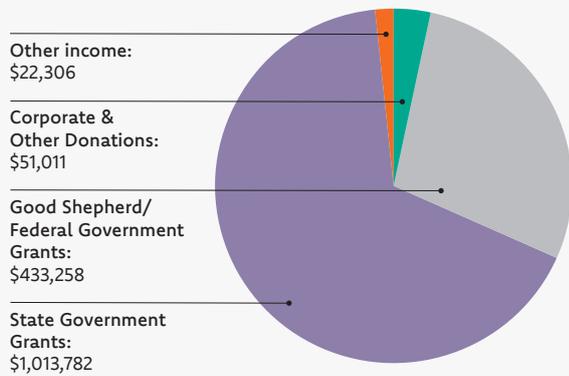
Finally Thanks to our Board of Directors. Their strategic focus on the revenue needs for the organisation, and advocacy for that directly means we can assist so many more Tasmanians over the next three years. As CEO I can't thank Kym, as Chair, and the whole Board for governing and demonstrating support and care for myself and the team through what's been at times a challenging year.

I hope this report demonstrates to all our supporters and partners what we've all achieved together this year.

“Having this Nils loan meant I was able to repair my car (the only vehicle in our single parent household at the time) and have it registered in Tas for the first time. Before this the vehicle was still registered in NSW from where we fled DV (domestic violence). Without this loan I would not have been able to keep the car running and I might have lost the car. Since we live rurally now this was a very big concern. My DV counsellor helped secure this loan and it was a massive weight off my shoulders. I was able to pay it off through Centrepay and it was a blessing.”

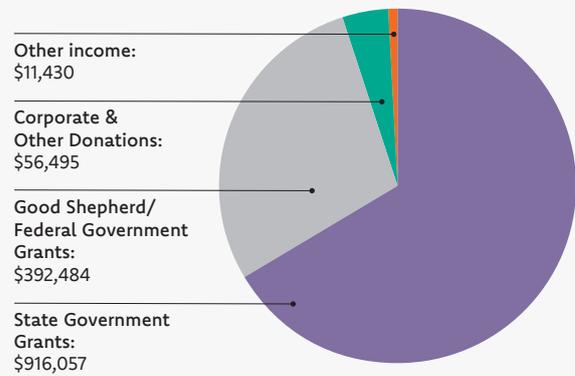
Financial Management for 2023–24

Revenue 2024



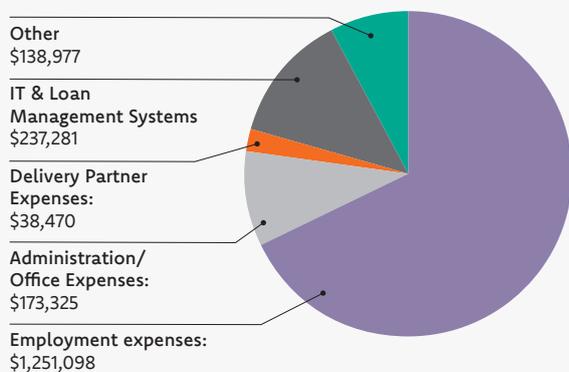
Total Revenue: \$1,520,357

Revenue 2023



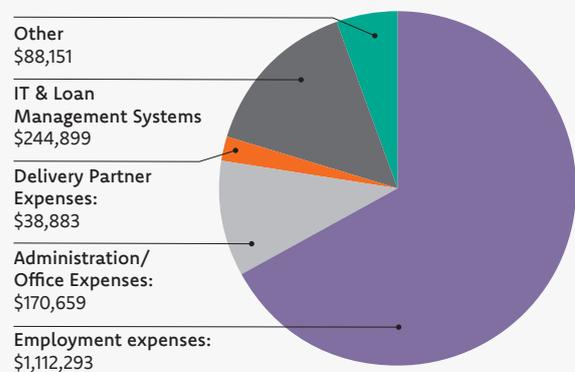
Total Revenue: \$1,376,466

Expenses 2024



Total Expenses: \$1,839,151

Expenses 2023



Total Expenses: \$1,654,795

“Enabled me to get mobility scooter, get out and about which I wouldn’t have had without the loan. I now know if there is something I need I can possibly get help to get it where otherwise I would have to go without. I’m hoping to try for a loan to do my teeth next which are really bad.”

Total comprehensive loss for the 23–24 year attributable to the members of NILS Network of Tasmania Ltd is \$318,794.

This loss, as noted in the full audit, reflects the decision by the NILS Tasmania Board to invest equity in renewing our core loan management system infrastructure to enable NILS to have a fit for purpose digital infrastructure for the years ahead and better serve the Tasmanian community. We also chose to maintain operational staffing at high levels to continue to service the Tasmanian community for this 12 month period, rather than downscaling our loan operations to fit our revenue.

The cost of living challenges experienced by the Tasmanians whom NILS supports continued the high demand for our loans in 23– 24. We issued 25% more loans than three years ago in number, and 96% higher in loan value.

NILS Tasmania continues to be the national leader in community based lending for loans issued (13% of national total) and our loan book management. Through the efforts of our team and the ongoing commitment of our clients to repay their loans, only 3.06% of Micro finance loans were written off which is the best result of any NILS loan book in the country and well within the NAB benchmark.

The Bank of us provide the lending capital for our Micro Business loans in the form of an overdraft. The total facility available at 30 June 2024 totalled \$450,000 and at 30 June 2024 we had utilised \$362,305. The Tasmanian State Government, Micro Business funding arrangements provides for refunding written off

“Life changing – it allowed me to begin my education to empower me to try getting off disability pension. I’ll be forever grateful for Nils even though I’m still on disability I have purpose every day now to study.”

NILS is reliant on the ongoing support of funding providers to deliver its services to Tasmanians in need of financial support. We are pleased to report significant uplift in operational funding has now been secured for the coming three years from the State Government. NILS Tasmania will be able to gradually scale up to service more of the demand in the community for our loans while maintaining a prudent financial position.

In Micro Finance the National Australia Bank (NAB), through our participation agreement with Good Shepherd Australia New Zealand, provide the lending capital for our Micro Finance loans in the form of an overdraft. The total overdraft facility at 30 June 2024 for Micro Finance totalled \$5,953,843 and at 30 June 2024 we had utilised \$ 4,256,756. The arrangement includes refunding the capital for any written off loans up to 4% of the total book value.

loans up to a total value of \$50,000 annually and for 23–24 those write offs were just \$18,516 These funding arrangements provide significant headroom in lending capital for both loan books for the year ahead.

It should be noted that, as detailed in last year’s annual report, the 2023 loss was primarily due to \$196,821 of the funding received from the Department of Communities related to COVID–19 relief being recognised in profits in prior years and was fully expended this year.

Kane Ingham
Treasurer

[→ Our Full Audited Financial Statements can be found here](#)

Celebrating Our Partnerships

Energy Saver and Subsidy Loans



Aurora Energy and the Tasmanian State Government have been proudly supporting the subsidy scheme for over a decade which this year enabled clients to purchase:

959

energy efficient appliances subsidised by 50%



Directly saving clients **\$706,761**



319
HEAT
PUMPS



332
FRIDGES



38
FREEZERS



270
WASHING
MACHINES

“It helped us purchase a new heat pump at a time when I was injured and out of work. It was a huge help!”

Celebrating Our Partnerships

Capital Partnerships



*NILS Tasmania congratulates **National Australia Bank** and Tasmania's own **Bank of Us** for providing between them \$6.5 million in rolling fee free capital, and in NAB's case covering the small amount of essential loans we write off each year.*

This contribution, which has doubled in four years, equates to a \$450,000 donation per year in terms of forgone interest and fees on their capitals and the loan write offs.

This contribution has doubled in four years.

"A power outage had taken out my heat pump in the middle of winter and I discovered that my insurance didn't cover it. I didn't have the money to replace it without saving up and I have asthma which is triggered by cold air so I was very worried about how I would manage with just an old and not very efficient wood heater. The NILS loan allowed me to replace it quickly. I really appreciate it – thank you."



Celebrating Our Partnerships

Our Delivery Partners



“Helped get my car on the road, due to an expensive breakdown, that was well beyond my means being on the Disability Support Pension”

Celebrating Our Partnerships



495
TRAINED
NILS LOANS
OFFICERS



FROM
92
DELIVERY
PARTNERS

PROVIDING **117** LOCATIONS TO ACCESS OUR LOANS

ENABLING:



3762
ESSENTIAL
LOANS



127
MICRO BUSINESS
LOANS



464
NILS4VEHICLES
LOANS

***Their role is so important to NILS
we've enshrined that in our constitution:***

We are, at our core, a network. A network of community based delivery partners and loans officers who show our clients compassion and respect. This is the very heart of NILS Tasmania, and what sets NILS Tasmania apart... We are, and must always be, a network - it is in our name and it defines us.

"I became very unexpectedly a homeless woman at 63 yrs of age. My life (after gaining a Tas Housing unit) would have been very distressing and depressing without my many NILS loans which allowed me to furnish, install blinds, obtain carpets, and a laptop. I am extremely grateful to NILS".



Community Lending for Tasmanians

"I am an aged grandmother, living alone. Without NILs the outcome for my dog (security & best mate) would have been dire. Thank you :)"

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Thanks to our major financial supporters:



Thanks to our corporate donors:

Jackson Motor Company

Isabel & John Gilbertson Charitable Trust