#1 Compass is now Australia's largest community housing provider

- 4,251 properties currently under management as at 1 July 2014
- 4,700 approximate additional properties to be managed in 2015 awarded under the Logan Renewal Initiative
- 4,251 properties currently under management as at 1 July 2014
- $1.3B total assets under management
- $17.1M total grants
- $27.5M total cash
- $53.1M total revenue
- $21.8M total surplus
- $192.4M net assets
- $2.1M awarded in the NSW New Generation Boarding House Tender
- 37 NRAS incentives awarded under Round 5
- 69 brand new properties delivered
- Compass is now Australia's largest community housing provider
Established in 1985, Compass Housing Services Co Limited (Compass) is a not-for-profit organisation that aims to alleviate the hardship of housing stress for low to moderate income earning households by providing secure and affordable housing, as well as delivering housing products for disadvantaged people who have difficulties sourcing adequate and affordable housing.

Compass manages social housing in a similar manner to state government provided social housing, with operations regulated by the national community housing performance-based registration system.

Compass also has a commercial real estate office My Place Property which offers commercial real estate services as well as managing our affordable housing.

We also have a homelessness initiative in Newcastle “This Way Home” and a community hub “The Meeting Place” in the Central Coast and are also working on our new community hub (123) in Broken Hill.

Compass is registered under the National Community Housing Regulatory System (NCHRS) as a Tier 1 provider, and holds a full certificate of accreditation under the National Community Housing Standards.

As at 30 June, Compass managed a total of 3,317 properties, operating from nine service facilities, and supported by a head office in New South Wales (NSW).

Since then Compass has added another 934 properties under management and an office located in QLD after our merger with 4walls. We have also been awarded the transfer of management of approximately 4,700 properties under the Logan Renewal Initiative which will come under our management in 2015.

Compass not only provides social and affordable housing options to those in need, but we also provide disability, supported, seniors and indigenous housing, as well as manage a homelessness housing initiative to alleviate homelessness.

Compass’ primary function continues to be tenancy and asset management. Compass has a long history of effective tenancy and asset management, and we manage arrears and vacancy rates below regulatory benchmarks.

Our 2013/2014 Annual Tenant Survey also demonstrates our industry leading level of tenant satisfaction, with 89% of residents satisfied with the services provided by Compass.

Compass actively pursues the highest level of service standards in the provision of housing to our clients.

Compass continues to work diligently, as it has for the last 29 years of operation, to provide quality community housing services.

Compass will continue to work with governments, stakeholders, and support partners to increase housing opportunities for those in need throughout Australia.
**Our Tenants**

**HOUSEHOLD COMPOSITION:**
For 86% of our households, their main income source is government assistance. 78% of households comprised of single persons or single parent families.

- Couple: 9%
- Couple, 1-2 Kids: 6%
- Couple, 3+ Kids: 6%
- Single: 36%
- Single Sharer: 6%
- Single, 1-2 Kids: 21%
- Single, 3+ Kids: 15%
- Other: 1%

**AGE RANGE OF COMPASS RESIDENTS DURING THE YEAR:**

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-100</td>
<td>18</td>
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<tr>
<td>80-90</td>
<td>159</td>
</tr>
<tr>
<td>70-80</td>
<td>412</td>
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<td>20-30</td>
<td>733</td>
</tr>
<tr>
<td>10-20</td>
<td>1,050</td>
</tr>
<tr>
<td>0-10</td>
<td>1,163</td>
</tr>
</tbody>
</table>

**TENANT SATISFACTION:**

- 92% with the events that Compass provides
- 90% with the way Compass involves tenants
- 89% with services that Compass provides
- 92% with the overall condition of their home
- 86% that their rights as a tenant are upheld by Compass

**DURING THE YEAR COMPASS PROVIDED HOUSING ASSISTANCE TO**

3,902 HOUSEHOLDS

**14% IDENTIFIED AS BEING HOMELESS PRIOR TO MOVING INTO A COMPASS PROPERTY**

6,559 PEOPLE

55% FEMALE

45% MALE

19% IDENTIFIED AS INDIGENOUS OR ATSI

3% FROM A NON-ENGLISH SPEAKING BACKGROUND

20% LIVING WITH A PHYSICAL OR MENTAL DISABILITY

6,559 PEOPLE

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Our Team

COMPASS HAS A STRONG COMMITMENT TO STAFF ENGAGEMENT AND IS IN THE TOP 25% OF ORGANISATIONS SURVEYED BY AON HEWITT IN STAFF ENGAGEMENT.

OUR STAFF SAY:

Compass has provided excellent opportunities and a wonderful path in which I feel a valued member of. I am also proud to contribute to the community.

My overall work experience with Compass Housing has been one of opportunity, support and encouragement. This allows me to continue to learn & grow with Compass and provides me with confidence and capabilities to be the best that I can be.

AON HEWITT STAFF ENGAGEMENT MEASURES THE STRENGTH OF ENGAGEMENT WITH OUR ORGANISATION ON MANY LEVELS:

<table>
<thead>
<tr>
<th>CORPORATE RESPONSIBILITY</th>
<th>93%</th>
<th>86%</th>
<th>86%</th>
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<tbody>
<tr>
<td>93% THIS IS A SOCIALLY &amp; ENVIRONMENTALLY RESPONSIBLE ORGANISATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>86% I AM PROUD TO BE PART OF THIS ORGANISATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>86% MY CO-WORKERS RESPECT MY THOUGHTS &amp; FEELINGS</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| LEARNING & DEVELOPMENT OPPORTUNITIES AT THIS ORGANISATION TO HELP ME BUILD VALUABLE SKILLS | 79% |     |     |
| WORK / LIFE BALANCE | 92% | 88% | 84% |
| 92% THIS ORGANISATION'S GOALS & OBJECTIVES ARE MEANINGFUL TO ME |     |     |     |
| 88% MY CURRENT STATE OF PHYSICAL & MENTAL HEALTH ALLOWS ME TO PERFORM MY JOB VERY EFFECTIVELY |     |     |     |

% OF STAFF UNDERTAKING FORMAL QUALIFICATIONS IN 2014:

- Graduate Certificate Social Impact: 1
- Certificate IV Disability Services: 1
- Diploma Management: 7
- Diploma Project Management: 1
- Company Directors: 2
- Certificate IV Business Management: 2
- Diploma Community Services: 1
- Certificate IV Frontline Management: 4
- Bachelor Business: 1
- Certificate IV TAE: 4
- Bachelor Business & Marketing Management: 1
- Diploma Sustainability: 1
- Bachelor Commerce: 1
- Certificate IV IT: 2
- Doctorate of Business Management: 1
- Certificate IV Governance: 1
- Diploma Quality Auditing: 2
- Certificate IV Building & Construction: 1
- Diploma Work Health & Safety: 1
- Strategic Management: 1

TOTAL: 36%

$116K PROFESSIONAL DEVELOPMENT EXPENDITURE

66% OF SENIOR MANAGEMENT POSITIONS WERE HELD BY FEMALES
The past financial year has been another successful one for Compass Housing, with my report reflecting on a number of the more significant events throughout the period.

Total revenue increased to $53.1M from $34.9M in 2014, an increase of 52%, and total assets have increased by 16% to $230.0M from $199.1M in 2014 while net assets have increased by 13% to $192.4M from $170.5M in 2014.

At the end of the financial year Compass had 3,317 houses under management provided by both State and Commonwealth Governments under various programs and by Compass itself using leverage of the value of vested assets from the NSW Government to borrow funds.

Early in the 2015 financial year, Compass received the second tranche of vested titles from the NSW Government, which resulted from a 2010 tender that Compass was successful in. This means that the assets of Compass will increase by approximately $137.0M in the first quarter of the 2015 financial year. Compass wants to thank the NSW Government for completing this vesting process. This maintains the position of Compass as a very secure and strong Community Housing Provider as it continues to pursue its Vision and Mission to provide an increased supply of affordable housing and other community services to its current and future tenants and clients.

Compass spent most of the financial year pursuing its external strategic growth model of increasing its size and housing stock by pursuing opportunities in other States, particularly Queensland, with amalgamation discussions taking place with a Brisbane based housing provider and continuing to compete for the Logan Renewal Initiative contract that was put to tender by the Queensland Government last year.

The amalgamation with 4walls Ltd of Brisbane took place on the 1st July 2014 and Compass Housing Services Queensland now manages the 934 properties previously managed by them. I wish to welcome the Board, staff and tenants of 4walls to the Compass Group.

Compass was also successful in winning the Logan Renewal Initiative Tender with its joint venture partner and not-for-profit developer BlueCHP. The new joint venture company Logan City Community Housing will undertake this contract from the Queensland Government over the next 20 years to manage approximately 4,700 social housing dwellings in Logan and will replace approximately 1,000 existing houses with approximately 1,600 modern social housing dwellings and over 1,000 new affordable houses for rent and sale.

In July, Compass was pleased to celebrate the unveiling of the first completed houses under the Commonwealth Government’s Supported Accommodation Innovation Fund (SAIF). As reported last year, Compass was successful in its application for funding under this program with funds of $7.3M being provided to build 20 homes for tenants with disabilities. Throughout the next financial year, Compass will continue management of this project with the remaining homes due for completion by December 2014.

Compass has been on a continual growth trajectory for many years and has constantly reviewed its approach to provide the best governance and corporate structure to fit the operating circumstances for each period.

At the 2014 Board strategic planning day, the Board continued the focus on its own structure as well as the corporate structure, with recommendations that Directors are to be nominated by the Board and elected by the members.

With the knowledge that Compass would soon be operating in more than one State, it was also agreed that there should be a new structure for the Board with a reduced number of directors and a focus on the national aspects of the Board operation. This also entailed the introduction of different subsidiary Boards and State Committees to operate in the different States that Compass would be operating in. The Board also agreed to create My Place Property Pty Ltd as a separate real estate business with its own Board.
This would also allow the newly constituted Board with a wider skill set and greater corporate focus to concentrate on operations across States to take Compass into a very exciting and challenging future. The new structure would still allow a local and State focus by the State Boards and Committees on those matters most affecting the States and stakeholders, including tenants for the areas that they cover.

I encourage all tenants to get involved with the Compass Tenant Panel and wish to thank the current panel members for their continuous efforts to get more tenants involved with their very important work. I also wish to thank them for their work with Compass staff and for their involvement with the Compass Community forums, which were held in each branch area of operation.

The Compass GROW program continued to provide Compass tenants with access to many services and facilities to enhance their tenant experience and improve their life situation with health and nutrition programs, esteem and well-being programs, and sustainable living practices among others. The Compass youth oriented GROW A Star program also continued during the year.

Compass wishes to thank the New South Wales and Queensland State Governments and the Commonwealth Government for the contracts that they have awarded to Compass during this year and in previous years.

I would like to thank the Board for its continued commitment to the sound governance of the organisation and for its ability to work together to address the complex issues that arise in the housing sector. I commend them for their unselfish decisions with regard to the new Board and corporate structure that they have agreed to recommend to the members; and I thank them for their continued efforts on behalf of the organisation in the many forums in which they represent Compass.

I’d like to extend my appreciation to the Group Managing Director and the Executive Team for leading Compass through another challenging year. I also wish to acknowledge and thank all other Compass staff who continue to provide excellent services to our stakeholders.

Compass has enhanced its position and is now the largest Community Housing Provider in Australia and continues to be in a strong position to take advantage of opportunities as they arise in the future. I am sure that it will continue to provide sector leading Community Housing across Australia in the years ahead.

I have been honoured to be the Chair of Compass Housing for another year. I am sure that it will continue to provide sector leading Community Housing across Australia in the years ahead.

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The company maintained its strong cash holdings of $27.5M whilst delivering another 69 new dwellings under various programs: the Vested Asset Leveraging Program (VALP), the National Rental Affordability Scheme (NRAS) and the Commonwealth Supported Accommodation Innovation Fund (SAIF).

From 2009 through to 30 June 2014, Compass delivered 286 affordable and social housing dwellings.

Compass has a further 98 dwellings in the pipeline creating a total of 454 dwellings due for completion by the end of 2017.

Compass was awarded $2.1M under the NSW New Generation Boarding House Tender as well as another 37 NRAS incentives under NRAS tranche 5A, which will assist to deliver further much needed housing.

Similar to 2012-13, Compass continued managing its strategic growth opportunities and investing in its internal capacity this Financial Year.

The year saw Compass attain registration as a Tier One provider, the recruitment of a General Manager Operations NSW, a National Strategic Assets Manager, a Policy & Quality Assurance Administrator and the launch of our real estate business My Place Property Pty Ltd, and recruitment of its General Manager.

Compass spent $5.2 million on maintenance this year on the portfolio it manages valued at close to $1 billion.

The year also focussed on internal reorganisation and capability improvements: establishment of our ‘virtual’ call centre, specialised tenancy management model and general reorganisation, which also included corporate level change management planning, in anticipation of further growth to the next stage of Compass.

In terms of external strategic growth, Compass continued to explore its Queensland objectives of amalgamating with a local housing provider and continued competing for that State’s Logan Renewal Initiative. I am pleased to report that both transactions were successfully completed early in the new financial year.

Compass Housing Services Queensland formerly known as 4walls Limited manages 934 properties across Brisbane and the Gold Coast. It is a vibrant and energetic service poised for growth in Queensland – a state with a big vision and continued competing for that State’s Logan Renewal Initiative.

Compass was successful in winning the Logan Renewal Initiative Tender with its joint venture partner and not-for-profit developer BlueCHP. This is a $5 billion contract over 20 years for the property management of an approximate 4,700 properties in Logan QLD and includes the replacement of approximately 1,000 existing houses with approximately 1,600 modern social housing dwellings and over 1,000 new affordable houses for rent and sale.

This is the largest property transfer in Australian history, to the largest charitable joint venture in Australian history and makes Compass the largest community housing provider in our nation’s history.

In contrast it has been a further year of relative inactivity in NSW for property transfers and policy announcements toward community housing, although the NSW Government initiated its Going Home Staying Home Homelessness reformation agenda among other things.

Early in the new financial year, Compass received the second tranche of vested titles from the NSW Government’s 2010 tender, for which Compass was successful.

This means that approximately a further $137 million will be added to Compass assets from July 2014. We applaud the NSW Government for fulfilling this commitment, enabling a much safer loan to value ratio for Compass.

In February this year, NSW Operations rolled out an incentivised tenancy specialist model with the aim of further improving customer service and satisfaction, increasing tenant engagement and sustainability and improving stakeholder satisfaction. The model is a team based approach where each team member focuses on a specialist part of tenancy and property service.

Under the new Specialist model, Housing Managers who previously undertook a number of tenancy management functions are now Tenancy Relations Officers who specialise in the areas of rent, leasing and property services. The branch receptionists in six locations across NSW have retrained to be Customer Service Officers and are a part of a new state wide virtual call centre. Branch Managers became Specialist Area Coordinators, operating functions across the state to ensure consistent service delivery.
Under this new service model every tenant is visited about twice per year by two Compass officers with a strong focus on tenant sustainability as per the principles of our GROW program.

**EVERY TENANT IS OFFERED REFERRAL TO SERVICES, PATHWAYS TO TRAINING, VOLUNTEERING & EMPLOYMENT. COMMUNITY PARTICIPATION IS ENCOURAGED.**

Tenants who display good property care and keep rent in advance are identified and entered into the Tenant Incentive Scheme (TIS) and win gift cards and prizes. This home by home approach has also identified more young people who are eligible to participate in our GROW A Star Program, where Compass assists in funding the development of young people who may be disadvantaged from achieving their dreams and ambitions.

We were very pleased to complete and formally open our first dwellings under the Supported Accommodation Innovation Fund (SAIF). Compass was awarded the highest funding amount in Australia from the Commonwealth Government’s Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to deliver 20 much needed disability housing properties under this program for young people with a severe or profound disability.

Compass applauds the Federal Government for their commitment to the SAIF program, which is an important project that supports people with a disability to live independently in supported accommodation.

Compass has partnered with Ability Options who will be responsible for providing support services to the 20 people who will live in the homes. We are passionate about supporting members of our community who are in need of assistance. This project will provide much needed affordable housing for people who are struggling with everyday living.

We are grateful for the approval from NSW Community and Private Market Housing Directorate to turn a hard to let property at 123 Creedon St Broken Hill, into a valuable community asset.

An impressive concept plan is coming together after several trips to Broken Hill meeting with service providers, Broken Hill Council and most importantly the tenants of Creedon Street. The new Hub will provide counselling and health services, a homework club with WiFi, health and nutrition classes and an important community space for locals to engage with the community.

This will be the second Community Hub that Compass will fund in NSW, the first being the Meeting Place KBT on the Central Coast, where a very successful operation provides valuable support and linkages to Compass tenants and the surrounding community.

During the year, the many projects that received funding through the Compass Connect funding project in 2012/2013 have come to fruition, including a number of community gardens and beautification projects (Dangar Park Rose Garden, Gosford Avenue, This Way Home, Broken Hill Community Garden Project) that have really helped establish a shared sense of community and ownership among tenants and community members involved in these projects. The Muswellbrook Red Door Community Kitchen which provides a meal and an opportunity for people who may feel alone and isolated in their community to gather together for companionship and socialising is up and running with Compass staff and tenants regularly volunteering. The East Maitland Internet Café is a proving a popular venue for tenants and people in the local community with limited or no internet access at home.

I would like to thank the NSW and QLD State Governments and the Commonwealth Government for their support to Compass Housing Services and the sector. I would like to thank the Board, my executive team and Compass staff for their tremendous efforts over the past year, and I would like to thank our support partners and contractors for their continued valuable work and partnerships and last but not least I would like to thank our wonderful tenants for being great tenants, looking after their properties and those who get involved and give back to the community. I am excited at the prospects of opportunity that Compass has ahead to further deliver services to our existing and potential tenants.

**GREG BUDWORTH**
GROUP MANAGING DIRECTOR

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### 2014 Report Card

<table>
<thead>
<tr>
<th>KEY PERFORMANCE INDICATORS</th>
<th>2014</th>
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<tbody>
<tr>
<td>TENANT SATISFACTION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall satisfaction</td>
<td>89%</td>
<td>88%</td>
<td>86%</td>
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<td>Satisfaction with</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>ways in which Compass</td>
<td>90%</td>
<td>89%</td>
<td>89%</td>
</tr>
<tr>
<td>involves tenants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction with</td>
<td>87%</td>
<td>87%</td>
<td>88%</td>
</tr>
<tr>
<td>ways in which Compass</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>communicates with tenants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SERVICE DEVELOPMENT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total properties managed</td>
<td>3,317</td>
<td>3,245</td>
<td>3,349</td>
</tr>
<tr>
<td>as at 30 June</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total properties managed</td>
<td>2,881</td>
<td>2,882</td>
<td>2,826</td>
</tr>
<tr>
<td>under Housing NSW programs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FINANCIAL MANAGEMENT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at end of year</td>
<td>$27.5M</td>
<td>$17.3 M</td>
<td>$11.9 M</td>
</tr>
<tr>
<td>Net Profit</td>
<td>$21.9M</td>
<td>$4.9 M</td>
<td>$19.2 M</td>
</tr>
<tr>
<td>Net Operating Profit (ex</td>
<td>$8.3M</td>
<td>$4.9 M</td>
<td>$5.7 M</td>
</tr>
<tr>
<td>Capital Grants / Contributions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained Profit</td>
<td>$192.4 M</td>
<td>$170.5 M</td>
<td>$169.8 M</td>
</tr>
<tr>
<td>HOUSING MANAGEMENT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrears</td>
<td>2.0%</td>
<td>2.0%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Market rent loss via void</td>
<td>2.3%</td>
<td>1.5%</td>
<td>2.0%</td>
</tr>
<tr>
<td>/ vacancy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HUMAN RESOURCES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of full time</td>
<td>85.94</td>
<td>87.47</td>
<td>81.92</td>
</tr>
<tr>
<td>equivalent staff</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Spend</td>
<td>$116K</td>
<td>$109K</td>
<td>$85K</td>
</tr>
<tr>
<td>MAINTENANCE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combined maintenance</td>
<td>$5.2 M</td>
<td>$6.2 M</td>
<td>$5.7 M</td>
</tr>
<tr>
<td>expenditure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>REPAIRS &amp; MAINTENANCE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMPLETIONS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of service requests</td>
<td>15,040</td>
<td>14,614</td>
<td>18,349</td>
</tr>
<tr>
<td>raised</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of service requests</td>
<td>14,457</td>
<td>17,980</td>
<td>13,588</td>
</tr>
<tr>
<td>completed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOCIAL INCLUSION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of tenants</td>
<td>660</td>
<td>570</td>
<td>289</td>
</tr>
<tr>
<td>volunteering</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of tenants</td>
<td>870</td>
<td>488</td>
<td>176</td>
</tr>
<tr>
<td>participating in activities</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
AS AT 30 JUNE 2014 COMPASS OPERATED 9 BRANCHES ACROSS REGIONAL NSW & MANAGED 3,317 PROPERTIES OVER 14 LOCAL GOVERNMENT AREAS.

COMPASS DIRECTLY OWNS 847 OF THESE PROPERTIES:
- With 228 purchased with capital funding assistance from the Centre for Affordable Housing under SHGF and NRAS government initiatives
- 561 through vested title from Housing NSW
- 57 new properties delivered through leveraging off the vested title properties and 1 property redeveloped as part of leveraging activities
- The balance of properties under management consists of 11 under Fee for Service arrangements with Community and Private Market Housing Directorate (CAPMH)
- 146 under Fee for Service arrangements with AHO and the private market
- 1,894 were Housing NSW capital properties managed under head lease arrangements and 418 were private leaseholds subsidised under Housing NSW Community Housing Leasehold Program

MANAGED PROPERTIES BY LOCAL GOVERNMENT AREA:

<table>
<thead>
<tr>
<th>LGA</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bourke</td>
<td>6</td>
<td>0.18%</td>
</tr>
<tr>
<td>Broken Hill</td>
<td>211</td>
<td>6.36%</td>
</tr>
<tr>
<td>Central Darling</td>
<td>25</td>
<td>0.75%</td>
</tr>
<tr>
<td>Cessnock</td>
<td>72</td>
<td>2.17%</td>
</tr>
<tr>
<td>Dubbo</td>
<td>89</td>
<td>2.68%</td>
</tr>
<tr>
<td>Gosford</td>
<td>100</td>
<td>3.01%</td>
</tr>
<tr>
<td>Lake Macquarie</td>
<td>656</td>
<td>19.78%</td>
</tr>
<tr>
<td>Maitland</td>
<td>214</td>
<td>6.45%</td>
</tr>
<tr>
<td>Muswellbrook</td>
<td>450</td>
<td>13.57%</td>
</tr>
<tr>
<td>Newcastle</td>
<td>715</td>
<td>21.56%</td>
</tr>
<tr>
<td>Port Stephens</td>
<td>45</td>
<td>1.36%</td>
</tr>
<tr>
<td>Singleton</td>
<td>29</td>
<td>0.87%</td>
</tr>
<tr>
<td>Singleton</td>
<td>171</td>
<td>5.16%</td>
</tr>
<tr>
<td>Wyong</td>
<td>534</td>
<td>16.10%</td>
</tr>
</tbody>
</table>
FOR THE 2013-14 YEAR COMPASS ADDED AN ADDITIONAL

69 NEW PROPERTIES TO OUR PORTFOLIO

COMPRISING OF:

6 NEW SOCIAL HOUSING PROPERTIES

Through leveraging from vested assets, as well as funding provided by the Commonwealth Department of Social Services Supported Innovation Fund

41 NEW SOCIAL HOUSING DWELLINGS UNDER NRAS

22 NEW AFFORDABLE PROPERTIES COMMITTED TO UNDER NRAS

With these properties added to our portfolio, Compass completed the acquisition of all properties committed to under all rounds of NRAS tenders, including an additional 8 dwellings over our original target. Compass has also delivered 33% of the properties committed to under our Vesting Agreement with the NSW Land & Housing Corporation and NSW Department of Family & Community Services.

In addition to the properties available for rent, we have exchanged, or are in the process of exchanging, contracts on another 98 properties, which are anticipated to be available to rent by 2017. This will bring our delivered target under the Vested Agreement to 94% in the first six years of the 10 year agreement.

PROPERTIES BY ASSISTANCE TYPE

- General Housing: 86%
- Transitional Housing: 2%
- Affordable Housing: 7%
- Other: 5%
- Other FaCS: 0%

- Fee for Service: 5%
- Crisis Accommodation: 0.3%

PROPERTIES BY TYPE

- Capital: 57%
- Fee for Service: 5%
- Leasehold: 13%
- Owned: 25%

SPECIALIST HOMELESSNESS SERVICES MAINTENANCE ONLY CONTRACT

Our Assets & Maintenance Team provided maintenance services to 55 capital properties owned by NSW Land & Housing Corporation and operated by Specialist Homelessness Services across the following LGA’s:

- Dubbo: 6
- Lake Macquarie: 7
- Maitland: 1
- Muswellbrook: 5
- Newcastle: 32
- Port Stephens: 4
Acquisitions & Developments

This financial year resulted in the successful delivery of a further 69 new dwellings through various programs to the Compass asset stock. From 2009 through to 30 June 2014, Compass has delivered an additional 286 affordable and social housing dwellings, with a further 98 dwellings currently in the pipeline, creating a total of 454 dwellings due for completion by the end of 2017.

We believe these outcomes would not be possible without the collaborative partnerships between Compass and local developers, as well as the ongoing commitment of Commonwealth and NSW State Governments in providing much needed social and affordable housing.

Notably, in the new financial year, Compass received the second tranche of vested titles from our successful 2010 tender with the NSW Government. This means that approximately $137 million will be further added to Compass assets from July 2014. We applaud the NSW Government for fulfilling this commitment, and this will enable a much safer loan-to-value ratio for Compass.

ISLINGTON

Compass entered into a partnership with a local developer to deliver this development of 24 studio and one bedroom apartments. This development is well located within close proximity to many services and transport options, as well as close to the inner city of Newcastle.

The modern design and finishes consider environmental sustainability and allow functional living, which has since received recognition from winning the HIA Award being awarded Special Purpose Housing of the Year, as well as Apartment Complex of the Year. These units were built by Graph Building and were delivered through the Commonwealth and State Government’s National Rental Affordability Scheme.
Compass delivered the first homes under the Supported Accommodation Innovation Fund (SAIF) contract, which was awarded to Compass in 2012 by the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to build 20 new two bedroom homes for people with a severe or profound disability in the Newcastle and Central Coast areas. These properties are architecturally designed houses attaining platinum level under the Australian Liveable Housing Design guidelines and include key features to make the homes easier to enter and access, safer and more functional to use.

These homes will be located across six suburbs, including Wallsend, Elermore Vale, Edgeworth, Wyoming, Gorokan, and Canton Beach. The partnership will see Compass responsible for building and maintaining the properties, whilst Ability Options is responsible for providing support services.

Compass is proud to be involved in such a much needed and important project.
BELMONT

Compass worked with the developer to deliver this stunning unit complex comprising of 16 units of seven studio apartments, four 1 bedroom units, and five 2 bedroom units.

The development is contemporary in design, and complete with environmental fittings and finishes, as well as being located within a vibrant community at the city centre of Belmont, offering a myriad of services and shopping options.

These units were built by Base Build Pty Ltd and delivered through the Commonwealth and State Government’s National Rental Affordability Scheme.
EAST MAITLAND

Compass worked with local developer ABL Property to deliver this contemporary, well designed and functional unit complex of 15 one and two bedroom units.

This development is located in the midst of East Maitland CBD, a convenient location offering a myriad of employment opportunities, services and shopping options.

These dwellings were delivered through the Commonwealth and State Government's National Rental Affordability Scheme.
Our Housing

COMPASS HOUSING SERVICES IS AUSTRALIA’S LARGEST COMMUNITY HOUSING PROVIDER WITH A PROVEN ABILITY TO MANAGE A WIDE RANGE OF TENancies UNDER A VARIETY OF PROGRAMS.

WE UNDERTAKE ALL ASPECTS OF TENANCY AND PROPERTY MANAGEMENT, INCLUDING ALLOCATIONS AND WAIT-LIST MANAGEMENT.

COMPASS HAS EXTENSIVE EXPERIENCE IN PROVIDING TAILORED TENANCY SERVICES, AND WE SPECIALISE IN MANAGING THE SPECIFIC NEEDS OF OUR DIFFERENT RESIDENTS, CULTURES AND HOUSING PROGRAMS.

Community Housing

Community housing continues to be an integral part of our operations, representing 88% of Compass’ entire housing portfolio.

Community housing aims to provide safe, secure, affordable, and appropriate rental housing. Community housing provides short, medium and long term accommodation, and is defined as rental housing provided by not-for-profit community based organisations at below market rent for very low to moderate income households.

Compass provides housing assistance on a basis which provides opportunities for participatory management, and constructive links with community development and support services in sustaining their tenancies.

COMPASS’ COMMUNITY HOUSING PORTFOLIO ENCOMPASSES:

- Disability Housing
- Supported Housing
- Indigenous Housing
- Homelessness Housing
- Affordable Housing

Rhonda’s Story

AT A YOUNG AGE, RHONDA EXPERIENCED A STROKE, AND ONE OF THE UNFORTUNATE CONSEQUENCES WAS DAMAGED SPEECH AND MOBILITY. SHE ALSO ENDURED THE TERRIFYING ORDEAL OF BREAST CANCER.

With the health struggles Rhonda suffered from, she could be excused for shrinking back and giving up, but has instead done the opposite.

Rhonda has been a Compass tenant for 15 years and in that time she has served as an inspiration to other tenants. With partially restored speech and mobility Rhonda maintains her home beautifully.

She also selflessly gives back to her community through a variety of volunteer work. With a positive outlook on life and genuine gratitude toward Compass and all they’ve done for her, Rhonda lives a fulfilling life.

The care and pride Rhonda pours into her home is an inspiration and Compass is very proud to have her as a tenant.
Disability Housing

DURING THE 2013-14 FINANCIAL YEAR COMPASS PROVIDED HOUSING ASSISTANCE TO 3,902 HOUSEHOLDS COMPRISING OF 6,559 PEOPLE, OF THESE PEOPLE 20% OF THEM INDICATED THEY WERE LIVING WITH A PHYSICAL OR MENTAL DISABILITY.

Compass together with our support partners work to provide our tenants and housing applicants living with a disability equitable access to housing that enable them to pursue lifestyles of their choice, and to participate fully in all aspects of community life.

Compass strives to provide the best service to these tenants, many of whom have complex needs, so that they may feel secure in their tenure and so they have opportunities to engage and contribute to their community.

Compass recently delivered our first two dwellings of twenty under the Supported Accommodation Innovation Fund (SAIF). The SAIF properties were funded by the Australian Government Department of Social Services and Compass Housing and are owned and managed by Compass with Ability Options as our support partner in this project. The remaining dwellings will be completed by December 2014. The dwellings are designed to provide independent living for people with severe and/or profound support needs.

SAIF offers a new way of living for these people in an architecturally designed brand new home in a safe and supported environment. Participants in the SAIF units are funded from a variety of sources including the National Disability Insurance Agency.

ONE OF OUR FIRST TENANTS UNDER THIS PROGRAM JEMA-LEE, WAS EXCITED ABOUT THE LIFE THAT WOULD BE MADE POSSIBLE THROUGH HER NEW ACCOMMODATION.

“...I’m very happy with making and creating new friends and friendships and I will look forward to having sleepovers with my friends and being independent. I will be doing the same thing as my brother, sisters and cousins are doing. This is very important to me. I know I still have family who will visit me and I know that I will be more independent from my family as well.”

Supported Housing

COMPASS PROVIDES A DIVERSE RANGE OF HOUSING PROGRAMS WITHIN OUR COMMUNITIES WHICH PROVIDE ASSISTANCE TO PEOPLE WHO MAY HAVE DIFFICULTIES OBTAINING OR MAINTAINING HOUSING IN THE PUBLIC AND PRIVATE MARKET DUE TO THEIR SUPPORT NEEDS.

Tenants housed in supported accommodation are the most vulnerable and require various levels of support to gain independent living successfully.

Our supported housing services assist a wide range of people; these include people with disabilities, individuals with mental health issues, young families, women and children escaping domestic violence, indigenous persons and families, seniors and people leaving the criminal justice system, and those experiencing or at risk of experiencing homelessness.

Compass has extensive and well-developed relationships with a variety of support service providers who assist our tenants in supported accommodation to successfully live independently, ensuring these tenancies are secure and sustainable and provide a wide variety of services to our clients who are in need of support.

Compass has expanded our supported housing portfolio to include a specialised housing program Compass Housing Youth Accommodation for youth (aged 16-25 years of age). This program is located in Newcastle in a brand new complex consisting of studio and one bedroom apartments.

The program is targeted to youth and young adults who are studying or working and who need and are engaged with a support provider. Recently Compass also delivered two boarding houses located in Waratah and Adamstown, funded under the Commonwealth Government’s Vested Asset Leveraging Program (VALP) and the NSW Government’s New Generation Boarding House Program respectively. These boarding houses are a welcomed addition to our supported housing portfolio and will once again expand the breadth of housing products we deliver to those most in need.

Compass continues to manage supported tenancies through programs such as the Supported Accommodation Assistance Program and Crisis Accommodation Program. These supported housing programs assist people who may have difficulties obtaining or maintaining housing in the public and private market due to their support needs.

Also with the introduction of the NSW Government’s ‘Going Home Staying Home’ reform, Compass has forged new partnerships with a number of non-government organisations to further assist in providing crisis and transitional services to our most vulnerable at-risk clients to assist in breaking cycles of homelessness.

Our support partnerships are a continued important part of delivering and maintaining safe and secure housing and improved living for our clients.
Australia’s Indigenous populations in remote areas present the greatest level of housing need. One quarter of Australia’s Indigenous people live in remote areas.

Compass has managed Indigenous housing under various programs for the Aboriginal Housing Office, various Aboriginal Land Councils, RSM Bird Cameron, Housing NSW under stock transfer and the NSW Department of Family & Community Services. The properties have been located in various regional and remote locations including Broken Hill, Wilcannia, Menindee, Balranald, Dareton, Dubbo, East Maitland and Newcastle.

Compass continues to provide tenancy and asset management services for the Aboriginal Housing Office in Broken Hill, Menindee, Wilcannia and East Maitland.

This year Compass commenced management of Indigenous housing in Dubbo under the NSW Government’s Department of Family & Community Services Employment Related Accommodation (ERA) Program. The ERA program helps eligible Aboriginal and Torres Strait Islander people re-locate from remote communities to take up employment, education or training opportunities and in regional centres providing safe, secure, affordable accommodation.

This program is made up of a number of unique individuals who believe in striving for the best and making a difference. We are so proud of our tenants who have participated in this program, there has been great achievements made, following are some of the highlights from the past year.

She was forced to couch-surf with her four children for about a month. Amanda heard about the ERA program and applied and was relieved when she moved into her new home. Since being settled she has been able to undertake community studies at her local TAFE while sending her children to the local primary school. Amanda said “Since I have moved in here I have been able to do some studying and have the kids in school all the time and actually have a home. We had nothing before we come here, we had four bags of clothes and that was it. If it wasn’t for Compass I don’t think I would be in a house right now and I dare say that I wouldn’t have my kids with me as trying to get a house from a real estate is near impossible”.

Amanda is now studying Certificate 3 in Community Services and will complete her course this year and has plans to continue studies next year with a hope to help people who have been in domestic violent relationships.

The children have been doing really well since they moved into their new home, they have made many friends and are excelling at school. Amanda has a wall of certificates with all of the children’s achievements just from this year at school since they have settled.

Amanda is thankful that Compass and the ERA program have given her and her children new opportunities and a home to call their own.
Codi is an apprentice mechanic who struggled to find housing due to his low wage and unstable income.

He says he was knocked back again and again for the small flats he applied for and was feeling helpless. With the help of the ERA program, Codi can finish his apprenticeship without the fear and anxiety of homelessness. He was pleased to move into a three-bedroom home in a safe area where he values his privacy. With this new-found sense of stability, Codi also became engaged to his partner and is looking forward to an exciting future ahead.

Codi said “Without Compass Housing and the ERA program I would still be applying for flats with no success and living in fear of the future”. He feels secure now knowing that when the lease ends in his current home that Compass will help find another suitable safe, secure home that he can afford.

Codi and his partner were recently engaged, his income is now more stable and he is planning for his future.
TINA WAS LIVING IN TEMPORARY ACCOMMODATION IN A ONE-BEDROOM FLAT WITH HER THREE YOUNG CHILDREN AND TRYING TO MANAGE THE WEIGHTY RESPONSIBILITY OF MOTHERHOOD IN SUCH A CONFINED LIVING SPACE.

She became aware of the ERA program and decided to enrol in nursing at her local TAFE to qualify for a Compass house.

She was excited when Compass and ERA provided her and her children with a home and opportunities to gain a qualification that would allow her to provide for her children.

Tina has now finished studying her qualification and is working in the paediatric ward at her local hospital. The children are settled in school and her daughter is excelling with her mathematics level above the national average, and has also made it to district in little athletics.

Tina couldn’t be more proud.

Tina said “If it wasn’t for Compass and all the team helping out I would probably still be living in Walgett in 1 bedroom temporary accommodation unit on Centrelink benefits”.

She became aware of the ERA program and decided to enrol in nursing at her local TAFE to qualify for a Compass house.

She was excited when Compass and ERA provided her and her children with a home and opportunities to gain a qualification that would allow her to provide for her children.

Tina has now finished studying her qualification and is working in the paediatric ward at her local hospital. The children are settled in school and her daughter is excelling with her mathematics level above the national average, and has also made it to district in little athletics.

Tina couldn’t be more proud.

Tina said “If it wasn’t for Compass and all the team helping out I would probably still be living in Walgett in 1 bedroom temporary accommodation unit on Centrelink benefits”.
Homelessness has many faces, women, young people, older people, families and singles. Homelessness can happen to anyone for a number of reasons, but the simple fact is that the problem can’t be solved without an affordable and secure home.

Compass’ vision is that all people have appropriate and affordable shelter and that those people are engaged in sustainable communities. We are passionate about being involved in homelessness initiatives.

This year Compass continues to manage the ‘This Way Home’ Project which provides a unique model, with a framework of collaboration and the objective of increasing the successful outcomes for persons experiencing homelessness who want to gain and sustain a tenancy in the private, social or public housing market.

The ‘This Way Home’ project is a partnership between Compass, The Samaritans Foundation, Mission Australia, the Salvation Army, Nova Women’s Accommodation and Support, Baptist Community Services, Catholic Care Hunter-Manning and Wesley Mission.

Since commencement 3 years ago ‘This Way Home’ has assisted almost 270 individuals suffering from or at risk of homelessness. With the majority of those transitioning from temporary or medium term accommodation into long term public, affordable or private housing.
James’ Story

JAMES WAS LIVING WITH HIS MOTHER AND STUDYING FOR HIS HSC WHEN SHE THREATENED TO KICK HIM OUT ON THE STREET.

With the possibility of homelessness looming and a busy study schedule James decided it was time for a helping hand.

The team at Compass were concerned for James’ wellbeing and promptly found him an apartment close to where he was studying. This enabled James to complete his HSC and move in to further study at TAFE.

James now has a job caring for children with special needs and loves that he gets to give back to the community. He has moved on from his apartment with Compass and is now in a private rental with some friends. James is very thankful to Compass and gratefully expressed that “if it weren’t for them I’d be living on the streets without an education or a job”.

The project not only provides accommodation to those in need, it also aids in the personal development of those at the site through development programmes. The programmes include male and female domestic violence sessions, parenting classes, cooking on a budget, work development orders and the very successful and useful ‘Rent it Keep it’ sessions.

This Way Home’s focus is to move beyond simply managing homelessness to breaking the cycle of homelessness permanently. This project has demonstrated our understanding, as well as promoted externally, the effectiveness of a collaborative support and tenancy management model in homelessness and in high need short to medium term tenancies. Compass is working towards continuing to further expand our ‘This Way Home’ Model to other service areas.

FROM OCTOBER 2012 TO THE 30TH JUNE 2014, COMPASS HOUSED 55 CLIENTS IN MEDIUM TERM ACCOMMODATION OF THESE 55 CLIENTS HOUSED:

- 26 have secured long term accommodation either in the private or social housing sector,
- 9 ceased due to breaches of tenancy agreements,
- 4 ceased due to incarceration,
- 4 have gained employment, 8 are volunteering.

- 16 FAMILIES HAVE BEEN RESTORED

- 55 CLIENTS HOUSED

- 26 HAVE SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVE GAINED EMPLOYMENT

- 8 ARE VOLUNTEERING

- 9 TENANCIES WERE TERMINATED BY COMPASS

- 4 TENANCIES ENDED

- 4 HAVE SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVE SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVE SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVE SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVE SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVEN'T SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVEN'T SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVEN'T SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR

- 4 HAVEN'T SECURED LONG TERM ACCOMMODATION IN THE PRIVATE OR SOCIAL HOUSING SECTOR
MY LIFE HAS HONESTLY JUST BEEN ONE BIG EMOTIONAL ROLLERCOASTER, ONE PROBLEM AFTER ANOTHER.

I guess it stems back from my childhood. I lost my father to suicide at 2 years old, I don’t even remember what he looked like, all I have is one picture of him.

My father’s suicide impacted on my mum so much that even still, to this day, she has constant nightmares as well as anxiety, depression and PTSD.

Growing up my childhood was always a constant struggle, whether I’d have to ride 8km’s each night to get myself dinner, or put myself to bed after my mother had passed out from drinking too much, I had to grow up quickly.

Once I started high school and after nearly 2 years of living with my grandparents my mum had stopped drinking, got a job and I moved back with my mum up the North Coast. Everything was looking good until she started drinking every afternoon after work.

From there it was a slow downward spiral. My mother started drinking more and more and I started to eat as a coping mechanism, resulting in me weighing 130kg.

After I finished high school we moved back to Newcastle to better our work opportunities, eventually moving to Cessnock. We were couch hopping between friend’s houses for the next 6 months until we finally got a place we could call our own.

Over the next 4 years I slowly became trapped in an abusive relationship with my mother, being verbally, mentally and physically abused every single day.

I started walking everywhere just so that I wasn’t at home while my mum was drinking. After 2 years of doing this I dropped half my body weight, down to 65kg.

Although losing weight made me happier, the relationship I had with my mother had deteriorated so much that I didn’t want to be alive anymore, driving me to try and take my own life several times.

I JUST COULDN’T SEE A WAY OUT OF THIS SITUATION, I HAD NO MONEY, NOWHERE TO GO AND NO RENTAL REFERENCES.

It wasn’t until I decided I’d had enough, and was about to pack a bag of clothes and hitch-hike to wherever, when I asked a friend if they knew of anyone who could help. They called a caseworker from Reaching Home who told me about Hunter Homeless Connect Day which just happened to be on the next day.

After arriving at the Homeless Connect Day I couldn’t believe how many different services were available to me. I was introduced to a worker from Mission Australia who immediately began trying to find me a safe home, coordinating with Compass Housing and within 3 weeks after that day I was all moved into my spacious 1 bedroom unit in East Maitland.

I’ve been living in that unit for 9 months now and I can say that without a doubt its been the happiest 9 months of my life and I’ve got Mission Australia, Compass Housing and Hunter Homeless Connect to thank for that.

Matt’s Direction Home

CONNECTIONS THROUGH HOMELESSNESS
A COMPASS CASE STUDY

“
At 65 years of age, Elisa, a part time nurse at the Mater Hospital, was travelling up to 2 hours a day through hectic traffic to get to and from work. She was also struggling to make the weekly rental payments at her private rental in Booragul.

With grandchildren in Sydney, Elisa also wanted something close to public transport to make the journey easier.

Within a few weeks Compass Housing had found a solution. Elisa was shown through an apartment complex in Newcastle West right near the train station. It was a secure building with lift access to her door, and with the help of Compass, was made affordable for the grandmother.

Elisa’s face immediately lit up as she inspected the property. Tears rolled down her cheeks as she struggled to find the words to thank the Compass staff.

YOU HAVE NO IDEA WHAT THIS MEANS TO ME … THANK YOU, THANK YOU! I’M JUST SO HAPPY.”

Elisa is proof that there are people in our communities who aren’t eligible for social housing, but may not be able to afford the private rental market.

Without affordable housing, hard-working individuals like Elisa may be vulnerable to the risk of homelessness.
Our Community

The strength of Compass is underpinned by our commitment to improve community wellbeing and liveability for our tenants.

We achieve this through building strong partnerships and delivering best practice service delivery in community development, place-making, tenancy management, and asset management.

We understand that the best outcomes will be achieved through an integrated service, which understands and respects the people, place, potential, and possibilities for the potential clients of these projects.

Compass provides a number of tenant participation and community projects. These include:

- People Place Performance
- The Meeting Place
- Compass GROW Program
- Tenant Incentive Scheme
- Compass Connect Funding

People Place Performance

Compass aims to be more than merely a housing provider. While we certainly have a strong focus on ensuring lease obligations are met, we also work to engage with our People and encourage improvement in their physical and mental well-being, to provide the best opportunity for them to have a bright future.

We work to ensure that our people are connected to their Place, including their home, neighbourhood and community. Design of peoples’ neighbourhood and provision of facilities can underpin a positive sense of place and community. Social inclusion has personal, community and economic benefits and is improved by a more positive connection to place.

Housing assets are strategically optimised to meet housing demand with sound economic management. Performance in managing the housing asset so that it is of acceptable standard and extending the life of the dwelling by diligent property management is crucial to maximising rental returns.

People, Place, Performance (PPP) is our approach to tenancy and asset management and it underpins our vision, that all people have appropriate and affordable shelter and are engaged in sustainable communities and Compass are of the belief that these principles will influence overall performance from investment in People and their connection to Place.

PPP is also the umbrella which sees initiatives such as the GROW Program and its subset of programs, GROW A Star, the Tenant Incentive Scheme, Compass Connect Funding and The Meeting Place as well as various social and community activities which are integrated throughout the organisation. PPP has also provided Compass with the framework to establish a more holistic approach to tenancy and asset management and the initiatives under this are continuing to enrich the lives of our tenants.
THE MEETING PLACE

Compass manages a local hub on the NSW Central Coast ‘The Meeting Place’ which is a facility that provides a central place within the community where local residents can access a range of outreach services and participate in activities that build individual skills and strengthen the capacity of community members, providing support to not only Compass tenants but also to the whole community. There are a number of local services who are involved in offering services, participating in community building and partnering to provide activities and programs for the community.

A number of initiatives have been implemented at ‘The Meeting Place’ to promote tenant and community engagement, including a community garden, school holiday activities, sports in the neighbourhood, tenant groups, market days, morning teas, community events, free access to computers, and community noticeboards. The Meeting Place also provides training courses to Compass tenants and the community in its modern training room.

The types of courses offered include, First Aid Training, Certificate II in Food Handling and various practical diploma courses, such as the Diploma of Community Services and the Diploma of Child, Family and Youth Intervention. The key to the success of ‘The Meeting Place’ is the warm, open and inclusive environment created by our capable staff and the valuable contribution from our tenant volunteers. Compass tenants and members of the community see the facility as a home away from home, a place to have their voice heard and know that they are welcome to drop by at any time.

GROW PROGRAM (GROW)

Our GROW program is the driver for our community development work. We centre our projects and activities on initiatives that focus on promoting our tenants’ personal, community and environmental sustainability. While housing is our core business, Compass Housing Services differentiates itself from other community housing providers through our community development work.

Compass’ established GROW program is now integrated throughout the PPP umbrella. This integration now allows Compass to implement a more holistic approach to our community development programs, with tie-ins to our tenancy and asset management functions. GROW continues to aim to enrich the lives of our tenants through enhancing their personal, social, environmental and economic sustainability.

The GROW program also aims to improve tenants’ awareness of and participation in health and nutrition programs, esteem and well-being programs, community contribution, economic participation, generational advancement, sustainable living practices and factors impacting on security of tenure.

TELENT INCENTIVE SCHEME

Compass continues to run our Tenant Incentive Scheme (TIS) in which tenants are encouraged to perform well in their tenancies.

The TIS was established to reward our best performing tenants. Each month tenancy managers give each tenant a score based upon their tenancy performance, according to set criteria such as on-time rent payments, invoice payments, bond payments and for maintaining dwellings that are clean and tidy. At the end of the year the best tenants are ranked according to their score throughout the year. The best performing tenants are graded in the following categories: gold, silver and bronze.

All tenants who reach the gold category are invited to a special lunch at the end of the year as a reward from the company for their excellent performance and receive 20% off bus trips and other social events.

Prizes are also drawn for tenants who reach gold, silver and bronze levels. The major prizes last year were for $1,000 and $500 cash. This is funded through the interest from tenants’ payment of rent in advance.

COMPASS CONNECT FUNDING

In 2012, under the PPP banner, the Board determined the allocation of special purpose funding for place making. The availability of funding was offered to our tenants through a tender process for projects run by tenant groups and branches for activities that promoted “place based initiatives”, tenant engagement and participation in the community.

These projects are assessed against a criterion that projects must demonstrate the enhancement of people, place and performance (of assets). Compass Tenancy Relations Support Officers are available to assist our tenants complete the application requirements to ensure equitable access. This funding has led to the activation of many shared spaces, skills based initiatives for tenants and community inclusion activities.

NEWCASTLE:
- Rotary Graffiti Removal Project
- Garden & Lighting Project – My Place Property
- Pergola Area
- Security & Social Area
- Alexander Avenue Pergola
- Community Room – This Way Home

CENTRAL COAST:
- NILS Scheme – The Meeting Place
- The Shack – The Meeting Place

UPPER HUNTER:
- Energy Saving Education Day
- Red Door Community Kitchen
- Zoe Parah Gardens
- Community Mural Project

Other projects under Compass Connect have included establishment of other community gardens, fencing and gates, a community clean-up project, a BBQ area & garden, Internet café/computer training courses, outdoor seating area, and solar security and lighting.

We are so excited about the outcomes from these projects, the following stories are just a few examples of what our tenants have achieved under our Compass Connect Funding.
Maree’s fresh idea.

IN 2013, MAREE NOTICED A LACK OF CONNECTION BETWEEN THE TENANTS IN HER COMPASS COMPLEX, WITH SOME TENANTS STRUGGLING WITH LONELINESS AND THE DAY-TO-DAY PRESSURES OF LIFE.

She sat on her balcony one day, looked at the grass below and dreamt of a flourishing veggie garden that would bring them together.

When Maree found out about the Compass Connect funding she put pen to paper. Maree, an avid gardener herself, approached Compass with the idea to establish a community garden. She believed that a community garden would bring together the tenants and forge friendships between them.

Compass jumped at the opportunity to make this dream come to life. Now tenants in Maree’s building enjoy the community garden together, blossoming and growing as people just as the garden blooms around them.

“THE COMPLEX NOW HAS A DREAM GARDEN - HOW MANY PEOPLE HAVE A GARDEN LIKE THIS! THANKS TO COMPASS IT HAS BECOME A REALITY FOR ME.”

- Maree

Maree said “At least half of the tenants here have taken advantage of the veggies growing. I am just really enjoying what it is doing here with the community as well. People have been here for two years and haven’t said hello to other people and don’t even know their names and now people are starting to meet each other in the garden here and now we say hello and know who they are.”
These tenants had an idea – to build a community garden that would provide all residents the opportunity to socialise with each another, as well as enjoy the fresh fruit and vegetables that the garden would deliver.

Before this project, the residents of Avery Street were often bored and found it hard to connect with one another. The complex contained a mixture of Compass and Housing NSW tenants. Excited about the possibilities for their complex, these residents approached staff at The Meeting Place to discuss their idea for a community garden.

Compass Tenancy Support Officer for Central Coast, Joanne McGuire, began meeting with the residents each month to discuss their ideas to strengthen the spirit of the community.

The residents of both Compass and Housing NSW worked together as a volunteer team to plan the project, and decided to take on the responsibility of maintaining the garden once it was established. It was at this point that as a group, they submitted a grant application under the Compass Connect Project.

Joanne McGuire said “that when visiting the tenants of the complex at this time, it seemed that their spirit has come alive”. After numerous meetings with tenants and Housing NSW, everybody was excited at the prospect of working together to make their dream of a community garden a reality.

Through the guidance of Compass staff, volunteers and residents of the Avery Street, the Community Garden has now become a reality.

For Compass the most satisfying part of the project is how the residents have now taken complete ownership of the project. We are truly excited to see that they regularly tend to the garden, and purchase mulch, fertiliser and look after it with tender loving care. The residents are enjoying their new ‘hobby’ and very grateful to Compass for giving the residents the opportunity to promote social inclusion through this project.

These residents and their families showed how a commitment and sense of pride can bring a community together.
Red Door Kitchen

PROVIDING MEALS TO THOSE IN NEED

On March 27th this year, the Red Door Kitchen commenced a fortnightly service providing a free nutritious hot lunch for those in need. The kitchen needed an overhaul and essential electrical items were needed to establish and maintain the service. An application was submitted for funding under Compass Connect to undertake the refurbishment and funding of approximately $5,500 was provided enabling the service to continue to deliver much needed meals and connection of community.

Compass is passionate about engaging our tenants with the wider community and the Red Door Kitchen is a valuable resource in achieving this. Not only does the Red Door Kitchen provide a delicious and nutritious meal, more importantly it provides an opportunity for people who are socially isolated to engage with the wider community, make new friends and engage support services - an opportunity which would not be available in their everyday life.

The kitchen was originally driven by Upper Hunter Community Services, Compass Housing, The Uniting Church and the Muswellbrook Men's Shed. The Muswellbrook RSL Club were one of the first community partners, providing much needed support to get those first meals on the table, and sponsored the banner that flies on open days. The list of community partners is now extensive and includes Woolworths, Tuckerbox Catering, Farm Fresh Meats Muswellbrook, Valley Roller Girls, La Luna Café, St Helliers Correctional Centre, Scone Grammar School, Muswellbrook High School and the Muswellbrook Lioness Club. The local community have also shown their generosity by volunteering and donating non-perishable food pantry items, and basics such as rice and pasta.

The kitchen is now known as a place of community inclusion, where people can share a meal and enjoy companionship, lessening social isolation.
In 2012 Compass launched our GROW A Star Program to provide opportunities for young Australians (not limited to Compass Housing Services tenants) to encourage generational change and to enable our children and youth to access sporting, music and academic activities and mentors.

Our focus is to identify and support young people that show an eagerness, talent or passion to develop their skills in a chosen field and fulfill their dreams. We have already had success in providing laptops and tutoring for students, instruments for aspiring musicians, and opportunities for talented young sports people to compete at national levels.

GROW A Star continues to develop as a program. More and more children and young people are engaging with the program and are the recipients of support. To capture this interest and growth, we are exploring ways to increase external financial support, which will enable the program to be sustainable and have greater reach.

The support provided to children and young people to pursue their activities ranges from $100 a term, to a one-off payment of $2,500.

Activities can include dance lessons, scout membership, equestrian programs, tutoring, tennis tuition, soccer camps, athletics, swimming, life coaching, martial arts as well as tools that may be needed to help in education, sports or music such as a laptop, sporting equipment or musical equipment.

The GROW A Star program has the potential to become a strong, nation-wide program, to provide support to thousands of children and young people throughout Australia. This program not only provides funding but also provides encouragement, support and knowledge of opportunities assisting to fulfill dreams. The following stories are just some examples of how this program has assisted in opening doors for some of the GROW A Star recipients.
Mundi is a tenant of Compass living with her mother. While playing soccer at a representative level on the Central Coast she gained the attention of The National Scouting Report (NSR), a large scouting organisation that finds talented athletes to send over to American colleges on scholarships.

Marketing these talented athletes to the US colleges costs money though, money that Mundi and her mum didn’t have. That’s where Compass stepped in with the GROW A Star program. Through this initiative Compass was able to financially assist Mundi to pursue her dream.

“I’ve played soccer all my life ... I never thought I’d get somewhere with it”, Mundi reflected.

Holding back tears of gratitude Mundi’s mother Robyn thanked Compass, “If they weren’t out there, she wouldn’t have had this opportunity so we really appreciate that”.

Mundi is continuing to follow her dreams in soccer and is currently planning to undertake her big trip to America. Mundi goes into year 12 next year and has one year left with NSR Australia.
Lilliana

Lilliana is a year 10 student with dreams and goals of one day becoming an international model. She was modelling part-time at the local shopping centre when an agency scout from a large Sydney firm noticed her.

Lilliana was asked to attend a course in Sydney and compile a portfolio, but there was a considerable cost involved. Her family had no way of footing such a hefty bill, but it was a dream of Lilliana's to work as a model.

Being tenants of Compass, her mum decided to see if there was any help available, and the GROW A Star team jumped at the chance.

With the help of Compass, Lilliana can now travel to Sydney fortnightly to study and has put together a modelling portfolio. Her dreams of being a professional model are now within sight thanks to the Compass team.

Lilliana has been attending the modelling course in Sydney for almost a year and still has one year left to go. Lilliana is doing well in her training and has some modelling work which she has enjoyed. Lilliana is working towards progressing this and anticipating more opportunities in the near future.
OVER 28,000 PEOPLE CURRENTLY EXPERIENCE HOMELESSNESS IN NSW, WITH 7% RESIDING IN THE HUNTER REGION.

Given these statistics, it is no wonder that the Hunter Homeless Connect (HHC) Day has been a much needed event since its inception five years ago.

What ends up being a 5 hour day takes over 7 months in planning, and this year, Compass offered HHC Inc a staff member to help coordinate the event.

This year’s event was held on Tuesday 12th August, and saw over 1,000 guests through the door.

Over the course of the day, in excess of 500 blankets and 350 care packs were handed out, not to mention the hundreds of cups of coffee, bacon & egg rolls, nachos, and sausage and steak sandwiches that were served.

Hunter New England Health teams provided a health “Pit Stop” where they estimated they assessed 50 people. The teams also served “walk in” clients, who wanted help with specialty medical areas, such as dental, or simply take some health information.

Podiatrists also treated 21 people, while the Immunisation team had run out of flu vaccine by the day’s end.

TAFE hairdressing students attended, and provided over 400 haircuts. The Australian College of Massage and TAFE massage students also provided countless massages throughout the day.

This is on top of the seventy-plus services offering free clothing, legal and financial advice, family programs and services, crisis and long term accommodation options, health information, indigenous services, youth specific and employment services and government agencies.

The event was also marked by quality entertainment and sporting events, and despite the rain, people kept arriving throughout the day.

There was such a positive community spirit evident throughout the event, and people’s first response was that it was a great day out.

This was a day for people to meet one another, talk, and have a good time.

Compass is proud of being such an enormous contributor to this year’s event, which received wide media coverage, and provided so many of those in need with support.
The financial statements and other specific disclosures have been derived from Compass Housing Services Co Limited (the company’s) full financial statements for the financial year. Other information included in the Summary of Financial Statements is consistent with the company’s full financial statements.

The Summary of Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the company as the full financial statements.

A copy of the company’s 2014 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request.

The names, qualifications, experience and special responsibilities of each person who has been a Director during the year and to the date of this report are:

**PAUL JOHNSON**

**QUALIFICATIONS**  
Retired CEO of a Financial Institution. He is also a qualified accountant and CPA. Graduate Member of the Australian Institute of Company Directors.

**EXPERIENCE**  
Board Member since 2010.

**SPECIAL RESPONSIBILITIES**  
Chair of Board, Member of Property Acquisitions & Business Development Committee, Member of Finance Audit & Risk Committee, Member of Appeals Committee.

**STEPHEN BARR**

**QUALIFICATIONS**  
Director of Monteath and Powys. Qualified Surveyor and Town Planner. Masters in Planning, Bachelor of Surveying (Hons). Graduate Member of the Australian Institute of Company Directors.

**EXPERIENCE**  
Board Member since 2009.

**SPECIAL RESPONSIBILITIES**  
Deputy Chair of Board, Chair of Property Acquisitions & Business Development Committee, Member of Finance Audit & Risk Committee.
### SANDRA CALLAND
**Qualifications**

**Experience**
Board Member since 2004.

**Special Responsibilities**
Board Member, Chair of Operations & Community Development Committee, Member of Appeals Committee, Member of Property Acquisitions & Business Development Committee.

### KWESI ADDO
**Qualifications**
Legal Counsel (NSW/ACT) at Aurecon Australia Pty Ltd, Master of Construction Law, Bachelor of Laws, MBA (Hons), Master of International Relations. Graduate Member of the Australian Institute of Company Directors.

**Experience**
Board Member since 2005.

**Special Responsibilities**
Board Member, Chair of Operations & Community Development Committee, Member of Appeals Committee, Member of Property Acquisitions & Business Development Committee.

### STEVE EDMONDS
**Qualifications**
Not re-elected November 2013. Director City Assets and Chief Financial Officer of the City of Newcastle. Qualified Accountant and Land Economist with: Diploma in Project Management, Masters of Property, Diploma in Commercial Asset Property Management, Fellow of the Australian Institute of Company Directors, Masters of Business Administration, Bachelor of Ed, CPA (Associate) Current, Certificate 1V OHS.

**Experience**
Board Member since 2009.

**Special Responsibilities**
Board Member, Treasurer, Chair of Finance Audit & Risk Committee.

### GREG BUDWORTH
**Qualifications**
Chief Executive Officer at Compass Housing. Masters Degree in Business, and other tertiary qualifications in Business Management, Project Management, Workplace Safety and Workplace Training, Graduate Member of the Australian Institute of Company Directors.

**Experience**
Board Member since 2012.

**Special Responsibilities**
Executive Board Member, Chief Executive Officer, Company Secretary.

### MARK O’DWYER
**Qualifications**
Tenant Member. Retired Regional Manager of Yellow Pages Australia. Member of Central Coast Local Health District Community Engagement Committee - 2007 to 2013. Member of NSW Housing Federation Tenant Network. Affiliate Member of the Australian Institute of Company Directors.

**Experience**
Board Member since 2011.

**Special Responsibilities**
Board Member, Member of Operations & Community Development Committee, Member of Appeals Committee.

### BARRY MARTIN
**Qualifications**
Currently retired. Has experience in human resource management over a cross section of industry in a career spanning 30 plus years. He also has comprehensive experience in working with the aboriginal community. Member of the Australian Institute of Company Directors.

**Experience**
Board member since 2011.

**Special Responsibilities**
Board Member, Member of Community Engagement & Development Committee, Member of Finance Audit & Risk & Corporate Governance Committee, Member of Appeals Committee, Member of Executive Planning Committee, Member of Board Governance Committee.

### ROSEANNE CHALMERS
**Qualifications**
Retired Registered Nurse & Tenant Member.

**Experience**
Elected 28 November 2012.

**Special Responsibilities**
Board Member.

### TIM WILLIAMS
**Qualifications**
Currently CEO of Committee for Sydney. International experience in community housing having advised Governments in the UK and Australia. Barrister at Law. Was Special Advisor in UK and Welsh Government and associate of Blair’s Prime Minister’s Delivery unit.

**Experience**
Appointed 18 February 2013.

**Special Responsibilities**
Board Member.
COMPANY SECRETARY

THE FOLLOWING PERSONS HELD THE POSITION OF COMPANY SECRETARY AT THE END OF THE FINANCIAL YEAR:

MR GREG BUDWORTH
Mr Budworth has worked for Compass Housing Services Co Ltd for the past 10 years previous working in other human services agencies and was appointed company secretary on 4 April 2004.

MS JULIE BARNETT
Ms Barnett was appointed joint company secretary on 16 December 2013.

DIRECTORS HAVE BEEN IN OFFICE SINCE THE START OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT UNLESS OTHERWISE STATED.

During the financial year the Non-Executive Directors were paid an aggregate amount of $117,339 plus all reasonable travelling and other expenses properly incurred by the Directors in connection with Board activities (including training) and provided access to an iPad to reduce paper usage.

Members had approved an aggregate expenditure of up to $142,025.

THE CURRENT STRATEGIC OBJECTIVES OF THE ORGANISATION HAVE BEEN DRAWN FROM THOSE DEFINED IN THE CONSTITUTION AND ARE AS FOLLOWS:

GROWTH
Greatly increase social and affordable housing stock by active participation in appropriate transfer and tender opportunities and through self - initiated programs and developments. Support growth through sound systems of management.

QUALITY
Continuously improve the quality of services to client and benefits to the general community. Pursue and promote sound social and environmental principles and practices.

DIVERSITY
Develop new business, social, environmental and housing opportunities and to encompass a wide range of people, provide wider choice in services and employment opportunities.

REACH
Expand provision of services to other regional areas by participating in regional opportunities and partnerships. Contribute to the national agenda and national programs for community housing development.

TO ACHIEVE THESE OBJECTIVES, THE COMPANY HAS ADOPTED THE FOLLOWING STRATEGIES:

- Refining sound finance, audit and risk management;
- Further improving effective governance, performance, company profile and people management practices;
- Improving service delivery and quality for clients & community;
- Enlarging tenant participation outcomes; and
- Increasing business development opportunities and efficiencies.

THE PRINCIPAL ACTIVITY OF COMPASS HOUSING SERVICES CO LTD DURING THE FINANCIAL YEAR WAS PROVIDING SOCIAL HOUSING IN THE AREAS OF BROKEN HILL, DUBBO, UPPER HUNTER, LOWER HUNTER, MAITLAND, CENTRAL COAST, NEWCASTLE AND LAKE MACQUARIE.

SHORT & LONG TERM OBJECTIVES

THE OBJECTIVES OF COMPASS HOUSING SERVICES CO LTD AS DEFINED IN THE ORGANISATION’S CONSTITUTION ARE AS FOLLOWS:

A. to take over the funds and other assets and liabilities of the previously unincorporated association known as the Newcastle Lake Macquarie Community Housing Trust;
B. to relieve poverty, sickness, destitution, helplessness and distress of persons regardless of race, creed, colour or gender;
C. to obtain secure, affordable and sensitively managed housing for poor, needy and underprivileged people;
D. to encourage the self - management of properties by involving the tenants in the management functions of the Company;
E. to purchase real estate;
F. to liaise with and complement existing housing provision and housing support services;
G. to compile, print and publish newspapers, periodicals, books, leaflets or other materials; and
H. to arrange, provide or assist in holding conferences, exhibitions, or other meetings as necessary.

Principal Activities
MEMBERS GUARANTEE
Compass Housing Services Co Ltd is a Company limited by guarantee.
In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $2,20 for members subject to the provisions of the Company’s constitution.
At 30 June 2014 the collective liability of members was $73 (2013: $95).

DIVIDENDS
The Corporations Law prohibits a Company Limited by Guarantee from paying dividends.

REVIEW OF OPERATIONS
The surplus of the Company for the financial year after providing for income tax amounted to $21,891,484.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS
There have been no significant changes in the state of affairs of the Company during the year.

ENVIRONMENTAL ISSUES
The Directors believe the company has complied with all significant environmental regulations under a law of the Commonwealth or of a state or territory.

AFTER BALANCE DATE EVENTS
LOGAN RENEWAL INITIATIVE
Compass Housing Services Co Ltd was successful in the Logan Renewal Initiative, which is a QLD government tender. The initiative involves Compass Housing Services Co Ltd and BlueCHP establishing an entity, Logan City Community Housing Limited to manage approx. 5,000 tenancies and be responsible for the redevelopment of Logan city, delivering an additional 1,500 properties over 20 years. Compass Housing Services Co Ltd will be responsible for the delivery of tenancy management services.

ASSET VESTING
The NSW government gazetted on 11 July 2014 to transfer title to 457 properties to Compass Housing Services Co Ltd which will result in an increase of approximately $137,100,000 to Compass Housing Services Co Ltd Statement of Financial Position.

4WALLS LIMITED
On 1 July 2014, Compass Housing Services Co Ltd became the sole member of 4Walls Limited, a CHP located in Brisbane managing approx. 900 properties.
Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

INDEMNIFYING OFFICERS OR AUDITORS
During the year, the company effected a directors and officer’s liability policy. The insurance policy provides cover for the directors named in this report, the company secretary, officers and former directors and officers of the company.
This policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who has not been an officer or auditor of Compass Housing Services Co Ltd.

MEETINGS OF DIRECTORS
During the financial year, 29 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

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<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Tim Williams</td>
<td>7</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Peter Francis</td>
<td>6</td>
<td>6</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Greg Budworth</td>
<td>7</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>6</td>
<td>3</td>
<td>3</td>
<td>11</td>
<td>7</td>
</tr>
</tbody>
</table>

# Eligible to Attend ✓ Number Attended

AUDITOR’S INDEPENDENCE DECLARATION
The lead auditor’s independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2014 has been received and can be found on page 78 of the financial report.
Signed in accordance with a resolution of the Board of Directors:

DIRECTOR - PAUL JOHNSON

DIRECTOR - STEPHEN BARR

Dated 20 October 2014
## SUMMARY STATEMENT OF SURPLUS OR DEFICIT & OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2014

<table>
<thead>
<tr>
<th>Item</th>
<th>2014 ($)</th>
<th>2013 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential tenant revenue</td>
<td>45,387,223</td>
<td>45,320,693</td>
</tr>
<tr>
<td>Less: rent lost through vacancies</td>
<td>(711,192)</td>
<td>(667,496)</td>
</tr>
<tr>
<td>Less: rental subsidies and rebates</td>
<td>(14,674,958)</td>
<td>(17,318,948)</td>
</tr>
<tr>
<td>Tenant income</td>
<td>30,001,073</td>
<td>27,334,249</td>
</tr>
<tr>
<td>Fair value adjustment to investment property</td>
<td>3,060,010</td>
<td>1,109,481</td>
</tr>
<tr>
<td>Grant funded revenue</td>
<td>5,038,711</td>
<td>4,538,905</td>
</tr>
<tr>
<td>Other revenue and income</td>
<td>14,995,866</td>
<td>1,892,462</td>
</tr>
<tr>
<td>Surplus before income tax</td>
<td>53,095,660</td>
<td>34,875,097</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>(11,754,376)</td>
<td>(10,589,550)</td>
</tr>
<tr>
<td>Tenancy and property management expenses</td>
<td>(18,382,364)</td>
<td>(18,093,221)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(1,067,436)</td>
<td>(746,566)</td>
</tr>
<tr>
<td>Surplus before income tax</td>
<td>21,891,484</td>
<td>5,445,760</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>SURPLUS AFTER INCOME TAX</td>
<td>21,891,484</td>
<td>5,445,760</td>
</tr>
<tr>
<td>OTHER COMPREHENSIVE INCOME</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</td>
<td>21,891,484</td>
<td>5,445,760</td>
</tr>
</tbody>
</table>
### SUMMARY STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2014 $</th>
<th>2013 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>17,759,553</td>
<td>11,776,097</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>6,543,065</td>
<td>5,153,209</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>9,821,268</td>
<td>5,527,543</td>
</tr>
<tr>
<td>Other assets</td>
<td>594,838</td>
<td>830,179</td>
</tr>
<tr>
<td>Non-current assets held for sale</td>
<td>240,000</td>
<td>1,750,000</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>34,958,724</td>
<td>25,037,028</td>
</tr>
<tr>
<td><strong>NON CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td>1,250</td>
<td>1,700</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>124,141</td>
<td>122,639</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>647,382</td>
<td>740,859</td>
</tr>
<tr>
<td>Investment property</td>
<td>194,045,234</td>
<td>173,158,538</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>109,505</td>
<td>62,334</td>
</tr>
<tr>
<td><strong>TOTAL NON CURRENT ASSETS</strong></td>
<td>194,927,512</td>
<td>174,086,070</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>229,886,236</td>
<td>199,123,098</td>
</tr>
</tbody>
</table>

| LIABILITIES                 |                 |                 |
|-----------------------------|                 |                 |
| **CURRENT LIABILITIES**     |                 |                 |
| Trade and other payables    | 2,305,589       | 1,992,566       |
| Borrowings                  | 1,269,372       | 1,281,917       |
| Short-term provisions       | 698,755         | 600,626         |
| Other liabilities           | 11,090,553      | 4,578,167       |
| **TOTAL CURRENT LIABILITIES**| 15,364,289     | 8,452,276       |
| **NON-CURRENT LIABILITIES**|                 |                 |
| Borrowings                  | 21,984,153      | 20,096,044      |
| Long-term provisions        | 115,500         | 42,948          |
| **TOTAL NON-CURRENT LIABILITIES**| 22,099,653    | 20,138,992      |
| **TOTAL LIABILITIES**       | 37,463,922      | 28,592,268      |

| NET ASSETS                  | 192,422,314     | 170,530,830     |

### EQUITY

For the Year Ended 30 June 2014

<table>
<thead>
<tr>
<th>2013-14</th>
<th>Accumulated Surpluses $</th>
<th>Asset Revaluation Reserve $</th>
<th>Vested Capital Assets Reserve $</th>
<th>Vested Surplus Reserve $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves</td>
<td>115,089,886</td>
<td></td>
<td></td>
<td></td>
<td>115,089,886</td>
</tr>
<tr>
<td>Surpluses</td>
<td>77,332,428</td>
<td></td>
<td></td>
<td></td>
<td>55,440,944</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td><strong>192,422,314</strong></td>
<td><strong>170,530,830</strong></td>
<td><strong>170,530,830</strong></td>
<td><strong>170,530,830</strong></td>
<td><strong>170,530,830</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2012-13</th>
<th>Accumulated Surpluses $</th>
<th>Asset Revaluation Reserve $</th>
<th>Vested Capital Assets Reserve $</th>
<th>Vested Surplus Reserve $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2012</td>
<td>49,995,185</td>
<td>75,000</td>
<td>110,101,451</td>
<td>4,913,435</td>
<td>165,085,071</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>5,445,759</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>BALANCE AT 30 JUNE 2013</strong></td>
<td><strong>55,440,944</strong></td>
<td><strong>75,000</strong></td>
<td><strong>110,101,451</strong></td>
<td><strong>4,913,435</strong></td>
<td><strong>170,530,830</strong></td>
</tr>
</tbody>
</table>

### SUMMARY STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2014

<table>
<thead>
<tr>
<th>CASH FROM OPERATING ACTIVITIES</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from customers</td>
<td>44,418,508</td>
<td>27,140,419</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(30,955,247)</td>
<td>(26,384,106)</td>
</tr>
<tr>
<td>Interest received</td>
<td>685,189</td>
<td>581,846</td>
</tr>
<tr>
<td>Interest and borrowing costs paid</td>
<td>(1,067,436)</td>
<td>(746,566)</td>
</tr>
<tr>
<td>Receipt from grants</td>
<td>11,999,139</td>
<td>4,419,849</td>
</tr>
<tr>
<td><strong>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</strong></td>
<td>25,080,153</td>
<td>5,011,442</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH FLOWS FROM INVESTING ACTIVITIES</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sale of plant and equipment</td>
<td>26,232</td>
<td>80,623</td>
</tr>
<tr>
<td>Proceeds from sale of investment</td>
<td>1,461,000</td>
<td>1,965,381</td>
</tr>
<tr>
<td>Proceeds from sale of subsidiary</td>
<td>-</td>
<td>800,000</td>
</tr>
<tr>
<td>Purchase of financial assets</td>
<td>(4,295,227)</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(212,159)</td>
<td>(297,727)</td>
</tr>
<tr>
<td>Payment for investment properties and WIP</td>
<td>(17,826,686)</td>
<td>(19,556,260)</td>
</tr>
<tr>
<td>Payment for intangible assets</td>
<td>(113,626)</td>
<td>(91,390)</td>
</tr>
<tr>
<td><strong>NET CASH USED BY INVESTING ACTIVITIES</strong></td>
<td>(20,960,466)</td>
<td>(17,099,373)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CASH FLOWS FROM FINANCING ACTIVITIES</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from borrowings</td>
<td>3,230,256</td>
<td>13,173,349</td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>(1,366,487)</td>
<td>(1,079,595)</td>
</tr>
<tr>
<td>Payment of finance lease liabilities</td>
<td>-</td>
<td>(159,898)</td>
</tr>
<tr>
<td><strong>NET CASH USED BY FINANCING ACTIVITIES</strong></td>
<td>1,863,769</td>
<td>11,933,856</td>
</tr>
</tbody>
</table>

| Net increase (decrease) in cash and cash equivalents held | 5,983,456 | (154,075) |
| Cash and cash equivalents at beginning of year       | 11,776,097 | 11,930,172 |
| **CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR** | 17,759,553 | 11,776,097 |

### DIRECTORS’ DECLARATION

**THE DIRECTORS OF THE COMPASS HOUSING SERVICES CO LIMITED DECLARE THAT:**

1. The summary financial statements, as set out on pages 70 to 82:
   A. comply with Accounting policies, as disclosed in the full financial report; and
   B. have been derived from and are consistent with the full financial statements of Compass Housing Services Co Limited.

2. In the directors’ opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

---

**DIRECTOR - PAUL JOHNSON**

**DIRECTOR - STEPHEN BARR**

Dated 20 October 2014
INDEPENDENT AUDITOR’S REPORT ON THE
SUMMARY FINANCIAL REPORT TO THE MEMBERS OF
COMPASS HOUSING SERVICES CO LTD
A.B.N. 84 002 862 213

The accompanying summary financial statements, which comprises the summary statement of financial position as at 30 June 2014, the summary statement of comprehensive income, summary statement of changes in equity and summary cash flow statement for the year then ended, are derived from the audited financial report of Compass Housing Services Co Ltd for the year ended 30 June 2014. We expressed an unmodified audit opinion on the financial report in our report dated 20 October 2014.

The summary financial statements does not contain all the disclosures required by the Australian Accounting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial report of Compass Housing Services Co Ltd.

Directors Responsibility for the Summary Financial Statements
The directors of the company are responsible for the preparation of a summary of the audited financial report.

Auditor’s Responsibility
Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.

Auditor’s Opinion
In our opinion, the summary financial statements derived from the audited financial report of Compass Housing Services Co Ltd for the year ended 30 June 2014 are consistent, in all material respects, with that audited financial report, in accordance with the Australian Accounting Standards.

Other Matter – Charitable Fundraising Act 1991
In our opinion, the summary financial statements of Compass Housing Services Co Ltd presents:

(i) A true and fair view of the summary financial results of fundraising appeals conducted during the year; and

(ii) The accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and its regulations; and

Name of Firm: Bishop Collins Audit Pty Ltd
Auditor’s Registration No. 431227

Name of Director: David McClelland
Address: Unit 1, 1 Pioneer Avenue, Tuggerah NSW 2259

Dated this 20th day of October 2014