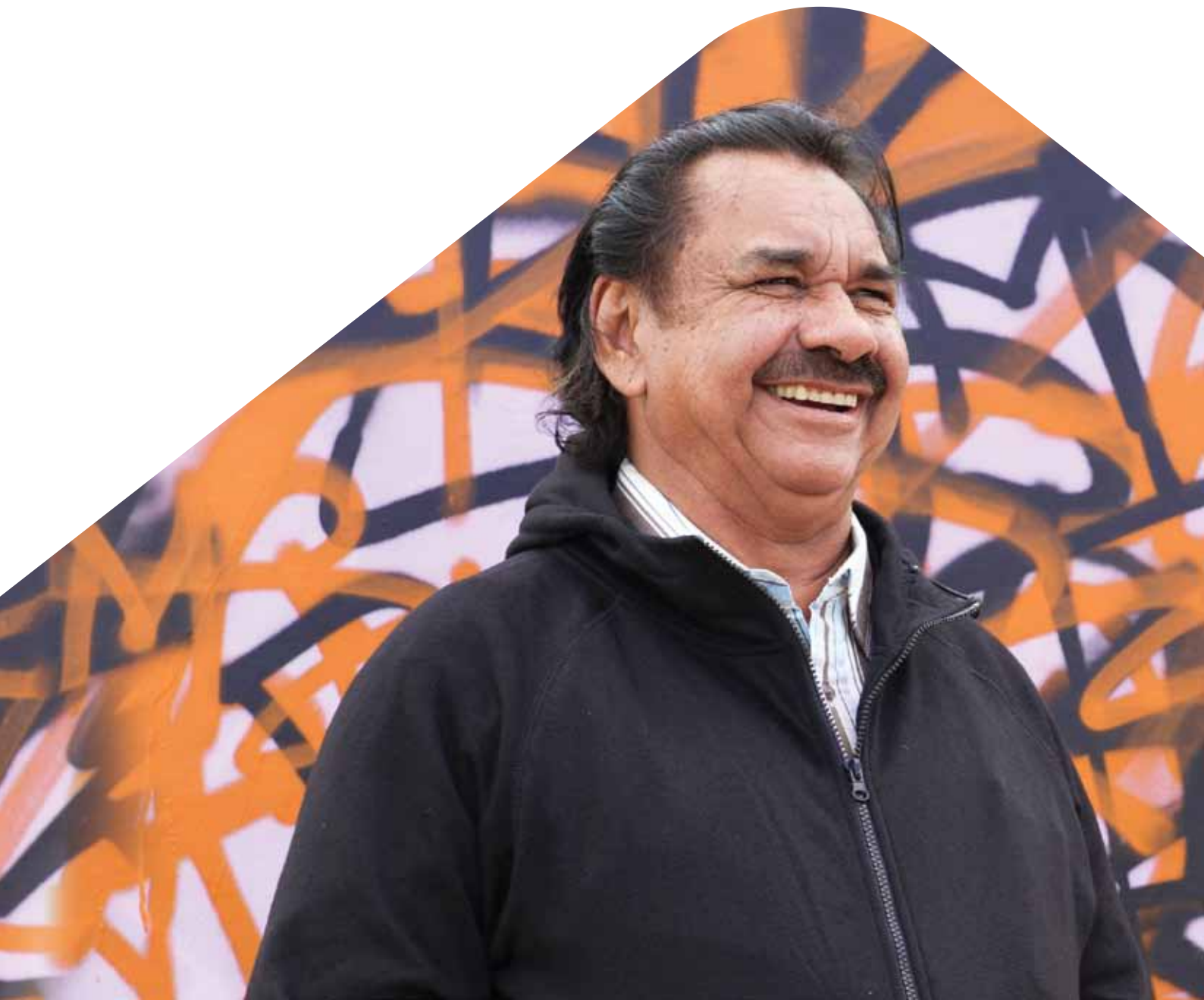


Annual Report

2011–12





'We love our house at Bligh Park. It has front and back yards and two toilets — great when you have teenagers. At our last place, we fell behind in the rent because Mum and my son moved out and I couldn't afford the rent. Before getting our Project 40 house, me and my three teenagers were at a family refuge because we were homeless. The refuge people were great but I needed stability for my children.

Now I know how much rent I'm paying. I have another car so I get out and visit people. I go to bingo. Before that I was staying indoors and not socialising. I was a bit depressed because of the things we had been through. I hit rock bottom but I'm feeling really great now. The kids are happy — they are stable and know they can study and get on with their lives without being booted out of home again. My daughter Carole (pictured) even has a part-time job.

The Project 40 people are always willing to help. They get straight onto repairs. I'm definitely not leaving here, I will have to be taken out in a cardboard box.'

Dianne Goynes | Bligh Park



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Acknowledgements

Wentworth would like to thank the Department of Family and Community Services – Housing NSW (particularly the Community Housing Division and the Greater Western Sydney Housing Services Division), the Department of Family and Community Services – Community Services and the Department of Family and Community Services – Ageing, Disability and Home Care for their continued contribution to Wentworth's activities.

Welcome to Wentworth

Wentworth is one of the largest, most innovative community housing providers in NSW, covering Sydney's outer-western suburbs, where the need for subsidised housing is greatest. Daily life is a struggle for thousands of marginalised families and individuals, made even more difficult by the lack of a safe, secure home. Almost one in 10 households is in housing stress and, on any given night, nearly 90,000 people are homeless around the nation. Every day, demand increases for public and community housing, made more critical by a decade of declining investment – there are now 5000 fewer social housing dwellings than in 2001, while 240,000 people wait for social housing.

Every day our staff rise above the limits of time and finite resources, driven by a shared passion for helping people. Wentworth staff know that living in a safe, secure house is a basic human right. We share strong professional values – respect, compassion and integrity – and the desire to improve the lives of the most vulnerable, marginalised people. Our approach is holistic and collaborative. We believe it is essential for government and community agencies to work together to redress the imbalance between the demand for affordable housing and the limited number of properties.

Wentworth's homelessness and housing specialists provide properties and housing services for people on low to moderate incomes, and for people who are homeless, in the local government areas of Penrith, Blacktown, the Hawkesbury and the Blue Mountains.

Wentworth offers two types of subsidised housing for people on very low to moderate incomes:

- › Social housing – for eligible people, often with high needs
- › Affordable housing – for people living in unaffordable or unsuitable housing, or who need to relocate for work.

In support of sustainable tenancies, Wentworth also offers referral, advocacy and case management, and help for applicants and tenants to access temporary accommodation, emergency temporary accommodation, supported and crisis accommodation and private rental assistance. We have adopted the Housing First approach to ending homelessness and are working with more than 80 other organisations on homelessness initiatives such as Project 40 supportive housing.

The following principles underpin Wentworth's service delivery:

Access and equity

Equal access to services, products and information. We value the fact that everyone has different needs and we will take all possible steps to meet expectations. People will be treated fairly and equally.

Responsive and client focussed

We care about the needs of clients and stakeholders. We aim to be clear, informative, creative, flexible and approachable in meeting requests. We will think through problems, provide customer-focused solutions and work to ensure seamless integration with other services.

Sustainable tenancies and communities

Wentworth will work with tenants and communities to promote long-term solutions to housing and facilitate opportunities. We will help create jobs, drive local economic development and act in a way that is healthy for our planet and for future generations.

Service excellence

Wentworth will deliver services in a professional manner, in accordance with our Code of Conduct and Ethics and organisational policies. We have excellent teamwork and communication and are proud of our culture, where people come first.

Need to know

Wentworth Community Housing:

- › Is a not-for-profit company, a public benevolent institution, a registered charity and a deductible gift recipient for income tax purposes
 - › Is accredited for three years against National Community Housing Standards
 - › Has a Class 2 Registration with the NSW Registrar of Community Housing
 - › Is one of five members of BlueCHP Ltd, a not-for-profit company that buys or develops affordable rental housing.
-



'My wife Tanya and I came here with our three kids after living on the streets for years. Having a stable home has changed my life – I have learned to respect the community and to respect people. I just got my licence back and my next goal is to get a job, hopefully railway track work. The people at Wentworth have been helpful, friendly, honest and fair. They got us off the streets. We've got a house and we're doing something with our lives.'

Colin Whyman | Riverstone



Tenants hard at work

Wentworth tenant Robert Alenzark loves being outside, doing garden work and maintenance on Wentworth houses and units. Robert, who lives at Ropes Crossing, works for Trim and Proper, a not-for-profit company that is tackling poverty by employing people from disadvantaged backgrounds. Trim and Proper employs three

Wentworth tenants, including two generations from the same family – Robert and his teenage son Marc.

"I love it because I'm working outside," said Robert. "It's very physical — cutting trees, mowing, whipper-snipping or cleaning gutters. I love the fresh air and working in different areas. And there's a lot of nice old people out

there you can help. It's great to give something back to the old people. They need all the help they can get.

"The company takes care of you and the people are great. I've just been put on permanent after being on trial. Now my boy has started work with Trim and Proper. It's his first real job and he loves it. I'm so glad they gave me this opportunity. I'm not going anywhere, this is my job until I retire."

Pictured: Wentworth tenants Robert Alenzark (right) and Fawad Sadry (left) with team leader Lionel Wright

Chairperson's report



I would like to begin my inaugural report with heartfelt acknowledgement of Wentworth's individuals, the senior management team and CEO Nick Sabel. In an environment which is personally as challenging as it is rewarding, I have nothing but admiration for the values upheld when assisting our community, particularly in an uncertain economic and political environment.

In 2010–11, Wentworth bolstered its board and organisational structure in preparation for a further expected increase in properties transferred from the NSW Government, and the complexities that would bring. The Government has since chosen to reassess its initiatives around the transfer of properties to housing providers and it is unclear, at this point, if, or how, these additional transfers will eventuate.

Following this uncertainty, in 2011–12, the Board decided to consolidate and strengthen the organisation with a view to positioning Wentworth to best take advantage of opportunities as they arise in the future.

During this time, Wentworth started two National Rental Affordability Scheme projects and is excited to be involved in these property developments, which will provide desperately needed affordable housing in outer-western Sydney. Our involvement in these developments also supports our desire for Class 1 Registration, further enabling Wentworth to take advantage of future housing initiatives.

As Wentworth's operations increase in complexity, we are constantly reviewing our governance practices and have bolstered the Board's skills with the welcome addition of Keith Bryant, who brings a wealth of experience from the benevolent and commercial sectors, and Stewart Williams, who has strengthened our property development capability.

The Board has also placed more emphasis on the organisation's people and technology. As such, the Organisational Health and Development committee was established and information technology is now included under the ambit of the Finance and Audit committee.

Financially, Wentworth achieved another strong result, meaning we are well placed to meet future maintenance liabilities and finance further affordable housing projects.

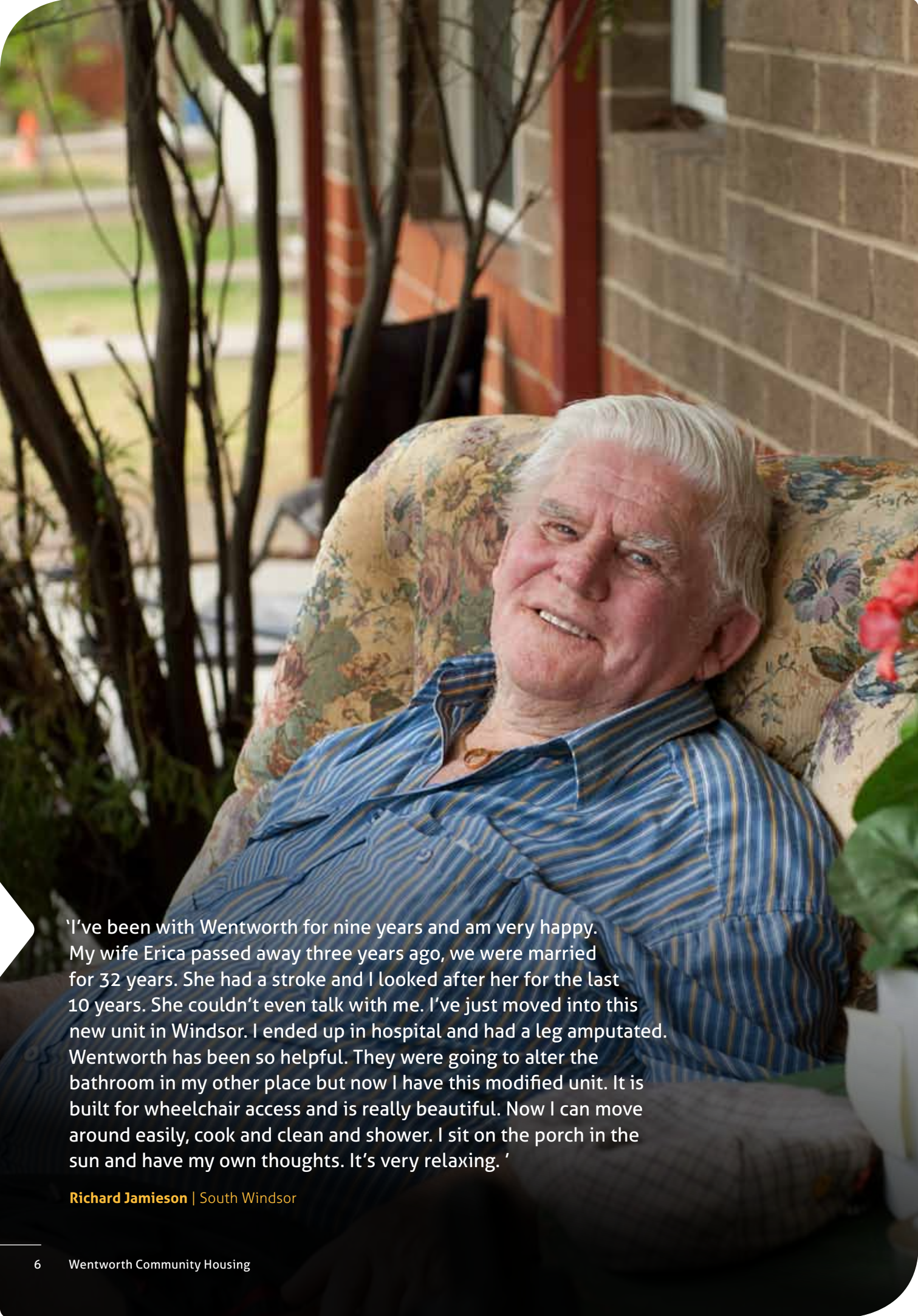
I would like to take this opportunity to thank, on behalf of the organisation, our immediate past Chairperson, Graham Smith, who retired from the Board earlier this year. Graham steered the organisation for seven years and was a Director for 11 years. I would also like to thank Michael Eade, who also retired from the Board earlier this year, on his 10th anniversary of volunteering time and knowledge to Wentworth. I thank them both and wish them all the best for their futures.

I would also like to thank my fellow Directors who donate incredible passion, experience and wisdom, and for their personal support, this year. We are a truly diverse board, with the skills to steer Wentworth through an uncertain environment, while continuing to help those who need it most.

This coming year will be a challenging and exciting year for Wentworth. We anticipate organisational change to ensure the best structure for delivery of person-centred solutions. The Board is dedicated to bolstering the organisation's structure and skills to make sure that we can act quickly to take advantage of opportunities as they appear, to best enable us to provide services to our communities.

A handwritten signature in black ink, which appears to read 'Estelle Ehmann'.

Estelle Ehmann
Chairperson



'I've been with Wentworth for nine years and am very happy. My wife Erica passed away three years ago, we were married for 32 years. She had a stroke and I looked after her for the last 10 years. She couldn't even talk with me. I've just moved into this new unit in Windsor. I ended up in hospital and had a leg amputated. Wentworth has been so helpful. They were going to alter the bathroom in my other place but now I have this modified unit. It is built for wheelchair access and is really beautiful. Now I can move around easily, cook and clean and shower. I sit on the porch in the sun and have my own thoughts. It's very relaxing. '

Richard Jamieson | South Windsor

Chief Executive Officer's report



Will Rogers — cowboy, vaudeville performer and, surprisingly, social commentator — once said: "Even if you're on the right track, you'll get run over if you just sit there."

Wentworth used 2011/12 to develop its vision and focus its efforts to ensure that it remained contemporary, competitive and progressive in the coming years.

This past year saw Wentworth move away from its one-time mandate of just being "a provider of housing". Wentworth now delivers a range of housing and homelessness services that result in a service delivery continuum for people in housing need.

Wentworth is not, and never has been, about the number of properties it manages or the number of people it houses. Wentworth's motivation is about the quality of the experience and outcomes achieved for and by people who require our assistance. This annual report highlights just some of these experiences and outcomes. You will read how we have laid a strong foundation to improve Aboriginal people's access to our service, how we have started to implement our community engagement strategy to build and strengthen the communities in which we work, how we upgraded hundreds of properties and started our first affordable housing projects and how we continued our work with innovative homelessness projects. Throughout all of this, the backbone of our organisation, Finance and Corporate Services, kept us operational through office administration, financial and human-resource management.

At Wentworth, we believe in great service delivery and making a difference in people's lives. But it is only through operating as a well-governed and financially secure organisation that we can deliver the services that our residents and communities are entitled to expect. I am pleased to report that once again we achieved a strong financial position and will use our operating surpluses to accumulate reserves for maintenance liabilities and property development projects which will secure Wentworth's long-term financial viability. We have also strengthened our Board with the appointment of new

members and a new Chairperson, even if this has seen the departure of some respected and valued former board members.

The facts and figures contained in the report speak for themselves, but they do not do justice to the commitment shown by our staff and my senior management team. I would like to publicly express my thanks to them for all that has been achieved. We have made some difficult decisions and the skills and experience they provide has been invaluable. I am very grateful to them all.

I would like to take this opportunity to thank all those tenants who give up their time to help us shape services and achieve value for money. What you tell us plays an important part in the decisions we make about your homes. What you tell us is not always what we want to hear but we need to hear it to become better at what we do.

We operate in challenging times, with continued and rising demand for affordable housing and an uncertain economic environment. We must be creative and bold in how we deliver more and better-matched housing, and provide responsive support services to people in need.

With a new five-year strategic plan to guide us, we will achieve our new vision of "sustaining tenancies, strengthening communities and supporting practice excellence". Of this I am confident.

Thanks for a great 2011/12.

A handwritten signature in black ink, reading "Nick Sabel".

Nick Sabel
Chief Executive Officer

The year in review

Strategic objective:

We will deliver integrated social and affordable housing and related services to people on very low to moderate incomes

4000 people in housing

At the end of the financial year, Wentworth was housing 4000 adults and children in 1936 tenancies, and managing 1968 properties. There were 282 new tenancies registered during the year and 87 tenants were transferred between properties.

Heading-off homelessness

A prevention and rapid rehousing pilot was set up in the Blue Mountains for people with reasonable tenancy records who are temporarily homeless. Families and individuals are provided with short-term accommodation and brokerage while their crisis is addressed, then supported into private rental properties to stop homelessness becoming entrenched.

Assertive outreach a circuit breaker

Assertive outreach is a way of persistently engaging with people who are experiencing homelessness. Those most at-risk of death are given priority for housing. Medium and long-term support may involve working with people to overcome issues such as drug or alcohol dependency, chronic illness and family breakdown. Wentworth has sent assertive outreach teams to chronically homeless people and families including rough sleepers, Aboriginal people and families sleeping in cars. Nurreen Women's Housing extended its assertive outreach to women and children living in caravan parks in the Hawkesbury. Assertive outreach teams worked with more than 566 people.

Aboriginal program breaks new ground

Wentworth's innovative new Aboriginal assertive outreach program is unique in Australia – Wentworth is the only mainstream housing provider that offers both housing and multi-disciplinary support. The program, which started in July 2011, is now seen as a model because it provides houses to the most at-risk Aboriginal people and offers powerful, practical help to get people back on their feet. Aboriginal tenancies have increased from 3.3 per cent to 6.3 per cent, where the head tenant is Aboriginal, or from 7.4 per cent to 9.45 per cent of households where at least one household member is Aboriginal.

Wentworth's Aboriginal Access and Service Delivery Plan was identified by the NSW Registrar of Community Housing as positive practice "which is innovative, achieves positive outcomes or has successfully tackled a difficult problem".

Reaching out to young men

The Consumer Advocacy, Empowerment and Education program (CHA CHEE) was introduced in 2011 to train previously homeless tenants to work as peer-support workers. This year, five people trained and worked with assertive outreach teams at homelessness hubs and group activities. They also helped find hidden rough sleepers for the Vulnerability Index survey. The second stage started in early 2012 with TAFE training on coaching and mentoring for CHA CHEE graduates, Wentworth's Aboriginal team and members of the Aboriginal community.

Wentworth's Cultural and Spiritual Adviser, Uncle Dallas Dodd, has developed a nine-week program for young men who are involved with the police or NSW Juvenile Justice, and who are homeless or at risk of homelessness. The program incorporates Aboriginal culture and spirituality and helps young men connect with the bush.



Healing the spirit

'I am a Bidjarii man from the Warrego River in north-western NSW, now working with the Aboriginal assertive outreach team. I mainly help people with life coaching, and some families need mentoring to overcome their addictions. I've lived around drugs and alcohol and seen them destroy families. I've always done charity work. I worked in hospitality so I also advise people with chronic illnesses about how to eat better and how to shop smarter on a budget.

Homelessness makes you feel like you don't belong. People can lose their spirit and give up hope, stop wanting to live. Sometimes people just need someone to talk to. Spiritual guidance counselling is a big part of my work. It helps tenants strengthen their self-worth and Aboriginal identity and kinship. It's important to find a balance between keeping your Aboriginal heritage and living in broader society.

If you work on your spirit, you can overcome a lot of obstacles. In the short time I've been doing this, I have seen people become better, to think more positively about themselves, their families, their environment, and their mental

and physical health. My secret is to spend time with people. Talking helps to settle physical and emotional stresses and gives insight into people's life journey. It's an old Aboriginal tradition, part of our oral ceremonies, that was passed down to me from my grandfather's people. Programs like Project 40 and assertive outreach say to Aboriginal people that we will walk with you on the path in your lives. These programs work because they go to the core of homelessness and poverty.'

Uncle Dallas Dodd
Aboriginal Cultural and
Spiritual Adviser

Pictured: Uncle Dallas Dodd (centre) with colleagues Cheryl Barnes and Kel Willis

Getting the facts right

Wentworth has updated much of its written material, including new fact sheets for tenants covering areas such as signing a tenancy agreement, money and debt, and anti-social behaviour.



Maintaining standards

Wentworth acted quickly to repair and maintain the 1,000 properties accepted under the Housing NSW Property Transfer Program, which reassigns social housing from government management to community housing providers. By year end, 348 properties were brought up to standard and 34.8 per cent of the PTP had been completed. Wentworth is on track to finish PTP upgrades by June 2013.

Strategic objective:

We will help to facilitate sustainable community outcomes

Happy tenants

Wentworth consistently performs well in its annual tenant satisfaction survey. This year, 93 per cent of tenants were satisfied with the way Wentworth conducts its business, consistent with previous years. Areas pinpointed for improvement include customer service (face-to-face, telephone, letters), maintenance (quality and timeliness) and managing nuisance and annoyance.

Strategy builds trust

Wentworth's new community engagement strategy, Our Place, aims to build stronger relationships with local communities. Our Place complements the strategic plan and sets out new ideas for project planning and working with stakeholders. Building trust and rapport with tenants is a crucial part of the strategy, which includes tenant newsletters, social activities and client service visits.

Hands-on tenants

A 15-member tenant representative panel has been established to encourage tenant involvement in Wentworth's operations. Panel member Barbara Brown says the panel shows that Wentworth cares about its tenants.

"Unlike other landlords, Wentworth Housing is a community based, caring organisation and this makes tenants much more relaxed and open," said Barbara. "This panel is a strong link between tenants and Wentworth Housing. Trust is the purpose, so tenants feel comfortable and develop more satisfying relationships. When the panel becomes better known, it will be a definite asset to tenants and Wentworth."



Tenant panel member Barbara Brown

'Working with Nurreen and being part of the Community Services team allows me to walk alongside people experiencing adversity. Supporting them allows me to witness their strength, courage and determination. I feel privileged to be part of their journey and I would not be able to contribute to this without the support of a fantastic team.'

Kailene Smith | Assertive Outreach Support Worker

Homelessness hubs

The Community Services team hosted regular homelessness hubs for rough sleepers and families in the Hawkesbury, Penrith, Blue Mountains and Blacktown areas. The hubs, which were organised by Wentworth's Housing First coordinator and local agencies, link rough sleepers with housing, health and Centrelink services. They also offer hot food, medical checks and personal services such as hair cuts.



Haircuts are on offer at homelessness hubs

Strategic objective: We will take on growth opportunities that reflect our vision

Planning for growth

Wentworth has a new five-year strategic plan based on sustaining tenancies, strengthening communities and supporting excellence in practice. The plan sets out Wentworth's intention to expand its business by 50 per cent, managing 3000 properties by 2017.

Growth, as outlined in the new two-year business plan, will be achieved by:

- › Buying or building 100 properties by 2014
- › Redeveloping poor housing
- › Accepting 300 property transfers from Housing NSW
- › Managing 100 properties for third-parties by June 2014

Wentworth will continue to operate primarily in outer-western Sydney, working collaboratively with other organisations and using private-sector funds and investment to build community housing. Ground-breaking programs, such as supportive housing for chronically

homeless people, will be partially funded by increased rental income from the expanded property portfolio. Revenue is predicted to grow from \$28 million to \$34 million by June 2014. Staff will work closely with NSW Police to tackle anti-social behaviour, and with other specialist health, welfare and education agencies to maintain long-term, stable tenancies. Staff skills will be boosted with training, coaching and mentoring.

Bricks and mortar

For the first time, Wentworth will build and own its own properties – 80 new dwellings in Rouse Hill and Penrith by the end of 2014 under the National Rental Affordability Scheme.

Rouse Hill

20 dwellings for immediate construction, with a further 30 to be built post 2015. Wentworth has partnered with BlueCHP. Land will be provided by the NSW Government. Design work started in late 2011. The projected capital input is \$700,000, with borrowings of \$2.4 million and NSW Government funding of \$3.2 million, including land.

Penrith

61 new dwellings. Wentworth has partnered with Affordable Housing Solutions and has been allocated 61 national rental incentives (Federal Government funding to encourage affordable housing) and NSW Government funding of \$8.4 million. Wentworth's projected capital input is \$740,000 and projected borrowings will be \$5.7 million.



An architect's model of the Penrith project

Asset plan revamped

Wentworth's Strategic Asset Management Plan 2011–2025 was revised with updated financial data to reflect the portfolio size. The plan covers strategic and operational issues such as long-term portfolio strategy, property management processes, and stock analysis and forecasts. The plan is linked to other business and risk-management planning documents.

Strategic objective: We will have a supportive, dynamic and progressive workplace

Phyllis scoops the pool



Phyllis receives her award from Lyndell Fogarty, CEO, PerformHR

Hawkesbury Client Service Team Leader Phyllis Meadows won the Inspirational Colleague Award at the Australasian Housing Institute's Professional Excellence in Housing Awards. Phyllis described the nomination as a tremendous boost but said she was also "surprised and a tad embarrassed" to win.

"I feel very humbled and, of course, valued," she said. "I knew quite a few of the nominees and felt sure the award would have gone to someone else, so to be recognised as the winner was both unexpected and very rewarding. I have worked with many inspirational leaders and have acquired from them the importance and rewards of leading by example. This win tells me I am achieving this goal."

Big tick from staff

An independent Staff Climate Survey found that Wentworth staff believe Wentworth lives its values, is flexible and supportive with an innovative, dynamic culture. Staff said they were proud of the Wentworth brand but also highlighted areas for improvement including performance management, organisational communication, aligning systems and resources with strategic direction, and recognising achievement.

Top honours for Project 40

Western Sydney homelessness services and Wentworth were honoured at Parliament House in Canberra at the inaugural National Homelessness Services Achievement Awards. The Project 40 supportive housing partnership between Wentworth and 80 local organisations won an award for Excellence and Innovation in Partnerships. Project 40 delivers supportive housing for vulnerable people and families experiencing long-term homelessness. The award highlights the strong service and agency networks in western Sydney, which has some of the highest concentration of disadvantage in urban Australia. The award was presented by the Minister for Housing and Homelessness, Brendan O'Connor, who emphasised the Government's commitment to tackling the complex challenges of homelessness.

In another award highlight, Wentworth, the Project 40 Consortium and the Regional Taskforce on Homelessness were finalists in the Western Sydney Community Forum's ZEST awards for services and people making a contribution to western Sydney.



The Wentworth team at Parliament House with Lindsay MP David Bradbury (centre)

Health and safety

Wentworth revitalised its worker health and safety committee to reflect legislative changes and the valuable role that staff play in keeping workplaces safe. The committee meets regularly to discuss safety issues for staff and visitors.

Expert advice

In early 2012, Wentworth engaged a human resources consultant to advise on issues including compliance, pay (award or staff contract), health and safety, staff management (including performance management), learning and development, and career and talent management.

Strategic objective: We will have a strong financial position

Looking ahead

The 10-year forecast for property acquisitions is positive. Wentworth expects future acquisitions to provide reasonable returns each year. Wentworth has a sustainable position to fulfil its debt commitments for current developments.

Geared for growth

Driven by growth and organisational development, Wentworth reviewed information management and technology requirements to make sure it can maintain the highest standards for housing and financial management, payroll, audits and risk management. New business and IT systems will be rolled out over the next 12 months.

Steady as she goes

Wentworth maintained its Class 2 Regulation status by the NSW Registrar of Community Housing, with the Registrar concluding that "Wentworth Community Housing Limited is fully compliant with the Housing Act and Regulatory Code, and that no remedial compliance action is required".

New contract panel

In March, Wentworth established a panel of property maintenance contractors. New contracts are based on Housing NSW rates and technical specifications, and include single-trade and multi-trade contractors. Wentworth also issued a statement of business ethics and contractors' code of conduct, which contractors must sign. The statement sets out ethical standards for Wentworth and contractors.



Donna Fletcher works on a client safety plan

Safety first

Community safety specialist Donna Fletcher is the face of a pilot program at Riverstone to tackle anti-social behaviour in social housing. Donna works with people whose tenancies are at risk, often bringing in other agencies to help with employment, family support or education.

"Some of these properties have been transferred to Wentworth," said Donna. "Riverstone is out of the way, with very poor public transport. Some tenants have been isolated for a long time.

"Tenants are referred when all other efforts to improve behaviour have failed. I look for the backbone of the issue – it might be over-crowding, unemployment, boredom or lack of education.

"We look at what causes tenancy risk, for example, police involvement due to anti-social behaviour or rent arrears. I work closely with police and other agencies to find the problems and the solutions. If tenants are breaking tenancy laws, we ask them to sign an order saying what they will do to rectify the problem, such as setting a time for their kids to come home. They must take into account council regulations, and respect neighbours and the community.

"We are letting people know it's not okay to break the law and disrupt people's lives. Wentworth was getting daily complaints but police said recently they have not had one incident in Riverstone for the past eight weeks.

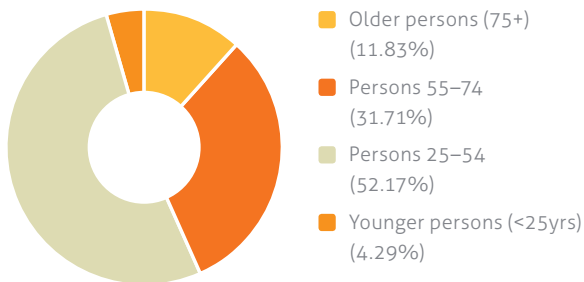
"This works because tenants are getting more attention and information – many don't have internet, counselling services or domestic violence support. We are explaining how people can help themselves, and they are more stable in their homes as a result."

Property and tenancy profile

Tenancy profile

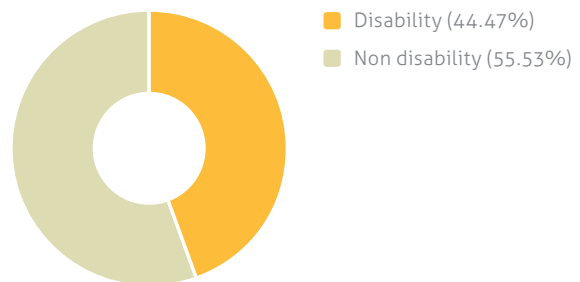
Age range

The age profile of Wentworth's tenants is reflective of the population in our catchment area. There is an increasing number of older tenants.



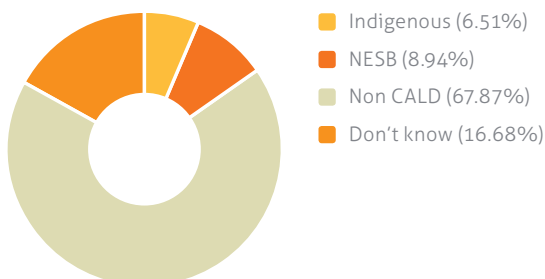
Disability

Over one-third of Wentworth tenants have a disability, reflecting Wentworth's growing capacity to negotiate and deliver supported housing partnerships for people requiring additional assistance.



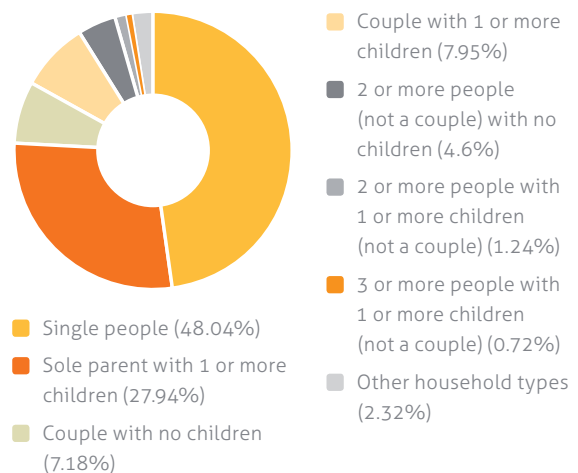
Culturally and linguistically diverse

The cultural profile of Wentworth's tenants reflects our catchment area. Wentworth will continue to focus on increasing the participation of Indigenous people in its services.



Household type

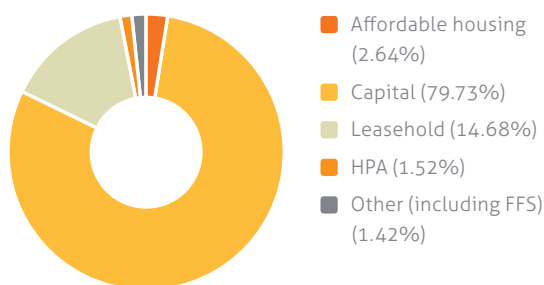
Wentworth's tenants are mostly single people and single parents with one or more children. A majority of these households receive Centrelink benefits.



Property profile

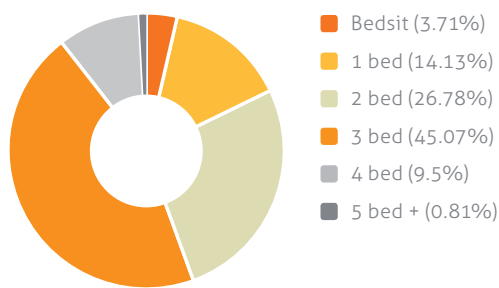
Properties by program type

At end June 2012, Wentworth had management responsibility for 1968 properties, comprising capital, leasehold, affordable housing, HPA and fee for service.



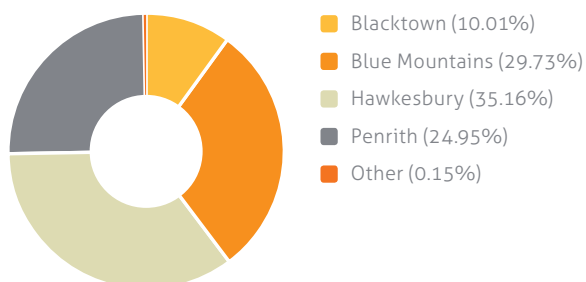
Properties by bedroom category

At end June 2011, Wentworth's property portfolio comprised largely two and three-bedroom housing stock.



Properties by LGA

At end June 2012, Wentworth's property portfolio was predominantly located in the Penrith, Hawkesbury and Blue Mountains LGAs.



'Wentworth is an organisation that seeks consumer involvement and empowerment. We have been very impressed with their collaborative and respectful approach to their housing and support work. Wentworth's support for formerly chronically homeless people to move into and sustain housing is leading the way in Australia. I hope that more community housing organisations adopt this approach. Wentworth should be rightly proud of its leadership in this area.'

Felicity Reynolds | Chair, Nepean-Blacktown Regional Taskforce on Homelessness

Partnerships

At 30 June 2012

Wentworth's work is about so much more than providing a property. Some of our more vulnerable tenants need extra help to maintain a stable home. We make sure they receive the very best support by collaborating with other community and government agencies on individual care programs. These professional partnerships are the key to ensuring sustainable, long-term tenancies. Our partners, listed below, offer a broad range of high-quality support services and we thank them all for their valuable work over the last year.

39 properties for homeless young people

- › Blue Gum Women's Housing
- › Blue Mountains Youth Accommodation and Support Service
- › McKillop Family Services (Eddy's Out West)
- › Marist Youth Care
- › Mission Australia – Lemongrove Lodge
- › Nepean Youth Accommodation Services
- › Turning Point Youth Services

5 properties for people affected by drugs and alcohol

- › Nepean Youth Drug and Alcohol Service
- › Sydney West Area Health Service
- › We Help Ourselves

25 properties for women and children escaping domestic violence

- › Blue Gum Women's Housing
- › Nurreen
- › Pam's Place
- › Penrith Domestic Violence Service
- › Wimlah Women's Refuge

38 properties for homeless families

- › Barnados
- › Nurreen
- › Project 40
- › San Miguel

6 properties for homeless Indigenous people

- › Nepean Community and Neighbourhood Services – PATSI
- › Penrith Domestic Violence Service
- › Nepean Youth Accommodation Services

23 properties for people with mental illness including Indigenous people

- › Aftercare Association – various HASI programs
- › The Richmond Fellowship of NSW – various HASI programs
- › The Richmond Fellowship of NSW – Young People's Program

20 properties for people with intellectual and physical disabilities

- › Civic Disability Services
- › Interaction Disability Services
- › Kirinari Community Services
- › The Sylvanvale Foundation

5 properties for women with mental illness or psychological distress, and their children

- › Alice's Cottages
- › Charmian Clift Cottages

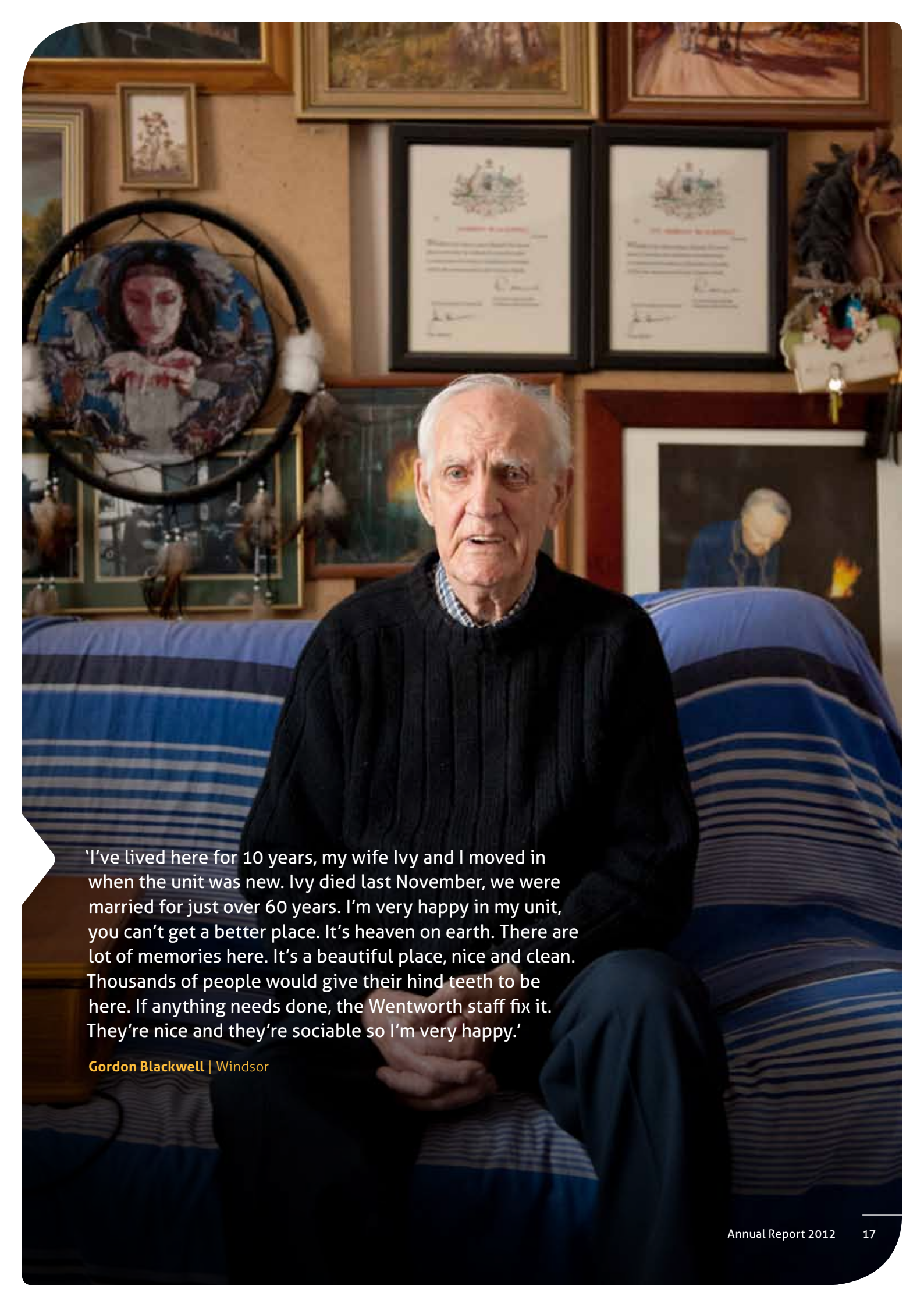
2 properties for people leaving prison

- › Community Restorative Centre

1 property for people with HIV/Aids

- › Bobby Goldsmith Foundation

There are also five Katoomba mental health properties and one Prevention and Rapid Rehousing Project property.



'I've lived here for 10 years, my wife Ivy and I moved in when the unit was new. Ivy died last November, we were married for just over 60 years. I'm very happy in my unit, you can't get a better place. It's heaven on earth. There are lot of memories here. It's a beautiful place, nice and clean. Thousands of people would give their hind teeth to be here. If anything needs done, the Wentworth staff fix it. They're nice and they're sociable so I'm very happy.'

Gordon Blackwell | Windsor

Board profiles



Chairperson – Estelle Ehmann

Estelle is CEO of Otterman's Consulting, a multi-disciplinary consulting firm, and has a particular interest in organisational agility and corporate social responsibility. She has extensive experience in the property and finance/

banking industry, predominantly secured lending and conveyancing. Estelle also brings extensive knowledge and expertise in strategy, change readiness, people management, audit and compliance.

Education and qualifications:

- › Master of Commerce, Swinburne University of Technology – current
- › Graduate Diploma Business Administration, AGSM
- › Management training programs
- › Member of the Australian Institute of Company Directors
- › Member of the Australian Institute of Management

Estelle joined the Board in 2011 and is a member of the Asset and Development committee.

'My work here at Wentworth is recognised and valued. The atmosphere at Wentworth is one of cooperation and support, which I think is very rare. While many of my friends are searching for new, "more satisfying" jobs, I am privileged to be in a position that gives me satisfaction and drive. I am continually inspired by my colleagues and community members.'

Stacey Crowley | Client Service Officer



Vice Chairperson – Joseph Litwin

Joseph is Executive Manager, Community Partnerships, with Hawkesbury City Council. Joseph is a skilled and well-informed community services practitioner with over 26 years' experience in the human services sector (public sector and

local government management experience) and experience in community engagement and service commissioning.

Joseph holds post-graduate qualifications (MA) in Development and Community Organisation and has expertise in contracting, monitoring and evaluation; working within regulatory frameworks; managing public sector services in accordance with legislative and statutory requirements; and organisational governance and accountability.

Joseph re-joined the Board in March 2007, having previously served between 1998 and 2001. Joseph was chairperson in 2001.



Treasurer – Shirlene Bennett

Shirlene is a financial accountant with Dixon Sand (Penrith) and is a registered tax agent and public accountant. She has worked for 26 years in taxation, auditing and management accounting.

Shirlene's accounting experience has included auditing government-funded community bodies and advising community organisations on employment, tax and funding issues.

Education and qualifications:

- › Bachelor of Commerce – Accounting
- › Member Association of Taxation and Management Accountants

Shirlene joined the Board in September 2003, is Treasurer and also is a member of the Finance and Audit committee.



Secretary – David Currie

David has lived and worked in the Penrith district for over 40 years. He is the Managing Director/CFO of Planetary Naturals Australia. He holds a range of business qualifications and affiliations and has expertise in finance and treasury, financial

planning and reporting, corporate governance, business management, risk management, IT management and audit.

Education and qualifications:

- › Bachelor of Business, University of Western Sydney
- › Approved Sub-Major in Law, University of Western Sydney
- › Fellow (FCPA) of the Society of Certified Practising Accountants

David is an advocate for people with disabilities and a member of Penrith City Council's Disability Access committee.



Director – Susan Palmer

Susan has trained and worked on behalf of consumers, both locally and nationally, to improve the quality of mental-health services. She is a research assistant and committee representative in this field.

Education and qualifications:

- › Grad. Cert. Editing and Publishing
- › BA (Social Welfare)
- › Diploma of Community Services
- › Associate, Institute of Personnel Management, London

Susan joined the board in 2003 and is a member of the Corporate Governance committee.

Survey lifts lid on homelessness

An innovative survey has revealed the true extent of homelessness in Sydney's outer-west and identified rough sleepers most at risk of dying early. The Vulnerability Index survey was conducted in May by the Nepean-Blacktown Regional Taskforce on Homelessness and coordinated by Wentworth as lead agency. The survey is part of the 50 Lives 50 Homes Western Sydney campaign, which is finding homes for the most at-risk chronically homeless people.

Wentworth established an outreach team which sought-out rough sleepers in Blacktown, Penrith, the Blue Mountains and the Hawkesbury. The team was guided by former rough sleepers who know the local homelessness hotspots. People were also surveyed at community events. The survey of 148 people provided the first solid evidence about the health of rough sleepers and showed that many people were in danger of dying early, particularly Aboriginal people. The results were launched in Penrith before a capacity audience and reported widely in local and metropolitan media.

Survey results:

- › 11 people were aged over 60
- › 17 people had been in a hospital emergency ward more than three times in the last three months



A volunteer surveys a rough sleeper

- › Average time spent chronically homeless was six years
- › 14 per cent had been homeless more than 10 years
- › Longest period spent homeless was 35 years
- › 39 people were Aboriginal, including most of the at-risk participants
- › 82 people had mental-health issues or had been hospitalised in a mental-health facility
- › 62 people had been victims of repeated violent attack



Director – Gail Sadler

Gail has been a senior executive of large private-sector international companies. She brings extensive knowledge and expertise in the areas of business development and management, strategy change management, financial management,

IT management, audit and compliance, communication and negotiation, and human-resource management.

Education and qualifications:

- › Bachelor of Business (double major in Logistics and Accounting), Royal Melbourne Institute of Technology
- › Management training programs
- › Member of the Australian Institute of Company Directors
- › Past member of Logistics Management Association and the Australian Quality Council

Gail joined the Board in 2007 and is a member of the Corporate Governance committee. Gail is also the Chairperson and non-Executive Director of BlueCHP Limited, of which Wentworth Community Housing Limited is one of five founding member organisations.



Director – Pat Smith

Pat has previously worked in Housing NSW, local government and the community sector, working with disadvantaged people and communities. She has also been on several community boards. Pat brings significant skills and expertise in

social housing, social planning, community development, human-resource management, corporate governance and asset management. Pat is a trained mediator and conflict coach, is passionate about quality client service provision and is a strong advocate for Aboriginal people.

Education and qualifications:

- › Graduate Diploma in Housing Policy and Management, Swinburne University
- › University Certificate in Management, Deakin University
- › Bachelor of Arts (Social Welfare), Charles Sturt University

Pat joined the Board in 2009 and is a member of the Asset and Development committee and the Organisational Health and Development committee.



Director – Keith Bryant

Keith runs a social impact consultancy. He has spent the last 10 years as Chief Operating Officer and other general manager roles at The Benevolent Society, Australia's oldest charity. Prior to that, worked for 18 years as an investment banker in

London, Johannesburg, Milan, south-east Asia and Australia.

Keith brings expertise to the Board in the following areas: social impact measurement, social finance, community development, social enterprise, venture philanthropy, NGO governance and fund raising. He is particularly interested in social innovation and finding ways to address society's intractable social problems.

Education and qualifications:

- › Bachelor of Economics, University of Sydney
- › Bachelor of Laws, University of Sydney
- › Masters of Business Administration, Macquarie University
- › Member of Social Impact Analysts Association

Keith joined the Board in 2012 and is a member of the Corporate Governance committee.



Director – Stewart Williams

Stewart has over 35 years of experience in the operational management of building and property development companies. He has extensive project management and contract management experience in the development of private and

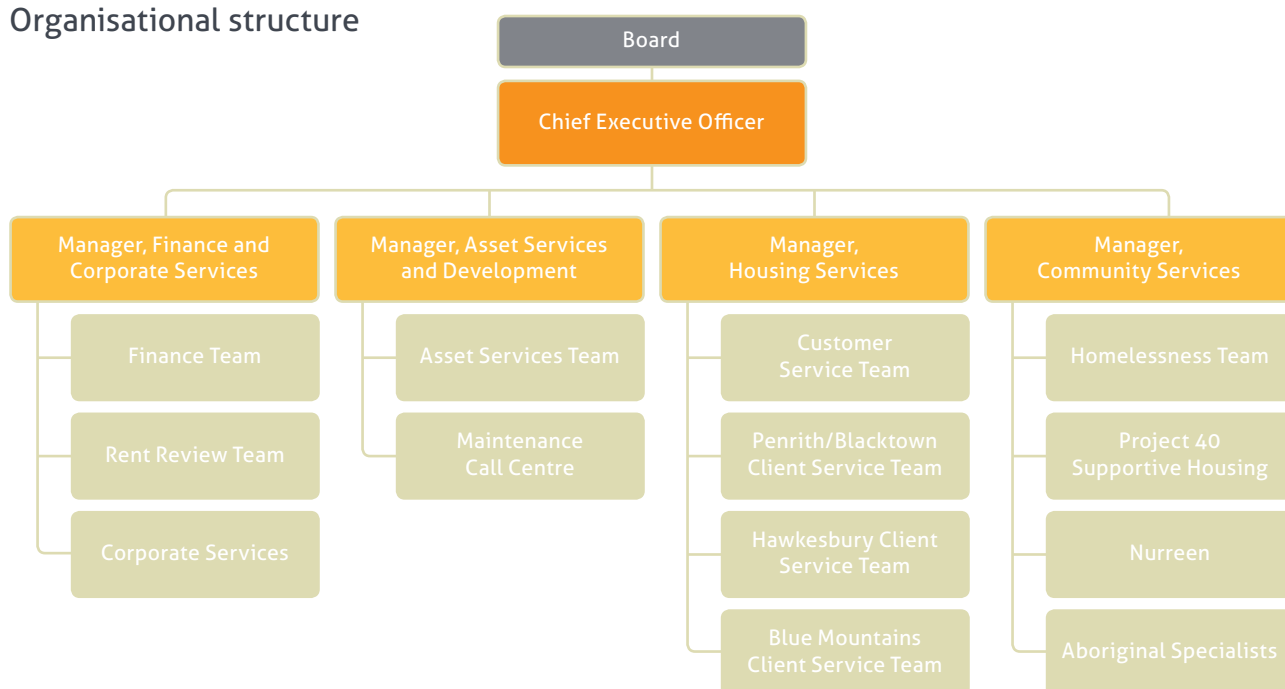
government medium-density residential projects, as well as retail and commercial projects.

Stewart brings knowledge and skills in property development, project management, contract management, industrial relations, financial management and business development. He has a strong belief in "fair play" and is committed to helping others in the community.

Stewart trained as a quantity surveyor and has been a licensed builder, a member of the Real Estate Institute and an Associate of the Australian Institute of Management. He also completed the Melbourne University Business School Advanced Management Program.

Stewart joined the Board in December 2011 and is a member of the Asset and Development committee.

Organisational structure



Maureen says Wentworth is 'second to none'

Long-time employee Maureen McGee has just clocked up 25 years' service. Here is her story:

I have worked at Wentworth since I was a very young woman. Back in 1987, we had three staff and around 50 properties, working from a one-room office with an interview room for three of us, on the same floor in Borec House that we are in today.

My duties have changed significantly from back then, when we had to multi-task — housing office, admin, receptionist, tea lady and cleaners of our own offices. I have moved offices five times, each time to bigger, better premises.

Over the years I have seen many changes in the way the company has elevated its profile and ever-increasing property numbers and staff changes, along with the introduction of computers, security buzzers, reception areas and cleaners. Foremost is the growth, which is an indication of how Wentworth is respected in the sector, in the way we carry out our day-to-day business, and also supporting and encouraging staff. There are many here today who have been employed for over five years and this is a credit to the company.



Maureen McGee: blessed to work with amazing people

I have been blessed to work with some amazing people whom I genuinely call friends, who have loved and supported me through the tribulations of work and personal circumstances which touch us all. Wentworth offers an upbeat and happy work environment and I still look forward to coming here each day as the support is second to none.

Statement of corporate governance

Wentworth Community Housing Limited is committed to maintaining high standards of corporate governance to ensure the organisation achieves its stated objectives in ways that are transparent, accountable and effective. Corporate governance arrangements are reviewed annually by the Board. The Board's conduct is governed by Wentworth's constitution.

The Board is responsible for:

- › Setting and monitoring the strategic direction of the organisation
- › Approving and monitoring financial reporting including financial budgeting and forecasting
- › Establishing policies and guidelines to ensure accurate and timely financial and operational reporting
- › Establishing policies on risk oversight and management
- › Establishing guidelines for levels of delegation of authority
- › Promoting ethical and responsible decision-making
- › Appointing, nurturing and measuring the performance of the Chief Executive Officer and the organisation
- › Ensuring that the Board is and remains appropriately skilled to discharge its responsibilities and duties, and to meet the changing needs of the organisation and sector
- › Ensuring that Wentworth complies with Corporations Law and all other relevant legislation
- › Providing guidance on and overseeing the performance of other key aspects of Wentworth's operation

Committees

The Board has established the following committees to assist the Board with governance:

- › Corporate Governance
- › Finance and Audit
- › Organisational Health and Development
- › Asset and Development

Each committee has terms of reference that set out its role, responsibilities, composition and structure. The terms of reference are reviewed annually. Committees report regularly to the Board and minutes of meetings are provided.

Ethical standards

The Board promotes practices that are transparent and uphold the principles of good citizenship. All Directors and staff sign a code of ethical conduct and register of interests. Directors are required to disclose any potential conflict of interest at the start of all Board meetings, when the Board determines an appropriate response which may require a Director to remove themselves from discussions, decisions or votes. In the case of staff, any actual or perceived conflict of interest must be declared to management in accordance with policy. The Board has a policy and a code of conduct to guide compliance with legal, statutory and other obligations to all stakeholders.

Board performance review

The performance of the Board and its committees and Directors is reviewed regularly to ensure that Directors and the Board work effectively and efficiently to maintain high standards of governance and fulfil their functions set out in the Board charter. The performance review covers areas including the Board's role, strategic directions, oversight of service delivery, legal and regulatory framework, financial and risk management, knowledge of the community housing sector and relationship with the Chief Executive Officer.

Board composition and renewal

The Board considers that individually and collectively the Directors bring an appropriate mix of skills, experience and expertise. Information about Directors and their skills and experience can be found in this report. The Board regularly reviews and evaluates its succession planning process. A Board skills matrix identifies the skills and experience of current Directors and the skills and experience that the Board considers necessary and desirable for the future. This matrix will help guide renewal and recruitment.

Treasurer's report



I am pleased to present Wentworth Community Housing Limited's audited financial report for the year ended 30 June 2012. The year's report continues the trend of consolidating the company's financial position, with an operating surplus for the year of \$4,180,574.01 and net worth of \$12,005,873.16.

The last 12 months have seen continued growth with an increase in gross revenues of 28.9 per cent from \$19.176 million to \$24.723 million, resulting from increased rental income from the increase in properties under management (902 in 2009 to 1971 in 2012) through the Housing NSW Property Transfer Program (PTP).

In contrast, gross expenditures have increased by 27.35 per cent from \$16.029 million to \$20.543 million as the additional properties under management had associated direct costs and higher levels of management and administration support.

The surplus for the year is another excellent result. However, one of the primary drivers for the surplus was the increase in properties under management and the funding of maintenance upgrades for these properties. As noted in last year's report, 2012/2013 is the final year of the funded maintenance program and, following completion, Wentworth will assume financial responsibility for the maintenance liability for the PTP properties plus its existing portfolio. This will be a significant impost to Wentworth's operational costs and will impact on future years' operating results.

Of the annual surplus, 93.3 per cent (\$3.9 million) has been set aside in reserves for capital maintenance, property acquisition and development, and computer and IT upgrades. The capital maintenance reserve has increased to \$7 million to match the increase in capital properties for which Wentworth has fiscal responsibility, as well as PTP properties being managed on behalf of BlueCHP to maintain and fund over the life of the assets. This reserve will be used in future years when the company's revenue streams cannot meet long-term planned maintenance costs.

In July 2012, Wentworth entered into contractual arrangements with Housing NSW and Westpac Bank to jointly fund a debt equity project at Penrith; a

second project was confirmed at Rouse Hill. In addition, Wentworth is reviewing its IT systems and assessing its business needs with an objective of implementing an integrated system within 12 months. Both these projects were funded from operating surpluses from prior years and, without these, such projects may not be financially achievable.

The BlueCHP consortium, of which Wentworth is a founding member, continues to look at options to provide more housing on behalf of its members. At 30 June 2012, Wentworth had provided \$1.344 million in loans to BlueCHP Limited.

The challenge for Wentworth in the next five years is to manage the changing environment of community housing and position the organisation to consider opportunities while continually reviewing systems and processes to improve practice, maintaining tight budgetary controls over expenditure. This will be done while maintaining professional and personal service to tenants and the community.

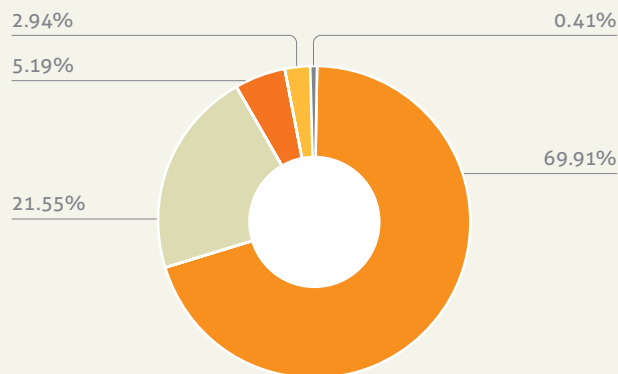
On behalf of the Board, we are pleased to report that the company has again operated efficiently and effectively to provide an excellent operating result for the year and a secure, viable financial position. The surplus continues to build on Wentworth's solid financial base and puts the company in a strong financial position to face challenges over the next five years.

We would also acknowledge our auditors, Ross Fowler and Co. for auditing the accounts this year.

A handwritten signature in black ink, appearing to read 'Shirlene Bennett'.

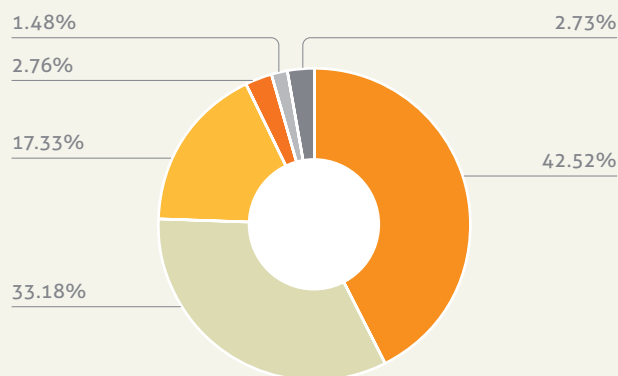
Shirlene Bennett
Treasurer

Financial profile



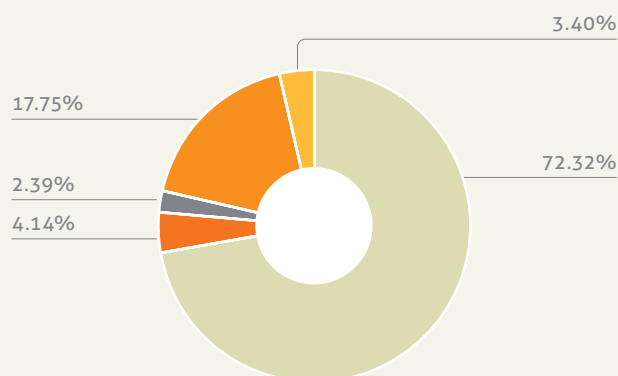
Summary of income received

- Rental income (10/11 – 73.55%)
- CHD funding (10/11 – 17.76%)
- DOCS/DADHC funding (10/11 – 5.45%)
- Interest revenue (10/11 – 3.10%)
- Other (10/11 – 0.14%)



Summary of expenses – property

- Repairs and maintenance (10/11 – 36.85%)
- Property leases (10/11 – 38.80%)
- Council and water rates (10/11 – 16.12%)
- Insurance (10/11 – 2.95%)
- Bad debts (10/11 – 1.44%)
- Other (10/11 – 3.84%)

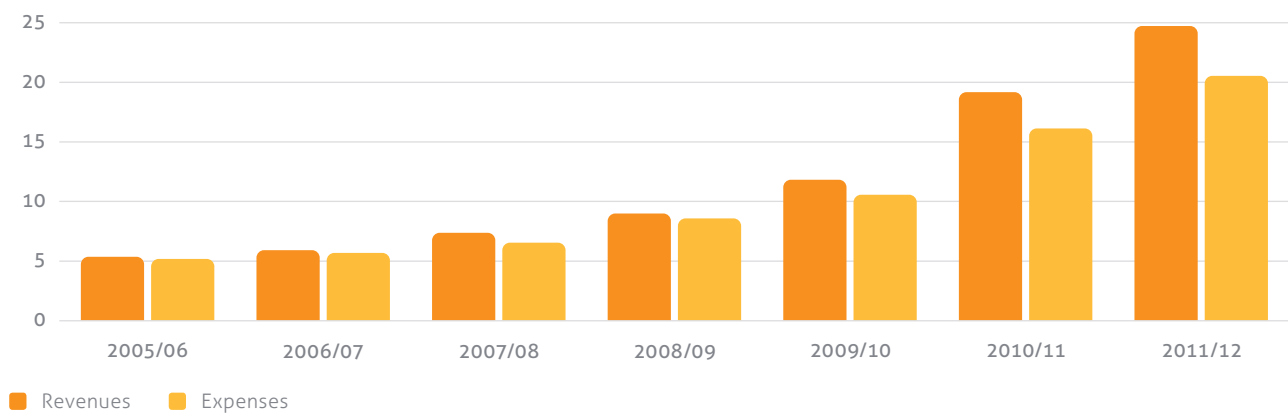


Summary of expenses – indirect

- Employee expenses (10/11 – 72.98%)
- Office rent (10/11 – 4.33%)
- Consultants (10/11 – 3.53%)
- Other (10/11 – 17.34%)
- Brokerage (10/11 – 1.82%)

Gross revenues and expenses

\$ (millions)



Reserves and surpluses 2006–2012

	Reserves	Surplus	No. of properties
2005/2006	1,430,000	180,333	694
2006/2007	1,650,000	229,528	754
2007/2008	1,900,000	828,385	879
2008/2009	2,200,000	411,978	897
2009/2010	3,400,000	1,258,125	1,454
2010/2011	6,400,000	3,046,209	1,904
2011/2012	10,300,000	4,180,574	1,968

Concise financial report

For the year ended 30 June 2012

Wentworth Community Housing Limited
A.B.N. 50 003 076 337

The financial statements and other specific disclosures are an extract of, and have been derived from, the full financial report of Wentworth Community Housing Limited for the financial year. Other information included in the concise financial report is consistent with the company's full financial report.

The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and investing activities as the full financial report.

A copy of the company's 2012 annual financial report, including the independent audit reports, is available free of charge at the company's Penrith office and can be forwarded on request.

Directors' report

Your Directors present this report on the company for the financial year ended 30 June 2012.

Directors

The names of each person who has been a director during the year and to the date of this report are:

- › Estelle Ehmann
- › Joseph Litwin
- › David Currie
- › Shirlene Bennett
- › Keith Bryant (appointed January 2012)
- › Michael Eade (resigned April 2012)
- › Susan Palmer
- › Gail Sadler
- › Graham Smith (resigned April 2012)
- › Pat Smith
- › Stewart Williams (appointed December 2011)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activity

The principal activity of the company during the year was the provision of housing to very low to moderate income earners. There was no significant change in the nature of this activity during the year.

Operating result

The surplus of the company for the financial year after providing for income tax amounted to:

Year ended 30 June 2012	Year ended 30 June 2011
\$4,180,574.01	\$3,046,209.19

Review of operations

This year has been another year of both challenge and change for the Board and staff as the landscape within the community housing sector remains dynamic and evolving.

The company continued to strengthen its financial position with a surplus of \$4,180,574.01 for the year-ended 30 June 2012. The surplus for the year has been due to tight budgetary control over expenditure and an increase in rental income from the increase in properties under management resulting from the property transfer program that commenced in 2009/2010.

The 2011/2012 year was the second of a three-year program of planned maintenance for the property transfer program, which involves upgrades of some 900 properties transferred from Housing NSW. During the last year, Wentworth has implemented new procedures that have resulted in 348 properties being upgraded.

Wentworth continues to accumulate cash reserves for future maintenance on the company's capital housing stock. This reserve is important for the company's long-term financial viability as these reserve funds will be used over the longer term for property maintenance. At 30 June 2012, the company's reserve for capital maintenance was \$7.0 million for its capital properties.

In addition, Wentworth has reserved \$1,100,000.00 to the specific-purpose Acquisition and Development Reserve, now totalling \$2.5 million, which will be used for future development projects. A further \$300,000 was contributed to the IT and Computer Reserve, now totalling \$800,000, which will be used for the implementation of an integrated software system and IT hardware in the 2012/2013 year.

The property transfer program in the Hawkesbury and the Blue Mountains (through BlueCHP Limited) has seen Wentworth's total properties under management increase by 3.5 per cent from 1,905 properties to 1,971 properties at June 2012.

Wentworth will continue to work with BlueCHP in the property transfer program in the Blue Mountains area and also work collaboratively to source potential new projects and developments.

In the area of Community Services, we are in the second year of a three-year funding program that has continued with Project 40 and Housing First programs, which are two innovative housing initiatives that are operating as a consortium with other agencies to address homelessness.

The future for Wentworth remains promising. The last 12 months have seen a smaller increase of properties under management, however, strong financial results provide a platform for the future. In July 2012, the company entered its first significant debt/equity project and there is a stronger emphasis on solving homelessness in western Sydney.

The Board, with the senior management team and staff, will continue to review systems and procedures to maximise efficiencies and achieve economies of scale to ensure Wentworth continues to provide excellent services to tenants and service partners for the best outcomes into the future.

Strategic objectives

The company's strategic objectives are to:

- a) Strengthen communities and improve tenancy and community outcomes
- b) Deliver innovative and sustainable housing solutions
- c) Deliver innovative housing solutions for solving homelessness
- d) Understand customer needs
- e) Remain financially viable with a strong financial base
- f) Have a healthy and strong culture
- g) Be a centre of excellence

Strategies

Wentworth Community Housing achieves its objectives through the development of strategic and business plans. A strategic plan has been developed for the five years to 2016/2017 and a business plan for the two years to 2013/2014 to meet these objectives.

Wentworth has developed, as part of the business plan, strategies to meet the objectives:

- a) Strengthen communities
 - Improve tenant outcomes
 - Facilitate stakeholder collaboration
- b) Deliver innovative and sustainable housing solutions
 - Increase properties under management
 - Ensure housing assets meet agreed standards
 - Adopt an operational environmental sustainability strategy

- c) Deliver innovative housing solutions for solving homelessness
 - Providing supportive housing for the chronically homeless
 - Facilitate service access and delivery for homeless Indigenous people in western Sydney
 - Source recurrent funding and collaboration to solve homelessness in outer western Sydney
- d) Understand customer needs
 - Achieve high levels of tenancy satisfaction
 - Gain recognition for delivering high-level customer service
 - Ensure client profile reflects the most disadvantaged
 - Ensure service delivery partnerships reflect need and maximise tenancy sustainability
- e) Remain financially viable with a strong financial base
 - Generate annual operating surpluses
 - Maintain financial accountability and transparency
- f) Have a healthy and strong culture
 - Identify changes in workplace culture
 - Address staff performance, wellbeing and professional development
 - Promote staff health and safety
- g) Be a centre of excellence
 - Ensure the highest standard of organisational management, compliance and governance

Key performance measures

The Board meets monthly, and four committees — Corporate Governance, Finance and Audit, Asset and Development, and Organisational Health and Development — meet at least bi-monthly to review the company's progress against these objectives.

The company receives key reports each month from senior management together with a monthly balanced scorecard that summarises areas of the business and enables the Board to review the state and health of the company. This scorecard enables the Board to check the organisational health of the company by reviewing financial and non-financial key performance indicators.

The Board is also considering a program of internal audit for key risk areas to complement the statutory external audit which is undertaken periodically during the year. The Board is also involved in annual registration by the Registrar of Community Housing, and an accreditation process which is undertaken every three years.

Information on Directors

Estelle Ehmann Appointed June 2011

Qualifications

Master of Commerce (Swinburne) and Graduate Diploma of Business Administration (AGSM).

Experience

Estelle is Chief Executive Officer of Otterman's Consulting, a multi-disciplinary consulting firm with an interest in organisational agility and corporate social responsibility.

Special responsibilities

Chairperson and member of the Corporate Governance, Finance and Audit, and Organisational Health and Development committees.

Joseph Litwin Appointed February 2007

Qualifications

Masters in Development and Community Organisation.

Experience

Joseph is Executive Manager, Community Partnerships with Hawkesbury City Council. He has over 26 years' experience in public sector and local government, and community engagement and service commissioning.

Special responsibilities

Vice-chairperson and member of the Corporate Governance, Asset and Development, and Organisational Health and Development committees.

David Currie Appointed November 2004

Qualifications

Bachelor of Business (UWS) and Fellow of the Society of Certified Practising Accountants.

Experience

David is Managing Director/CFO of Planetary Naturals Australia, is an advocate for people with disabilities and a member of Penrith City Council's Disability Access committee.

Special responsibilities

Secretary and member of the Finance and Audit and Corporate Governance committees.

Shirlene Bennett Appointed September 2003

Qualifications

Bachelor of Commerce (Accounting).

Experience

Shirlene is in private practice as a registered tax agent and public accountant. She has over 26 years' experience working in the corporate sphere and in the profession.

Special Responsibilities

Treasurer and member of the Finance and Audit committee.

Keith Bryant Appointed January 2012

Qualifications

Bachelor of Economics and Law (Syd) and Masters of Business Administration (Macq).

Experience

Keith manages a social impact consultancy business. Prior to this, he worked as the Chief Operating Officer and other management roles with the Benevolent Society and as an investment banker in Australia and overseas.

Special Responsibilities

Member of the Corporate Governance committee.

Susan Palmer Appointed November 2003

Qualifications

Bachelor of Arts (major in Social Welfare) and Diploma of Community Services.

Experience

Susan is a Mental Health committee member and research assistant who has worked with consumers, both nationally and internationally, to improve the quality of mental-health services.

Special Responsibilities

Chair of the Corporate Governance committee and member of the Organisational Health and Development committee.

Gail Sadler Appointed November 2007

Qualifications

Bachelor of Business (Logistics and Accounting) and Graduate of the Australian Institute of Company Directors.

Experience

Gail has been a director and senior executive of large private-sector multi-national companies and provides extensive knowledge of business development, financial, IT, change management and audit and compliance. Gail is the Chairperson and non-Executive Director of BlueCHP Limited, of which Wentworth is a founding member.

Special Responsibilities

Chair, Organisational Health and Development and member of the Corporate Governance committee.

Pat Smith Appointed October 2009

Qualifications

Bachelor of Arts (Social Welfare), Graduate Diploma in Housing Policy and Management and University Certificate in Management (Deakin).

Experience

Pat has worked with Housing NSW, local government and the community sector. She provides expertise in social housing and planning, community development, human-resource management including conflict resolution and asset management.

Special Responsibilities

Member of the Asset and Development and Organisational Health and Development committees.

Stewart Williams Appointed December 2011

Qualifications

Member of the Real Estate Institute and an Associate of the Australian Institute of Management and a licensed builder.

Experience

Stewart has over 35 year' experience in the operational management of building and property development companies as well as experience in the development of private and government medium-density residential and commercial projects.

Special Responsibilities

Chair of the Asset and Development committee.

Meetings of Directors

There were 12 meetings of Directors during the financial year. Attendance by each Director:

	No. of meetings held	No. of meetings attended*
Estelle Ehmann	12	12
Joseph Litwin	12	11
David Currie	12	11
Shirlene Bennett	12	11
Keith Bryant	6	6
Michael Eade	8	8
Susan Palmer	12	12
Gail Sadler	12	12
Pat Smith	12	12
Graham Smith	8	8
Stewart Williams	7	6

*Directors have been in office since the start of the financial year except Keith Bryant and Stewart Williams who joined the Board during the year and Graham Smith and Michael Eade who resigned during the year.

Significant changes in the state of affairs

In July 2012, the company entered into a contract to purchase a property in Penrith as part of the National Rental Affordable Scheme with Housing NSW as a co-contributor of funds. The property is under construction and will be completed in 2014, when the company will purchase the property with debt funding from Westpac Bank in 2014.

After balance date events

Since 30 June 2012, the company provided equity of \$512,250 for the purchase of a complex of 61 apartments in Penrith which is due for completion in 2014. Debt financing with Westpac Bank has been negotiated and agreed with debt facilities to be operative from the date of acquisition in 2014.

Other than the above, no matters or circumstances have arisen since 30 June 2012 which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Future developments

The company will continue to participate in the Housing NSW property stock transfer program in addition to sourcing acquisition and property development opportunities in partnership with BlueCHP Limited.

Environmental issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Contributions on winding up

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In the event that the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the entity. At 30 June 2012, the total amount that members of the company are liable to contribute if the company is wound up is \$240 (2011: \$220).

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 32 of this report.

Signed in accordance with a resolution of the Board of Directors.



Director
Estelle Ehmann
(Chairperson)



Director
Shirlene Bennett
(Treasurer)

24 October 2012 | Penrith



ROSS FOWLER & CO

Chartered Accountants and Business Advisors
Ross Fowler B.Comm. FCA ABN | 96 769 893 959

WENTWORTH COMMUNITY HOUSING LIMITED (A Company Limited by Guarantee) ACN\ABN 50 003 076 337

Auditors' Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Wentworth Community Housing Limited

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

ROSS FOWLER & CO CHARTERED ACCOUNTANTS



R.B. Fowler

Address: 11 Tindale Street Penrith NSW 2750

Dated: 25th October 2012

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Liability limited by a scheme approved under Professional Standards Legislation



Discussion and analysis

Statement of financial performance

Operating surplus was \$4.18 million compared with \$3.046 million in the previous year. Gross revenues were \$24.72 million, comprising tenant rental income of \$17.28 million; Government funding from Community Housing Division, Department of Community Services, and Department of Ageing, Disability and Home Care of \$4.81 million; and interest income of \$0.73 million.

Properties under management increased from 1,905 to 1,971 in the 12 months to June 2012 which, together with the additional 418 properties under management for the full 12 months, has seen tenant rental income increase by 22.5 per cent.

Wentworth had received funding for property transfer program (PTP) upgrades in 2009/2010 and, to date, \$4.16 million has been expended. The program is due to be completed by June 2013.

Net surplus from the property programs was \$7.45 million, compared to \$5.88 million the previous year. This increase was attributable to the increase in tenant rental income and funding expended for the PTP. This was offset by increased costs of responsive and planned (unfunded) maintenance and the increased cost of council and water rates.

Indirect costs, including salaries and wages, increased from \$4.49 million to \$5.63 million in 2011/2012. Salary costs (including contract staff) increased to \$3.61 million, an increase of 22.5 per cent over the previous year. This was the result of an increase in staffing for the Community Services team and the employment of specialist workers. In addition, brokerage (funded) for Project 40 increased by \$100,000 with general increases in most overheads during the year.

Of the surplus of \$4.18 million, \$2.5 million has been transferred to the company's reserve for planned maintenance. It is imperative that the reserve is maintained at a level that provides for the financial liability of long-term maintenance for these properties. In addition, \$1.1 million has been allocated to the Acquisition and Development reserve to provide equity funding for future acquisition and development opportunities and \$300,000 to the computer and IT reserve for software, hardware and implementation costs for the integrated software system to be implemented in 2012/2013.

Statement of financial position

Total assets increased from \$16.43 million to \$19.25 million at June 2012, with increases in cash and deposits from \$14.13 million to \$15.05 million and net receivables from \$676,000 to \$1.15 million. Non-current assets increased from \$1.59 million to \$2.11 million with the loan payments to BlueCHP Limited for a total unsecured non-interest bearing loan of \$1.344 million and an increase in property plant and equipment of \$179,000 due to the capitalised costs of the Derby Street development as at 30 June 2012.

Current liabilities decreased from \$7.938 million to \$7.07 million which is primarily due to the expending of PTP funding received in 2010/2011 and 2011/2012, which has been recognised as funding in advance. In addition, non-current liabilities have decreased from \$664,000 to \$182,000 with the transfer of the PTP funding as a current liability.

To offset this, employee provisions (current and non-current) have increased from \$436,000 to \$695,000 with the increase in staffing numbers as noted above.

Company reserves have increased from \$7.088 million to \$10.988 million with transfers to specific-purpose reserves for planned future maintenance, property acquisition and development and IT and computer integration.

Statement of cash flows

The statement of cash flows largely represents the cash movements in the balance sheet.

Revenue increased from \$19.42 million to \$22.54 million with increases in tenant rental income and interest income for the year. Government grants and funding is lower as most of the PTP funding was received in previous years.

Expenditure was proportionately higher from \$16.11 million to \$20.26 million with increases in both property expenditure and indirect expenses. Cash flows from investing activities increased from \$233,000 to \$622,000 with the loan to BlueCHP Limited of \$329,000 and the payments for property and equipment (including Derby Street) of \$289,000.

Statement of comprehensive income

For the year ended 30 June 2012

	2012 \$	2011 \$
REVENUE FROM ORDINARY ACTIVITIES		
Government grants and subsidies	6,631,611.25	4,451,244.89
Tenant rents and utilities	17,282,249.75	14,105,244.46
Other revenues	809,616.90	619,672.92
Employee benefits expense	(4,033,233.63)	(3,279,704.33)
Property and lease expenses	(14,915,738.23)	(11,635,851.96)
Depreciation expenses	(129,055.00)	(119,575.00)
Other expenses from ordinary activities	(1,464,877.03)	(1,094,821.79)
Surplus before income tax	4,180,574.01	3,406,209.19
Income tax expense	—	—
Surplus for the year	4,180,574.01	3,406,209.19
Other comprehensive income		
Other comprehensive income for the year, net of tax	—	—
Total comprehensive income for the year	4,180,574.01	3,406,209.19

These statements should be read in conjunction with the attached auditor's report.



Statement of financial position

As at 30 June 2012

	2012 \$	2011 \$
CURRENT ASSETS		
Cash assets	15,050,907.21	13,450,585.63
Receivables	1,155,052.52	677,520.05
Other	940,620.63	704,593.93
Total current assets	17,146,580.36	14,832,699.61
NON-CURRENT ASSETS		
Property, plant and equipment	759,780.55	580,116.41
Other	1,348,124.00	1,015,000.00
Total non-current assets	2,107,904.55	1,595,116.41
Total assets	19,254,484.91	16,427,816.02
CURRENT LIABILITIES		
Payables	6,553,030.36	7,643,161.28
Current tax liabilities	–	–
Provisions	513,570.23	295,133.96
Total current liabilities	7,066,600.59	7,938,295.24
NON-CURRENT LIABILITIES		
Payables	–	522,315.15
Provisions	182,011.16	141,896.48
Total non-current liabilities	182,011.16	664,221.63
Total liabilities	7,248,611.75	8,602,516.87
Net assets	12,005,873.16	7,825,299.15
EQUITY		
Reserves	10,988,000.00	7,088,000.00
Retained funds	1,017,873.16	737,299.15
Total equity	12,005,873.16	7,825,299.15

These statements should be read in conjunction with the attached auditor's report.

Statement of changes in equity

For the year ended 30 June 2012

	Retained earnings \$	Reserves \$	Total equity \$
Balance at 1 July 2010	691,089.96	4,088,000.00	4,779,089.96
Comprehensive income			
Surplus for the year	3,046,209.19	–	3,046,209.19
Other comprehensive income for the year	–	–	–
Total comprehensive income	3,737,299.15	4,088,000.00	7,825,299.15
Transfer to/from reserves	(3,000,000.00)	3,000,000.00	–
Balance at 30 June 2011	737,299.15	7,088,000.00	7,825,299.15
Comprehensive income			
Surplus for the year	4,180,574.01	–	4,180,574.01
Other comprehensive income for the year	–	–	–
Total comprehensive income	4,917,873.16	7,088,000.00	12,005,873.16
Transfer to/from reserves	(3,900,000.00)	3,900,000.00	–
Balance at 30 June 2012	1,017,873.16	10,988,000.00	12,005,873.16

These statements should be read in conjunction with the attached auditor's report.



Statement of cash flows

For the year ended 30 June 2012

	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Tenant rents received	17,495,226.76	14,209,567.48
Sundry income	71,378.76	26,970.07
Government grants and subsidies	4,248,079.90	4,591,348.87
Payments to suppliers and employees	(20,320,149.30)	(16,108,280.97)
Interest received	728,094.14	592,702.85
Net cash (used in)/generated from operating activities	2,222,630.26	3,312,308.30
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	(289,184.68)	(158,793.67)
Payment for debt borrowings	(4,000.00)	–
Payment for BlueCHP loan	(329,124.00)	(75,000.00)
Net cash used in investing activities	(622,308.68)	(233,793.67)
Net increase in cash held	1,600,321.58	3,078,514.63
Cash at the beginning of the financial year	13,450,585.63	10,372,071.00
Cash at the end of the financial year	15,050,907.21	13,450,585.63

These statements should be read in conjunction with the attached auditor's report.



Notes to the financial statements

For the year ended 30 June 2012

Note 1: Statement of significant accounting policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report of Wentworth Community Housing Limited as an individual parent entity complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the presentation of this financial report are presented below and have been consistently applied unless otherwise stated.

The summary financial statements have been prepared from the audited financial statements for the year ended 30 June 2012. The financial report covers Wentworth Community Housing Limited as an individual entity. Wentworth Community Housing Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements, specific disclosures and other information included in the summary financial statements are derived and are consistent with the full statements of Wentworth Community Housing Limited.

The accounting policies have been consistently applied by Wentworth Community Housing and are consistent with those of the preceding year in their entirety.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets for which the fair value basis of accounting has been applied.

This note should be read in conjunction with the attached auditors report.



Directors' declaration

The Directors of the company declare that the concise financial statements and notes, as set out on page thirty four (34) to page thirty eight (38):

- a) have been derived from and are consistent with the full financial report for the financial year, and
- b) comply with Accounting Standard AASB 1039 Concise Financial Reports

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



Director

Estelle Ehmann
(Chairperson)



Director

Shirlene Bennett
(Treasurer)

24 October 2012 | Penrith



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Ross Fowler B.Comm. FCA ABN | 96 769 893 959

WENTWORTH COMMUNITY HOUSING LIMITED (A Company Limited by Guarantee) ACN/ABN 50 003 076 337

Auditor's Report to the Members

Scope

The Financial Report and Directors' Responsibility

We have audited the concise financial report of Wentworth Community Housing Limited for the financial year ended 30 June 2012 in order to express an opinion on them to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Wentworth Community Housing Limited for the year ended 30th June 2012. Our audit report on the full financial report was signed on 25th October 2012, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report include testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts, discussion and analysis and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion as to whether, in all material respects, the concise financial report is presented fairly with Accounting Standard AASB 1039: Concise Financial Reports.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the concise financial report of Wentworth Community Housing Limited complies with Accounting standard AASB 1039: Concise Financial Reports.

ROSS FOWLER & CO CHARTERED ACCOUNTANTS



R.B. Fowler

Registered Company Auditor

Address: 11 Tindale Street Penrith NSW 2750

Dated 25th October 2012

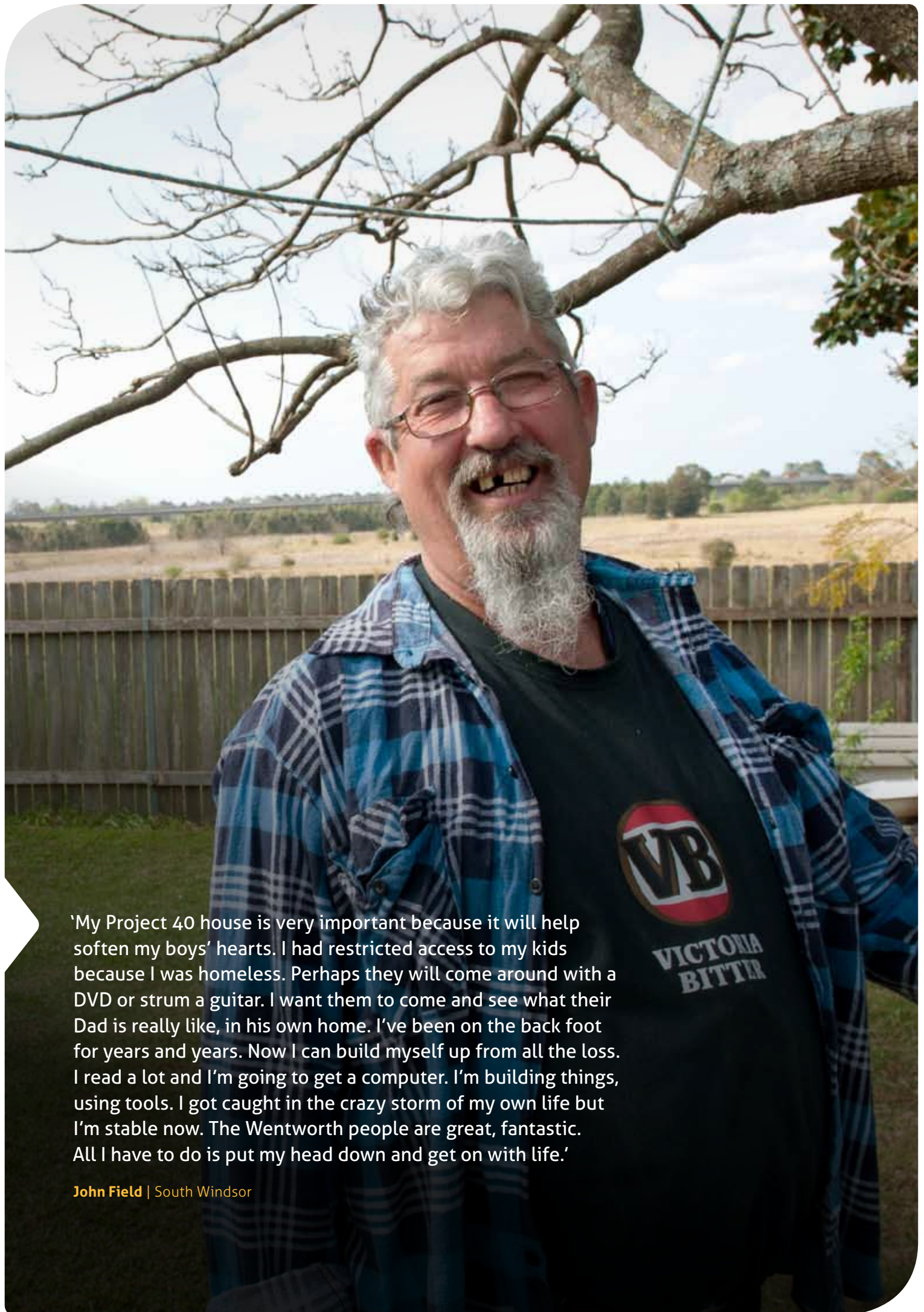
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'My Project 40 house is very important because it will help soften my boys' hearts. I had restricted access to my kids because I was homeless. Perhaps they will come around with a DVD or strum a guitar. I want them to come and see what their Dad is really like, in his own home. I've been on the back foot for years and years. Now I can build myself up from all the loss. I read a lot and I'm going to get a computer. I'm building things, using tools. I got caught in the crazy storm of my own life but I'm stable now. The Wentworth people are great, fantastic. All I have to do is put my head down and get on with life.'

John Field | South Windsor

Wentworth Community Housing Limited

ABN 50 003 076 337

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