

BUILDING. SUPPORTING. CONNECTING.
WENTWORTH COMMUNITY HOUSING



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IT STARTS WITH A GREAT TEAM OF PEOPLE



CHAIR- PERSON'S REPORT

Not getting housing right for those who are less well off escalates the nation's health and welfare costs.

In search of a housing policy

I was fortunate recently to hear a presentation from UTS Associate Professor Alan Morris about the research behind his forthcoming book, which is entitled "End of a Dream? Housing Tenure and Older Australians". His research incorporates interviews with older Australians from across NSW, all of whom receive the aged pension. There are some notable interviews with individuals who live in Western Sydney. My analysis of Alan's work is that those older Australians fall into three distinct groups.

Firstly those who own a home outright and are living their retirement quite comfortably, especially if they are drawing a couples pension and have no extraordinary expenses.

Secondly those who are renting in private accommodation, have very little income beyond the Centrelink pension, own no property, and are under extreme financial stress. There are consistent cases in this research of pensioners spending up to 70% of their income on rent, leaving very little for other needs, including food.

The third group are those in public or community housing, who like the second group have no income beyond

their Centrelink pension, own no property, but because their rent is capped at between 25-30% of their income, enjoy their community and lead relatively healthy lives.

The contrast between the second and the third groups was startling, particularly for women who may have found themselves divorced late in life (more often without superannuation) and now face limited and declining employment prospects. If they are in the second group, their remaining years present a frightening picture. We can find neighbours in each of these three groups (yes, literally neighbours) where slightly different life circumstances have created profoundly different prospects for the final 10-25 years of their lives.

Professor Morris' research highlighted that we as a nation lack a Housing Policy. In my opinion, our Governments at State and Federal level for the last 30 years have placed too much reliance on 'market forces' to ensure we have sufficient housing for our growing population. This has not worked. In that 30 year period, we have seen annual increases in house and land prices in all our major cities that are consistently above the increase in average wages. More recently, we have

seen dramatic reductions in home ownership for the under 35's and an alarming increase in the number of households paying more than 50% of household income for housing costs, be it rent or mortgage costs.

Our Governments appear to treat social housing as a legacy system and are now unclear about its purpose. They have wavered in their support of Community Housing Providers, and have poorly implemented meaningful commitments to 'affordable housing'. Meanwhile the social housing stock ages and is increasingly unfit for purpose. Without Community Housing Providers like Wentworth, total numbers of social houses in Australia in the last 20 years would have declined.

The market will always matter in any Australian 'Housing Policy'. Having the right incentives is undoubtedly important for what is likely to remain our most important lifetime investment. However with economic activity increasingly concentrated in our largest cities and house prices reaching 8-9 times the average annual incomes, the housing 'market' has become one of the most significant factors in creating a divided community. The need for an appropriate Housing Policy to help us all chart the way forward has never been more evident.

Not getting housing right for those who are less well off escalates the nation's health and welfare costs. It also dramatically reduces opportunities for the disadvantaged to re-join the housing and employment markets and to participate as active consumers, taxpayers and even employers. Housing for all is a vital part of what makes us more productive and healthy as a nation.

I wish to acknowledge that the current NSW Government has made some important and positive steps in the last 12 months to address this important need. These steps include a very useful discussion paper on Social Housing, the inclusion of social housing as an element of the Premiers Innovation

Initiative and a commitment after their re-election in March to address the capital issues about social housing.

We encourage the NSW and Federal Governments to bring coherence to these efforts through the creation of a bipartisan Housing Policy that clarifies the long-term role of social housing, develops a realistic approach to the creation of affordable housing, encourages appropriately priced land releases and brings a lower cost framework to private renting.

Leadership and staff at Wentworth

The last 12 months has seen your Board face that most difficult of challenges: the transition from a long-term CEO to a new CEO. The decision of Mr Nick Sabel to step down after 17 years as our Chief Executive Officer marked an important milestone for Wentworth. Nick has left an exceptional legacy. Over 17 years, Wentworth grew from 4 staff with 200 houses to 60 staff and over 2,000 dwellings. He had strong personal integrity and a commitment to working with other agencies that is ingrained in how Wentworth operates.

However, the Board has been mindful that the Community Housing sector today has as many challenges as it has opportunities. The Board saw the CEO transition as an important opportunity to reflect at length on who we are, what we want to achieve long term and what style of leadership we need to best address the next stage of our development. Mr Stephen McIntyre's extensive experience in senior level roles in Governments in NSW and Victoria made him an excellent choice as our new CEO. We believe he has the skills and experience to lead Wentworth through the next stage of our development.

I want to elaborate on leadership. It is clear that the best solutions to housing our clients come from the leadership displayed by our front-line staff. They are the ones at the coalface, and their training, experience and professional wisdom

play a critical role in facilitating the best outcomes for our tenants and clients. They understand what it takes to sustain a client's tenancy; to help a tenant engage better with their neighbours; to create a pathway that in the long term will overcome or alleviate a client's complex situation.

We give a high priority to the quality of our staff and their on-going training. It is doubly important that as we grow our tenancy numbers we nurture all our staff and support them well. Increasingly that support will come via new ideas and new technologies that we are keen to capitalise on. As a Board, we have a clear commitment to innovating and promoting a culture of organisational learning.

Board changes

The Board has been delighted in the course of the year to add the skills of two new Directors: Ms Louise Morris and Ms Aimee Lindfield. Louise brings deep experience in property development and property law and Aimee in business strategy and business re-engineering skills. They are both valuable additions to our Board.

The Board completes a regular annual review of its performance to raise the standard of our contribution to Wentworth. I am proud to say that our most recent assessment is that we are achieving that welcome balance of cohesiveness and tension for which most Boards strive.

The next twelve months promise to be busy but exciting. We look forward to working with the NSW and Federal Governments in bringing about the all important changes in how we house our nation for the future.



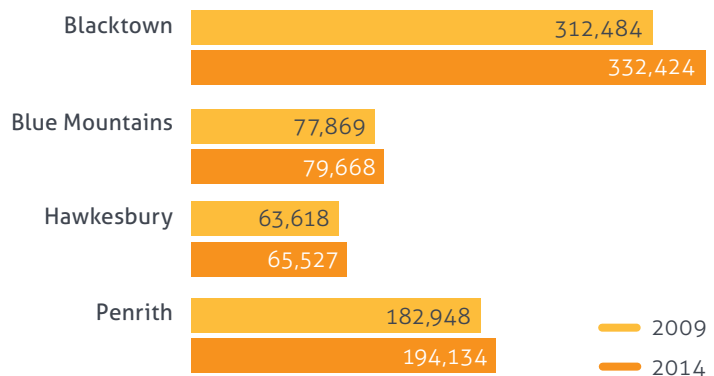
Keith Bryant
Chairperson

WENTWORTH COMMUNITY HOUSING

While Wentworth's service footprint may not have changed over the past five years, the number of people living in the Blacktown, Blue Mountains, Hawkesbury and Penrith LGAs have grown significantly. Our objectives are to build and manage houses to assist clients in need to access long-term housing; to create the relevant support networks to deliver sustainable benefits and to ensure our clients stay connected to their families and communities.

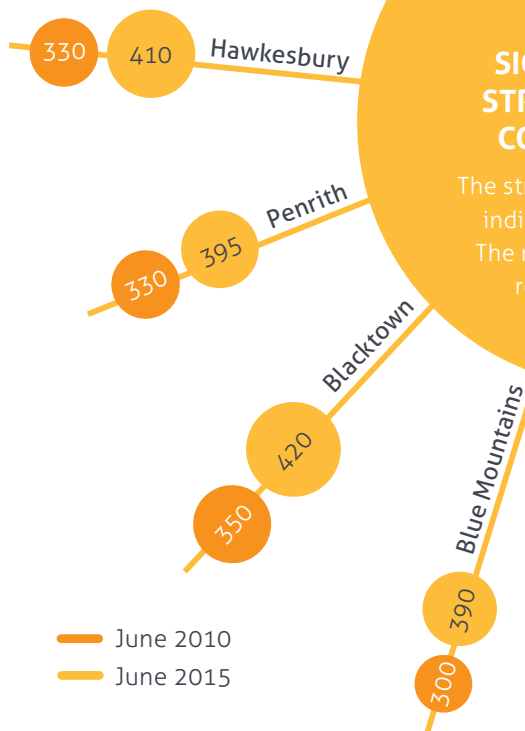
GROWING DEMAND: INCREASING POPULATION¹

As Sydney's population increases and housing becomes less affordable, there has been an increase in those looking for alternative housing solutions.



SIGNS OF HOUSING STRESS: INCREASING COST OF RENTING²

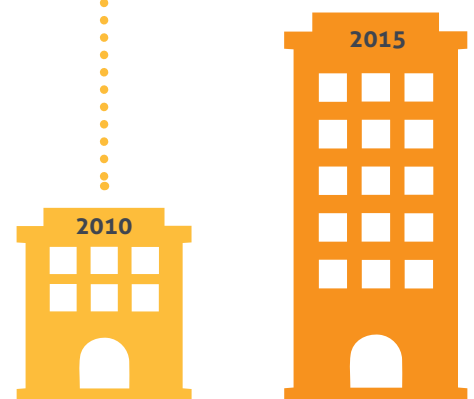
The strong rise in rents is a lead indicator of housing stress. The rent increases are also a reflection of demand outpacing supply.



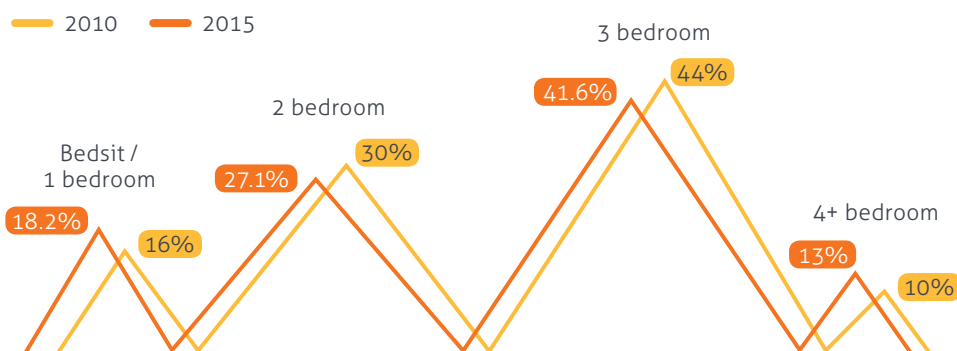
**49%
INCREASE**

PROPERTIES UNDER MANAGEMENT

In 2010 Wentworth had 1,438 properties under management by June 30 2015 this had grown to 2153.

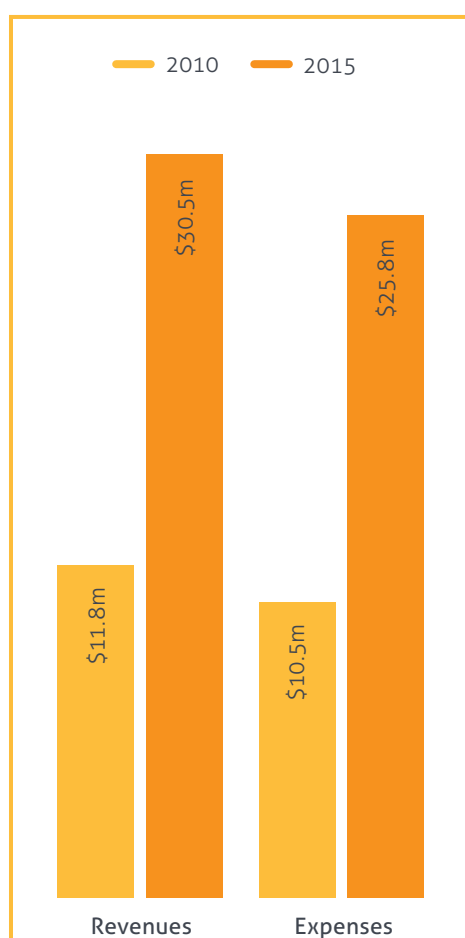


1. Data from council websites with population estimates updated when the Australian Bureau of Statistics releases new figures.
2. Rent per week all dwellings and all bedrooms, Data: NSW Family and Community Services, Rent and Sales Report.



SIZE OF PROPERTIES

While our mix of housing is slowly changing, we still don't meet the demand for one and two bedroom dwellings that our clients need.

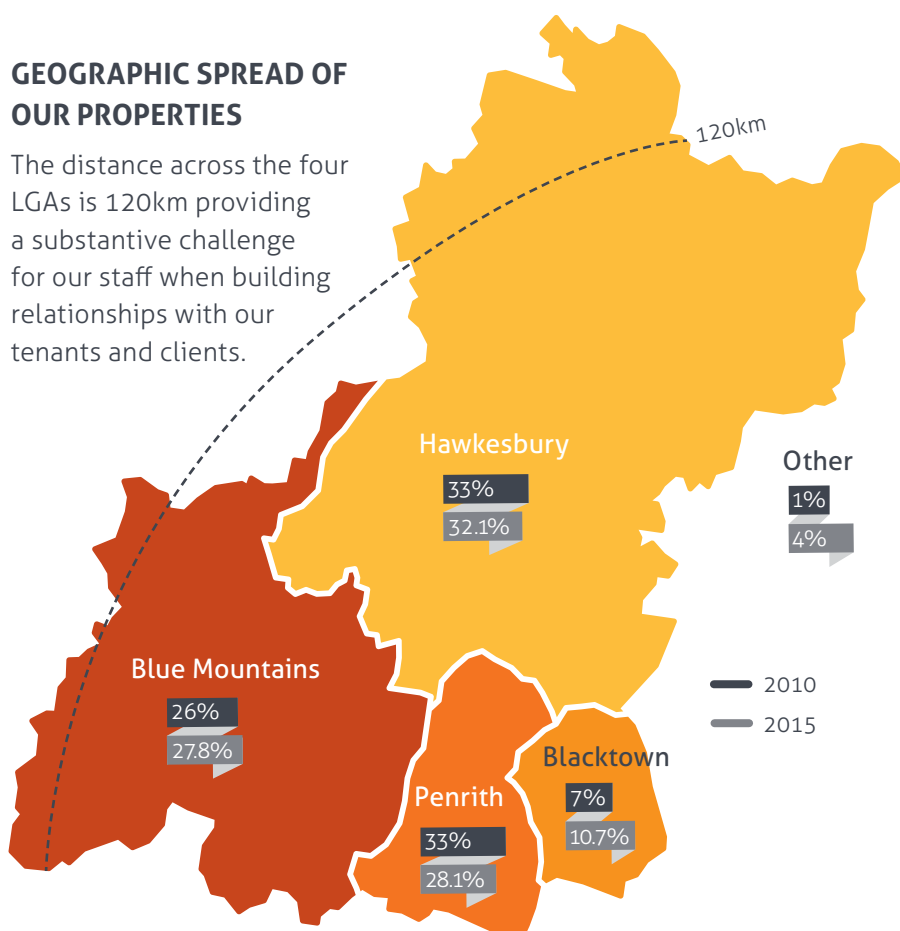


GROSS REVENUES AND EXPENSES

The growth in revenues and corresponding increase in expenses reflect the increased properties under management and our move to developing our own properties.

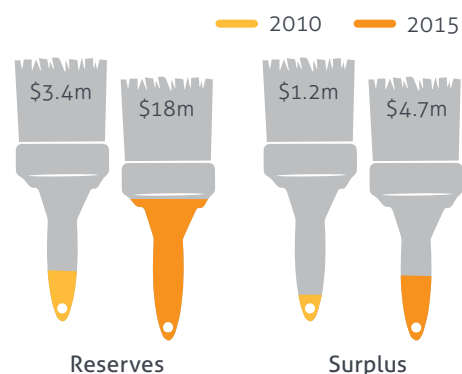
GEOGRAPHIC SPREAD OF OUR PROPERTIES

The distance across the four LGAs is 120km providing a substantive challenge for our staff when building relationships with our tenants and clients.



RESERVES AND SURPLUS

To ensure we can meet known projects (e.g. planned maintenance, property development) Wentworth sets aside the necessary funds. The increase reflects the growth of properties under management and prudent financial management.





JOINT CEO REPORT

A diversity of housing ensures that people are not forced to move elsewhere when their needs or financial position change.

Nick Sabel

Passing the Baton

Wentworth's 2014 Annual Report focussed on the fact that it had been a transformative year; we talked about assessing our growth strategies and how Wentworth needed to be more than just a housing provider and we needed to find new ways of assisting our clients.

As the 2015 Financial Year progressed I recognised that it was time for Wentworth to have a new CEO to guide our next phase of growth. After 17 years with Wentworth, this decision did not come all that easily. Along the journey, I made many friends from all parts of the community housing sector and the local areas in which we operate. Moreover, I have enjoyed developing my skills as Wentworth grew from four staff and one office to 60 staff and three offices.

One of the principles we have always espoused at Wentworth is the value of working and sharing together, so it fits that this report is a joint report from Stephen McIntyre, the new CEO, and me.

The personal qualities and experience that Stephen brings to Wentworth are those I know will see Wentworth go from strength to strength.

Stephen McIntyre

Accepting the Baton

There can be nothing more exciting than being asked to be part of the development and growth of an organisation with such a strong lineage as Wentworth Community Housing. I feel very honoured to follow in Nick Sabel's shoes and to work with the immensely talented team he has created over the past two decades.

In the past five years, the community and affordable housing sector has changed considerably. This has created both incredible opportunities and significant challenges for Wentworth. We are focussed on ensuring our business systems and processes will complement and support the skills and experience of our staff, to ensure we can continue to provide consistently high standards of service to our clients.

Over the last ten years, Wentworth has seen the properties under its management increase from less than 600 to over 2,000.

I know that Wentworth has built strong relationships across the Blue Mountains, Penrith, Hawkesbury and Blacktown LGAs. They are the foundation for Wentworth's next period of growth, and I relish the opportunity to work collaboratively with our partners.

This joint CEO report looks at the key operational initiatives of Wentworth: "Building, Supporting, Connecting" with a focus on the partnerships we have created and highlighting some of Wentworth's major projects of 2015.

Strong financial results underpin growth

The 2015 Financial Year saw the continued growth of Wentworth with a strong financial performance that surpassed budget forecasts. The operating surplus for the year of \$3.99 million (2014: \$3.57 million) is the fifth consecutive year where operational surpluses exceeded \$3 million. With Reserves of \$18.06 million (2014: \$17.97 million), Wentworth has a significant financial base to ensure long-term viability across all key areas of its business.

Social housing

Over the last ten years, Wentworth has seen the properties under its management increase from less than 600 to over 2,000. The result of this growth in properties is reflected in the tripling in the number of clients to be supported, the near tripling in the number of staff to deliver the services, and the necessary creation of additional offices to keep our staff close to the people they need to help.

We are mindful that growing an organisation must not lead to the loss of contact with our local communities.

Covering the LGAs of Blue Mountains, Penrith, Hawkesbury and Blacktown, Wentworth's operational area is over 120km wide. So while distance can be a barrier, it is also an opportunity to create more touch points between our staff and those families, individuals and communities who need our support.

Wentworth has worked hard to be recognised for its delivery of service, its capacity for developing effective initiatives, and for advancing innovations in the area of social inclusion and the building of stronger and more inclusive communities.

Without a mix of appropriate and affordable housing, communities cannot accommodate the range of people needed to maintain social cohesion, support the functioning of local economies or sustain local services and businesses. A shortage of affordable accommodation limits a local area's attraction to the key workers who need to live close to their place of work. Moreover, a diversity of housing ensures that people are not forced to move elsewhere when their needs or financial position change.

At Wentworth, we recognise the need to help build stronger communities by working with all levels of government to create a better mix of social and affordable housing. This is what makes our newly announced development at St Marys so important. It showed that the successful partnership between three levels of government – local, state and federal and Wentworth could lead to an innovative way to finance a project. When finished in late 2016, it will provide a mixture of one and two-bedroom apartments in a location close to transport, shops and services.

We also thank Bridge Housing for its support in transferring 42 NRAS credits to Wentworth for use in our projects at Phillip Street, St Marys and White Hart Lane, Rouse Hill.

Creating new services

We recognise that it takes a range of skills and experience to assist our tenants, applicants and people who are homeless. We need to take a holistic approach to working with those who need our assistance. Our extensive experience in assisting those in need and a strong network of partnerships with local agencies means that we are well-placed to provide the right assistance at the right time. This commitment to teamwork means we allow our staff to be the leaders in the creation of our services.

With the rapid increase in the number of individuals needing assistance Wentworth has demonstrated its capacity to expand its range of services to become not just a housing provider of choice but also a leader in homelessness service delivery.

In late 2014, Wentworth was one of five not-for-profit agencies in the Nepean Blue Mountains District that were successful in tendering for funding under the NSW Going Home Staying Home homelessness reform project. The packages that were on offer required a collaborative approach by the five agencies to apply their respective experiences and capabilities to create innovative solutions to tackle homelessness.

Most of Wentworth's work in the past has been in managing the issues that clients who are renting our properties bring to the table. In 2015, we added a range of programs that focus on prevention and early intervention rather than waiting for a person or family to become homeless. By working with local real estate agents and creating a proactive program, we can assist tenants in private rental accommodation who are at risk of losing their tenancy. The result of these proactive programs has exceeded our early expectations.

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Proactive support

Another initiative of Wentworth is its Tenant Engagement and Advisory Members (T.E.A.M.) Committee which is open to all tenants. This initiative allows Wentworth staff to connect better with tenants and develop community projects that can assist people to contribute to their neighbourhoods. The 'Just Because' morning tea is one such initiative of the T.E.A.M. At these events tenants get together to share tea, coffee and cakes, life stories and to chat about issues that most affect them.

This support also translates into more proactive strategies that assist tenants in breaking the cycle of unemployment. This approach is part of Wentworth's holistic, integrated focus on creating programs that make a real difference.

A partnership co-funded by Wentworth and the Riverstone Neighbourhood Centre created an employment and training pathway giving practical work experience to Riverstone resident Amanda. Both agencies supported Amanda as an Aboriginal Engagement Worker giving her valuable work experience. As a result, Amanda is now completing her Certificate IV in Community Welfare and is making a major difference to the community in which she lives and works.

Property portfolio management

The Wentworth portfolio consists of over 2000 properties; predominantly these are capital properties where Wentworth has direct asset management responsibility. The rest of the dwellings are either leasehold or fee for service.

Our housing stock comprises largely of two and three bedroom housing. This mixture is in contrast to the profile of our tenants who are mostly either single people, single parents with one or more children, or over retirement age. Moreover, one-third of all Wentworth tenants has a disability creating additional housing needs.

This profile creates a real mismatch between demand and supply. The need for one and two bedroom dwellings is high while there is a general under-utilisation of three bedroom houses. Finding the balance is always a challenge as residents want to up or downsize while staying in their local community.

To overcome this mismatch, Wentworth has started in recent years to develop its own properties. This strategy means we can build apartments that meet the long-term needs of our clients. For example in our Derby Street project, 50% of the 61 apartments are either adaptable or are capable of being modified. This means that tenants looking for long-term residences can have peace of mind. They know that their apartment has been designed so that it can be easily tailored to their current needs or in the future altered to meet their changing needs.

Asset management: making a house a home

Wentworth has a significant asset management program. As a beneficiary under the NSW Government's Property Transfer Program (PTP), Wentworth has completed over 1000 property upgrades (98% of its PTP) over three years to June 2014.

The PTP maintenance work was so successful that it formed the base of our new Planned Maintenance Program that began during FY2014. This approach ensures all properties are maintained to a pre-determined and agreed standard. The distinctive feature of Wentworth's asset management is to ensure each property has a comprehensive service program every 7 years. This approach is less disruptive for tenants and reassures them that Wentworth is a proactive manager of their home.

By early 2019, we forecast that all properties will have been through the first cycle of this maintenance program. The program has built-in flexibility to enable additional properties to be incorporated.

Besides this maintenance program, Wentworth conducts annual inspections, smoke alarm testing and fire safety audits for all properties, maintaining lawns, grounds and common areas as part of its Cyclical Maintenance Program.

Feet on the ground

Wentworth identifies as being contemporary, professional and innovative. It strives to deliver high quality, professional housing and related services, working in an integrated way to deliver on the ground results for the people it works with and for. Wentworth manages three fully functioning offices in Penrith, Windsor and Katoomba, improving accessibility to all clients and enabling a much stronger local community engagement.

Wentworth staff also work in our partners' offices on a weekly basis (e.g. Riverstone Neighbourhood Centre, Likemind and the Wesley Mental Health Service). We have consciously located our offices close to public transport and health and community services so that our clients do not have to make multiple trips to access the support they may need.

Of our tenants, 18% have multiple medical issues, and 10.4% of residents are aged 70 and over. During the extremely hot weather last summer, staff contacted these older tenants to ensure they were coping and had the necessary support to manage the heat.

The importance of philanthropy and volunteers

No single organisation can solve the issues of homelessness. While we would like to think that our feet on the ground mean we have the best solutions, we do recognise that being able to draw on the experience of other individuals and corporations is essential to our ability to create innovative housing programs and services.

We would also like to acknowledge the support of all those who volunteer their time to assist our staff at community events. In particular, we thank our T.E.A.M volunteers who, as mentioned, form a vital link between our tenants and Wentworth.

There is a role for private individuals and companies to play in helping Wentworth achieve the best outcomes for its clients. Over the past six months, we have been starting to explore the benefits that philanthropic programs can bring to Wentworth. We recognise that there are many companies who want to play a positive role in their communities and to ending homelessness.

While it is still early days in developing our philanthropic program, we were delighted by the generous support from The Red Cow, a local Penrith Hotel, who donated \$50,000 to our work in the community.

We would also like to acknowledge the support of all those who volunteer their time to assist our staff at community events. In particular, we thank our T.E.A.M volunteers who, as mentioned, form a vital link between our tenants and Wentworth. These volunteers play a very important role in building connections between our tenants and the communities in which they live.

Growing Wentworth

Wentworth's strategic priorities revolve around building stronger communities, preventing homelessness, creating sustainable housing services, increasing the number of houses we own and manage and having the organisational capacity to develop innovative services. Strong partnerships and collaboration with all levels of Government and local support service providers underpins our ability to continue to develop solutions that deliver measurable outcomes, are viable and bring positive outcomes for our clients and communities.

NSW social housing programs face many challenges – funding has to go further, demand for services are increasing, and the rental affordability gap continues to widen. With both the NSW and Federal Governments currently considering future policy directions and funding arrangements for social and affordable housing, it is likely that the next few years will see further significant changes for the community housing sector.

To this end, we need to develop innovative solutions to enhance the way we work and stand ready to seize opportunities that will emerge. Wentworth is committed to finding and delivering better outcomes for our communities and those in need of our services. Our overarching goal is to provide our clients with solutions that make them independent of our services.



Nick Sabel
Outgoing CEO



Stephen McIntyre
Incoming CEO



BUILDING: WORKING TOGETHER

For Dragan Velkovski, Wentworth's Asset Operations Manager, it is all about keeping a project on track when working with Gerard Sleiman, Senior Project Manager for Impact Group.

Pictured above L-R: Dragan Velkovski and Gerard Sleiman

Dragan: I first met Gerard back in 2011, shortly after Wentworth had been awarded 1,000 houses under the NSW Government's Property Transfer Program (PTP). It was a challenging time. We had only three years to review all of the properties and complete a full maintenance and upgrade program. There were so many problems to deal with, and we were having real issues keeping the program on track. Having Impact Group and Gerard join us to manage the maintenance program greatly assisted us to complete it within the designated timeframe.

From day one he and I figured out who was responsible for what and we worked hard together to make things happen. It was a tough few months to start off with, we had hard deadlines, and we were well behind. However, Gerard was always there and on top of the issues.

So when the Phillip Street project began it was great to see Gerard on the other side of the table. I know that the project is in good hands; whether it is the formal reports or the almost daily chats about the project, Gerard doesn't miss a thing.

Gerard: Managing the transfer and maintenance program for 1,000 houses back in 2011 was a big project. There was Dragan surrounded by more paperwork than you could jump over. The timeline had got out of shape, and the race was on to bring the project back on track. From the first days, Dragan had a can-do attitude. He was just great to work with.

So when Impact was invited to tender for Phillip Street, I was glad to be back working with Dragan. I thought I was good at attention to detail – he was even better. I very quickly learnt if he said it would be done it got done. I know I learnt from him, and I think he also learnt from me. When you have to manage so many issues, you need to be able to count on your team. Dragan is truly efficient when it comes to getting the necessary sign-offs. It means the project is always moving forward.

Phillip Street has an accelerated timeline, and so he and I know that it is going to be a bit of a challenge to keep the project on schedule. However, we have spent a lot of time identifying the issues up front and have the processes in place to keep the Phillip Street development on track.

Building

Building is at the heart of what we do at Wentworth: be it houses and apartments, community relationships, or a supportive corporate culture. Our goal is to build stronger communities by providing housing solutions for those needing an alternative solution to the private market.

These three projects outlined below epitomise the strategies Wentworth is bringing to the community and affordable housing markets.

Macquarie Road, Springwood

This development is a five bedroom group home purpose built specifically for people with disabilities. The objective of this development brief was the creation of a house that would allow up to five people with disabilities to live relatively independent lives with the assistance of a 24/7 live-in carer. Wentworth won the tender to develop and manage the house for Eloura Disability Services. Currently under construction by Fowler Homes the home is due for completion towards the end of 2015.

All aspects of the house from the location, the topography of the site, to internal and external features, have been designed to meet the needs of people with disabilities. The biggest hurdle was finding suitable land that was outside the designated fire zones. The second hurdle was then finding land that was well located to public transport and shops so that tenants could move around their community with relative ease.

The design of the house includes doorways and corridors that have been widened to fit wheelchairs, and the kitchen and bathrooms are designed to meet the needs of the residents. One bedroom and one bathroom have a ceiling hoist to assist those needing this level of care. Additionally, the height and location of power points and light switches has been modified to suit those in wheelchairs or with limited mobility. This development is fitted

with environment sustainability features such as rainwater tanks and LED lighting.

White Hart Drive, Rouse Hill

In the creation of the suburb of Rouse Hill and the new town centre, the Department of Planning ensured a percentage of the dwellings would be designated community or affordable. Wentworth was successful for the tender to create 28 apartments on White Hart Drive. This \$8 million project will bring a new dimension to the Rouse Hill City Centre.

The one, two and three bedroom apartments meet our goal of creating safe, resident friendly apartments that are suitable for people of any age and need. With environmental sustainability and energy efficiency being central to Wentworth's

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vision, the apartments include a range of sustainable energy and environmentally friendly features.

Forecast to be completed in early 2016, these apartments received 28 NRAS Incentives from the Federal government and a grant of \$2.72 million from the NSW Government. Seven of the apartments will be available to people eligible for social housing, and the other 21 apartments will provide affordable rental accommodation. While Wentworth has retained BlueCHP to manage the development, we are still actively involved in monthly project meetings, to ensure the building meets the needs of the tenants who are likely to move in. We are ensuring, where possible, kitchens and other facilities are easily modifiable to allow ageing in place.

Phillip Street, St Marys

This project has much going for it and probably rates as our flagship project for the coming year. This 49 apartment project demonstrates that it is possible to have three levels of government work together in partnership with a community housing provider to create community and affordable housing solutions that deliver real benefits to residents.

Penrith City Council was the initial proponent of the project using funds from their Voluntary Planning Agreement to create additional housing in the Penrith area. The Council's contribution in turn led to the Federal Government contributing 24 NRAS incentives and the NSW Government through the Department of Family and Community Services providing suitable land and funding.

The NRAS program offers annual incentives to developers of affordable housing in exchange for providing below-market rents for ten years. This approach meant Wentworth could use a mixture of debt and equity to complete the funding requirements.

The Phillip Street development consists of one and two-bedroom apartments that will be available to residents who meet the affordable and social income requirements of the area. The apartments are located less than a 500 metre walk away from the public transport – bus and trains – and are almost in the heart of St Marys commercial and shopping precinct.



SUPPORTING: BETTER TOGETHER

For Chris Cleary, Founder of the charity StreetMed a cup of coffee in Richmond started a great working partnership with Kailene Adams Wentworth's Assertive Outreach Officer.

Chris: I first met Kailene in June 2014, I was setting up my charity StreetMed and someone suggested I needed to meet Kailene from Wentworth. We understood each other from the start. A common approach is essential when you are dealing with rough sleepers and people experiencing chronic homelessness.

Having Kailene around means I know that I have someone who has my back when we are asked to go and assist with the care of rough sleepers. We know how each other works, and we talk through the situation before we start. We hear the most amazing stories – the great and the horrific; having Kailene around makes my job so much easier.

We have to spend a lot of time together, and we call the travelling our “mental health” time. Kailene has taught me patience and how to access the various services I need for StreetMed. She has been an amazing mentor. Her knowledge and her ability to tap into Wentworth's programs make it so much easier for us to find appropriate solutions for our clients. When I am trying to talk to a rough sleeper knowing that Kailene is my

back-up makes it easier to keep working through the issues to get the right outcome.

Kailene: My job is all about connecting with Western Sydney's most vulnerable long-term rough sleepers to see if we can find a way of ending their homelessness. It is not an easy job. So when Chris called me to discuss her charity StreetMed, my first thought was “why would someone do this work and not get a wage?” Well, all it took was half an hour, and I knew how real her commitment was to finding ways of helping those who have been homeless for a long time.

I was excited because, with Chris I was no longer working on my own. Ours has been a partnership based on total respect for the work each does. It didn't take us long to realise that our ideas and ways of working were very similar. We are both passionate about helping vulnerable people who are sleeping rough move back into the community.

We have a “Thelma and Louise” reputation. Chris has an amazing sense of humour which you need

Pictured above L-R: Kailene Adams and Chris Cleary

Secure, stable housing and the right support services for each Wentworth client is a measure of our success.

when you spend so much of your working day talking to people who may not want to have anything to do with you. The funny thing is that having two women working together actually has helped. Our clients find us less threatening than a couple of men.

It is a real privilege to walk along side so many different people, including our clients and workers from other agencies and know that Chris is also on the same path.

Supporting

Secure, stable housing and the right support services for each Wentworth client is a measure of our success.

The four services we added during the year demonstrate the necessity of strong partnerships across Wentworth. Solving issues is a group activity.

Real estate agents engagement and tenancy support

These new services flow out of the NSW Government's new approach to providing homelessness services. The focus of the new initiatives is on early intervention and prevention. If we can prevent a family or individual losing their home or tenancy, then they avoid the trauma of homelessness and its impact on family relationships, work, education, independence and health. We know that the right support at the right time can help people in private rental who are at risk of having their tenancy terminated.

The biggest challenge when we first started was to build confidence in the property managers of local real estate agencies. It was a foreign concept that Wentworth might be able to step in and work with the tenant to prevent the termination of a lease. However, persistence pays and over the past

six months we have seen a steady increase in property managers who now call to discuss a tenancy issue before a termination notice. The guide we created provides strategies for property managers when talking to their tenants.

With the new service, we now have private rental clients contacting us for assistance to save their tenancy and for guidance on services we can link them with to sort out the underlying issues that are leading to a rental termination.

Adult homelessness support services

New to the Nepean Blue Mountains District and flowing from the Specialist Homelessness Services program reform was the introduction of a housing and support service for single adults and couples without accompanying children.

While these are new services, we have had plenty of experience on which to draw. Both our Project 40 and international case studies have shown us what is needed to support adults at risk of homelessness as well as those who may have been homeless for some time. The Assertive Outreach program is one such component of this service.

The priority is to provide stable housing then we build strong relationships to help people set goals and plan for the future. The next step is to connect the people to services and their community.

Nureen domestic violence service

As a partner to West Connect Domestic Violence Service, we work with women with children in the Hawkesbury who are escaping domestic violence. Our goal is to ensure they are supported to be

safe, to secure a home, sort out their finances, seek legal advice, connect their children with schools and deal with the impact that domestic violence has had on their family. Nureen has a range of services to assist women to stay home safely or to start safely in a new home. The service can provide outreach to women in the community and is active in local community campaigns to end domestic violence.

Nepean Blue Mountains specialist homelessness services: The Right Door

The Going Home Staying Home Reform of Specialist Homelessness Services created an opportunity to provide an expanded range of services. For the Nepean Blue Mountains District (NBMD), these services were awarded to Mission Australia, Lithgow Community Services, West Connect Domestic Violence, Platform Youth Services and Wentworth (successfully tendered to provide two services). While these organisations are designated Lead Agencies, we all partner with local organisations to create more client touch points. In Wentworth's case, we also worked closely with our other partners, The Gender Centre and the Community Restorative Centre to ensure clients have the right specialist support.

From the outset, all the agencies realised that the way to deliver the best outcomes for people was to develop a supportive and collaborative approach to our services. This led to the introduction of an 1800 number under the banner "The Right Door". The toll-free number means those wanting to know more about the services have a single entry point for all the support agencies. The caller self-selects the service that best matches their situation and has their call transferred to the right agency. We can provide a more 'joined up service' to clients. Additionally, we have implemented a District Referral Protocol that creates a "connected service" for clients. This commitment to collaboration and support is a first in New South Wales.



CONNECTING: MAKING A DIFFERENCE

For Lisa Eggers, Wentworth's Sustainable Communities Project Officer working with Joy Impiombato the General Manager, South Penrith Neighbourhood Centre is inspirational and a reason to come to work each day.

Lisa: I can't exactly remember when I first met Joy, however we have both worked in the community sector for many years, crossing paths on many occasions. Whatever her role, Joy is so positive and enthusiastic. She has the knack of pulling people together as a team in the time it takes to make a cup of coffee. She is a great role model and developer of people.

Joy's years of experience provide her with a deep understanding of our communities, and I have come to rely on her advice. There is nothing better than knowing that Joy with her high energy, commitment and passion is only a telephone call away. When we work together, as we are in Cranebrook, her ability to create a strong team culture is a major plus. The challenges are immense and working together means we can make a difference.

When Joy and I work together, nothing seems impossible. Connecting with the interagency and working groups ensures we are all working on positive outcomes and it is so much easier when you know that Joy's part of the equation. Although we build partnerships with organisations to

create outcomes for the community, it's the connections we form with those who have a hands-on role that makes my work so much more gratifying.

Joy: Lisa has always had those qualities that are essential for a great Community Sustainable Officer. She almost always sees the silver lining, seeing the opportunities; she is a great listener and empathetic to those who's lives are under stress and or those who find opportunities out of reach. Lisa is never short of new ways of thinking and new projects to start.

I value the way Lisa gets things done, how she doesn't let things slip; she is such a creative thinker. She always follows-up on her commitments and is open to discussing what can or can't be delivered. I value how she sees the big picture and the activities required to meet the milestones. We both know that the issues we are tackling cannot be solved overnight.

Generally when families come to us, they are in crisis on a lot of fronts. Knowing that Wentworth is around to help resolve housing needs means we can concentrate on developing social

Pictured above L-R: Joy Impiombato and Lisa Eggers

inclusion activities, early intervention and prevention and opportunities that can make a difference. Working with Lisa and other staff in Wentworth means we have been able to help clients sustain their tenancies and create better communities – the best possible outcome.

Connecting

Proactive and collaborative partnerships are part of Wentworth's DNA. Whether we are connecting to those in crisis with other partners and local health agencies or working with all levels of government, our goal is to find innovative answers to the challenges our residents face.

These three projects show that the one-to-many is a good way of using early intervention programs to create local responses to local issues.

"Girls with Goals" Netball Scholarship

The "Girls with Goals" Netball Scholarship project is an initiative that aims to encourage girls living in disadvantaged communities to be more active and involved in sport. This project will increase opportunities for young girls to play sport. Initially, the scholarship aimed to give two young girls the opportunity to play netball. However, the success is likely to see an expansion in the number of scholarships being offered.

This scholarship program is a collaborative project between Cranebrook High, Nepean Community Neighbourhood Services and the local netball club – Cambridge Park Netball Club. The scholarship covers the first year of registration fees, sporting uniform, netball shoes and the opportunity to further develop their sporting skills.

In its first year, Cambridge Park Netball Club was awarded Netball Club for 2015 for the Penrith District; this was in part due to the Wentworth scholarship and the partnerships that have been created by all those involved. Wentworth's Sustainable Communities Project Officer, Lisa

Eggers received the President's Award for promoting netball sport to young people seeking opportunities. Lisa's commitment and passion are undeniable in this area, volunteering her weekends to make the program a success.

Wentworth sees its involvement in such scholarship programs as a tangible way of providing opportunities that appear out of reach for families, due to limited support, limited transport, financial constraints and social exclusion.

Cranebrook: "Our Place, Our Space" magnetic places project

"Our Place, Our Space" is a community and an environmental project jointly funded by Penrith City Council and Wentworth Community Housing. Also supported by Nepean Community Neighbourhood Services and the Cranebrook Neighbourhood Advisory Board, the goal is to hold regular events in under-utilised parks and community spaces to build stronger community connections between all of the residents. The aim is to create a range of community activities, workshops and participatory opportunities to provide a soft entry point for residents to engage with the various community agencies, social services and their community.

This project aligns with many of the outcomes that Wentworth and partners actively promote to the residents of Cranebrook. These include skills development and creating a sense of community by encouraging residents to volunteer. The plan is to encourage residents to be more aware of their physical environment and to create a sense of ownership.

As a partner in both the Cranebrook Neighbourhood Advisory Board and the Cranebrook Collective, Wentworth is active in developing a wide range of long term partnerships in the area to create more sustainable tenancies for the residents of Cranebrook. The project celebrates the Cranebrook community through creative engagement aimed at developing a sense of commitment

to their community, with a sense of possibility and sense of place, providing the impetus for longer term improvements for the Cranebrook community.

Riverstone Community Connections Committee

The Riverstone Community Connections Committee (RCCC) is a collaborative group that brings together residents, government and non-government organisations to focus on identifying and developing solutions to the priority issues of the Riverstone community. The Committee includes the Department of Family and Community Services, the Riverstone Neighbourhood Centre, Wesley Mission, NSW Police and Blacktown City Council and a resident representative.

This Committee is one of many that Wentworth contributes to across all of western Sydney. Wentworth as the lead agency created the Committee and through a consultative approach developed a Strategic Plan 2015-2017. This Plan takes a multi-faceted approach to support social inclusion as well as creating environmental and economic outcomes. Strategies include the formation of agency partnerships to support early intervention and prevention of major housing issues.

The "Pink Pride Project" is one initiative generated from the Riverstone Community Connections Committee and funded by Wentworth, in partnership with Department of Education and Communities and Riverstone High School in 2014/15. The Pink Pride team, consisting of 10 at-risk Year 9 female students are involved in a school-based project focused on the development of their trade based painting and decorating skills, and design and project management abilities. This enables these young women to create a portfolio of trade skills that the students can use to support future employment opportunities or use as a base to develop other career paths.

BOARD OF DIRECTORS

KEITH BRYANT



Chairperson Appointed February 2014 – Joined the Board January 2012

Keith is the principal of a consultancy that supports philanthropists improve the effectiveness of their giving programs. Prior to this, he worked as the Chief Operating Officer, The Benevolent Society (2001 – 2011) and as a Director at Deutsche Bank Australia (1989 – 1999).

Special Responsibilities Chairperson of the Board and member of the Finance, Risk and Audit Committee.

KEN GILBERT



Vice Chairperson Appointed February 2014, Joined the Board February 2013

Ken has held senior positions leading Community Services teams in municipal Councils and senior human resources roles in organisations and consulting firms. He is currently a Senior Manager at Sydney University's Campus and Infrastructure division.

Special Responsibilities Vice Chairperson of the Board and Chairperson of the Finance, Risk and Audit Committee.

RON COSKERIE



Joined the Board February 2013

Ron has been a senior banking executive for over twenty years. He has extensive experience across the banking and finance industry with particular reference to property funding and development and aged health care in the not for profit sector.

BRODIE DRUETT



Joined the Board November 2013

Brodie is a recently retired senior public servant formerly with Housing NSW and Family and Community Services (FACS). He was General Manager for Southern and Western Region in Housing NSW for 6 years up to February 2013. His last role was Interim District Director FACS Nepean/Blue Mountains.

Special Responsibilities Member of the Asset and Development Committee.



CAMERON LAMB

Joined the Board February 2013

Cameron has very broad experience in property development; the majority of his work has been focussed on planning, development and construction of large master planned and medium density residential developments. He has worked in the community development sector on housing estate renewal.

Special Responsibilities Chairperson of the Asset and Development Committee.



AIMEE LINDFIELD

Joined the Board October 2015

Aimee has a broad range of experience in professional services and has recently taken on an IT strategy and governance role for a large FMCG company. Her experience covers consulting, financial audit and transformation change projects.

Special Responsibilities Member of the Finance, Risk and Audit Committee.



JOSEPH LITWIN

Resigned November 2014, reappointed May 2015

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

Special Responsibilities Member of the Asset and Development Committee.



LOUISE MORRIS

Joined the Board January 2015

Louise is an award-winning property developer with a professional background in property and construction law. She has specialised experience in the procurement, planning, funding and delivery of medium- and high-density residential buildings in Canberra, ACT.

Special Responsibilities Member of the Asset and Development Committee.



ASHLEIGH O'BRIEN

Joined the Board February 2013

Ashleigh is a senior executive with an international building materials company. She has worked extensively in the corporate world and provides expertise to both the Board and Wentworth in the areas of strategic business planning, communications and marketing.

Special Responsibilities Member of the Finance, Risk and Audit Committee.

SENIOR MANAGEMENT TEAM

STEPHEN MCINTYRE



Chief Executive Officer (appointed 7 October 2015)

Stephen comes to Wentworth with 20 years experience in senior executive roles across planning, housing, transport and the Sydney Olympics. His most recent role was Deputy Director-General at the NSW Department of Planning and Infrastructure where he had oversight of the Metropolitan Strategy for Sydney and led key initiatives around greenfield land release and urban renewal projects.

Stephen has also been an Executive Director with Housing NSW with responsibilities for strategic policy and asset management. Stephen holds qualifications in civil engineering, environmental studies and management, and has completed the Company Directors Course.

NICK SABEL



Chief Executive Officer (resigned 28 August 2015)

Nick led Wentworth for over 17 years building the organisation to be an innovative and dynamic provider of housing and community services in Western Sydney.

Nick holds qualifications in Social Work, Policy Studies and is a Graduate of the Institute of Company Directors. He was previously a Director on the Board of the NSW Federation of Housing Associations and from 2005 – 2009 held the position of Chairperson.

JITENDER BALANI



Manager, Asset and Development Services

Prior to joining Wentworth in July 2014, Jitender has been responsible for managing the Community Housing asset portfolio and asset system, including portfolio supply and realignment, asset management planning, standards formulation, asset strategies, contracts, QA and major asset improvement initiatives. Jitender has over 30 years experience in a range of asset management roles both in Australia and overseas. In Australia, Jitender has worked in various roles in the private, government and NGO sectors since 1992.

Jitender is passionate about his work in the asset management and program delivery areas and continues his professional journey of working in the social housing sector by supporting innovative models of housing solutions for clients most in need. He has tertiary qualifications in Civil Engineering and Building Construction.

JENNY RANFT**Manager, Community Services**

Person centred service is at the heart of Jenny's work to strengthen families and individuals and to build community. She has led teams and managed programs to deliver prevention, early intervention and intensive support services to people in Western Sydney from within government and non-government organisations for over 30 years.

Jenny is a relational contract manager who harnesses potential across partnerships to deliver the best possible support to people. Qualifications in Social Work, a Masters of Applied Science (Social Ecology) and continuing education in strategic leadership and contract management inform Jenny's commitment and practice to end homelessness.

KATHRYN WILLIAMS, PSM**Manager, Housing Services**

Kathryn has been part of the Senior Management Team since February 2013. Her 25 years in the Social Housing sector provides her with vast skills and experience in setting the strategic and operational direction for staff, the community and working closely with respective Government and non-Government agencies. Kathryn's Public Sector Medal, together with her qualifications in Management and Neurolinguistics helps her to achieve her vision of making a difference in peoples' lives.

Kathryn's qualifications, leadership skills and vision has seen the delivery of innovative programs to increase social inclusion, increase community and individual capacity, support individuals in achieving aspirations and capitalise on opportunities for business and consumers. The most rewarding part of Kathryn's position is seeing the potential blossom in business, clients and in staff.

DENISE HARTMAN**Manager, Human Resources**

Denise has worked in Human Resources for the last 20 years, primarily for financial services institutions. Prior to joining Wentworth in early 2014, Denise held for ten years the role of Human Resources/Learning and Development Manager for BNP Paribas. Denise is passionate about supporting staff to be able to do their jobs effectively. She has a particular interest in performance planning and management, organisational development, leadership and management development and career planning.

Denise holds a Diploma of Teaching in Adult Education, a Masters in Training and Development, and accreditation in a variety of Human Resource and Learning and Development tools.

GREG OONG**Manager, Finance and Corporate Services and Company Secretary
(resigned 18 September 2015)**

Greg has been part of the Senior Management Team since July 2010. He has a Bachelor of Commerce with a major in Finance and was a member of the Institute of Chartered Accountants of Australia from 1987 to 2008.

Greg has worked within the not for profit sector for over twenty five years and with various community housing providers for over twenty years. He has also consulted to Government in the community housing area including Wentworth from 2005 to 2008 before joining Wentworth in a permanent role.

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 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, Australian Charities and Not for Profits Commission 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:

- › Finance, Risk and Audit
- › 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 helps guide renewal and recruitment.



FINANCIAL REPORT

For the year ended 30 June 2015

Wentworth Community Housing Limited
ABN 50 003 076 337

phillip street

DIRECTORS' REPORT

Your Directors present this report on the company for the financial year ended 30 June 2015.

Directors

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

- › Keith Bryant
- › Ken Gilbert
- › Ron Coskerie
- › Brodie Druett
- › Cameron Lamb
- › Aimee Lindfield (appointed October 2015)
- › Joseph Litwin (resigned November 2014, reappointed May 2015)
- › Louise Morris (appointed January 2015)
- › Ashleigh O'Brien

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 course of the year was the provision of housing to very low to moderate income earners and the homeless. 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 amounted to:

2015 \$	2014 \$
4,712,086	12,021,665

Review of operations

This year has been one of both significant achievement and increasing challenges. The achievements including the completion and tenancing of our first apartment complex at Derby Street, Penrith and the commencement of the Going Home Staying Home projects in late 2014. The challenges, as has been the case in prior years, were to develop and grow our business and processes to meet the requirements of Government, stakeholders and partners to ensure we can provide the best service for our tenants and clients who are the most in need in our community.

The Company's result for the year was a total surplus of \$4.712 million (2014: \$12.022 million) that included \$716 thousand (2014: \$8.448 million) of capital grants for current development projects. The operating surplus for the year of \$3.997 million (2014: \$3.573 million) is the fifth consecutive year of operational surpluses in excess of \$3 million with total accumulated operational surpluses over five years in excess of \$19 million. This year has been another strong financial performance that has exceeded budget projections and has enabled the Company to maintain a strong and viable financial position.

Reserves of \$18.068 million (2014: \$17.971 million) provide a significant financial base across the key areas of the business to ensure long term financial viability.

Property plant and equipment of \$19.296 million (2014: \$14.709 million) increased by \$4.587 million primarily from development projects. This year saw the tenancing of Wentworth's first development project at Derby Street, Penrith. The development from tender to tenancing was over a number of

years with the complex welcoming tenants from March 2015. Also during the year, there were three further developments in progress at Rouse Hill, St Mary's and Springwood. Each of these projects is a combination of Wentworth equity, debt financing and/or Government contributions. The continued strong financial position enables the Company to manage these developments with high equity contributions, strong cash flows and low debts levels to ensure project risk can be mitigated and projects can be delivered on time and within budget.

Current payables of \$11.811 million (2014: \$6.473 million) have increased primarily due to the receipt of Government subsidies of \$9.029 million (2014: \$2.768 million).

There have been significant changes in the Community Services area over the last 12 months. Funded programs managed by Wentworth, in some cases for over 15 years including Nureen and the DOCS Housing Resource worker programs, ended in October 2014. However, Wentworth was successful in two State wide tender for the new "Going Home Staying Home" Specialist Homelessness Services programs. Wentworth is the lead agency for the Adult and Tenancy programs and is a partner in a Domestic Violence program. These programs commenced in November 2014 and to date, there have been some outstanding successes with clients.

During 2016 Wentworth will be reviewing and investing in technology to ensure that the systems, processes and procedures maximise efficiencies and achieve economies of scale to provide the best outcomes and services to our tenants, service partners and stakeholders into the future.

The future for Wentworth continues to remain promising. The last 12 months has been a period of growth and further development which built on the successful 17 year legacy left by Nick Sable who resigned as Chief Executive Officer during the year. During those 17 years Nick grew the company from 4 staff and 200 homes to more than 60 staff and over 2,000 properties.

In October the Board was delighted to welcome our new Chief Executive Officer Stephen McIntyre who is well placed, following a recent career in senior government policy and infrastructure roles, to provide the vision to ensure Wentworth continues to grow and benefit from the dynamic development occurring in the affordable and social housing sector.

Strategic priorities

Wentworth's strategic priorities as part of the Strategic Plan for the year ended 30 June 2015 were:

- › Helping to build stronger communities
- › Sustaining viable Housing Services
- › Increasing the number of houses we own and manage
- › Having the organisational capacity to deliver excellence and innovation

Strategic goals

To achieve the strategic priorities, Wentworth adopted eight primary goals as listed below. Significant achievements have been made against the strategic plan and some of these are listed under each of the strategic goals:

We will link people to their communities

- › Development of a priority estate plan for Shalvey and Riverstone in conjunction with Housing NSW, Government and non-Government agencies to improve social inclusion, environmental outcomes and a creation of place.

- › Strong partnership and collaboration with Government and non-Government agencies in other priority suburbs such as Cranebrook, Katoomba and Blaxland ensuring strong intensive tenancy management and community capacity development.
- › Maintaining the development and well-being of volunteer Tenants who work within their communities and alongside tenants and staff to make a difference by linking tenants with opportunities, services and support.
- › Our three homelessness services supported 662 people who were at risk of homelessness or homeless, exceeding the expectations of 413 clients.

We will build stronger local partnerships

- › Strong collaborative partnerships across a wide range of Government and non-Government partners is demonstrated in the approaches to support planning, service delivery and innovation, these are inclusive of yet not limited to:- the FACS Integrated Case Coordination Panel, where Wentworth is a participant, this panel explore the systemic issues affecting the most vulnerable tenants and homelessness and working in coordinated approach in meeting client and agency outcomes.
- › Planning committees in relation to stronger interfaced service connections such as the Homeless Hubs, Interagencies, program management and community development practices.

- › Strong partnerships on a tenancy and property management level across three districts supporting the Going Home Staying Home programs – ensuring outcomes, viability and continuous improvement.

- › A Primary Partnership Group (PPG) was established with 5 partner agencies who govern our homelessness services. All risks were managed, targets were exceeded and relationships remain positive.
- › We engaged with all Lead Agencies of homelessness services in the district to jointly launch our services and to develop joint branding and share promotional products. A 1800 phone number provides a single entry point for services across the district.

We will deliver high quality tenancy services

- › Successful in a Housing NSW (HNSW) tender for 28 units in Penrith that accommodates senior tenants which includes the innovative delivery of assistive technology that will see aged persons provided with mobility aids and products to assist tenants in their later period of life.
- › Additional six properties from HNSW in conjunction with the Department of Community Services with one unit designated to the "A Place To Call Home" program to support clients with complex needs.
- › Re-alignment of staff in Tenancy and Access Services to ensure robust intensive tenancy management with a focus on early intervention and prevention methods in sustaining tenancies and creation of vibrant communities.

We will deliver effective maintenance services

- › In 2015, we completed stage 1 of our Planned Maintenance Program (PMP) to maintain properties in an efficient manner. This is expected to reduce responsive costs as well as improve tenant satisfaction with maintenance services.

- › Successfully completed and transitioned the Outsource Maintenance Program in accordance to the Going Home Staying Home program and guidelines.
- › A new structure in the Asset team was approved and has been implemented in the first quarter of 2016. This new structure clarifies roles and responsibilities and is expected to further strengthen our services to tenants as well as improve delivery of maintenance services in a cost effective manner.

We will develop affordable rental housing

- › Successful tendering process for Rouse Hill project (28 units) and St Marys project (49 units).
- › Derby Street project completed and fully tenanted by April 2015.
- › Group home in Springwood is under construction to provide additional accommodation for people with a disability and is due for completion in the 2016 financial year.
- › Negotiations are continuing with FACS on other affordable housing projects and with Local Governments regarding affordable housing opportunities.
- › Continued strong financial results to maintain financial viability to enable surplus funds to be used as equity contributions for property developments.

We will pursue property management transfers

- › A number of proposals were submitted as part of the Premiers Innovative Initiative (PII) to further grow the portfolio under management through the property transfer program. The outcome of the PII is expected in 2016 financial year.

- › As part of the Going Home Staying Home, support agencies opted that Wentworth was a preferred provider to support tenancy and property management to 35 properties transferred from the Outsource Maintenance Program to a lease.
- › Continued strong relationships with the Aboriginal Housing Office ensuring adherence to the Partnership Agreement, resulted in agreed management of properties increasing from 16 in 2013, to 20 by 2015, with further increase by 2016.

We will build a best in sector workforce culture and practice

- › Implemented an action plan resulting from the voice Engagement Survey.
- › Developed and implemented an organisational training plan including management and leadership development and a standardised induction program for new staff.
- › Received Tier 1 registration under the National Regulatory System for Community Housing.

We will maintain strong and diverse sources of funding

- › Through the St Marys site tender, Wentworth has been successful in collating Federal Government funds (through NRAS) and Capital grants through State and Local Government. This combined with Wentworth's debt and equity has provided a unique solution and we will continue to identify and maintain diverse sources of funding.
- › We have created a fund raising division that will assist in attraction of private sector funding and philanthropic funding.

Key Performance Measures

The Board meets monthly and is assisted by two sub-committees, Finance, Risk and Audit and Asset and Development, in reviewing Wentworth's progress against strategic objectives.

The Board receives key reports each month from the senior management team together with a balanced scorecard that summarises the keys areas of the business and enables the Board to review the state and health of the company. The Board also reviews key risks of the business quarterly together with the business plan to ensure key strategic objectives are monitored and met during the year. These periodic reviews enable the Board to check the organisational health by reviewing financial and non financial key performance indicators against the business plan, budget and benchmarks.

Information on Directors

Keith Bryant

Appointed January 2012

Qualifications

Bachelor of Economics and Law (USyd), Masters of Business Administration (Macquarie Graduate School of Management) and Graduate member of the Institute of Company Directors (AICD).

Experience

Keith is the principal of a consultancy that supports philanthropists improve the effectiveness of their giving programs. Prior to this, he worked as the Chief Operating Officer, The Benevolent Society (2001 – 2011) and as a Director at Deutsche Bank Australia (1989 – 1999).

Special Responsibilities

Chairperson of the Board and member of the Finance, Risk and Audit Committee.

Ken Gilbert

Appointed February 2013

Qualifications

Bachelor of Social Work (UNSW), Bachelor of Business (CSU) and Graduate member of the Australian Institute of Company Directors (AICD).

Experience

Ken has held senior positions leading Community Services teams in municipal Councils and senior human resources roles in organisations and consulting firms. He is currently a Senior Manager at Sydney University's Campus and Infrastructure division. His experience in the corporate and not for profit sectors is extensive and he provides specific expertise in the areas of human resources management, strategy development and community networks.

Special Responsibilities

Vice Chairperson of the Board and Chairperson of the Finance, Risk and Audit Committee.

Ron Coskerie

Appointed February 2013

Qualifications

Master of Business in Accounting and Finance (UTS), Graduate member of the Institute of Company Directors (AICD), Fellow of the Institute of Public Accountants and Fellow of the Financial Services Institute.

Experience

Ron has been a senior banking executive for over twenty years. He has extensive experience across the banking and finance industry with particular reference to property funding and development and aged health care in the not for profit sector. He provides expertise to Wentworth through his wealth of experience and expertise in finance and in particular funding of development projects.

Brodie Druett

Appointed November 2013

Qualifications

Graduate Certificate in Housing Management and Policy (Swinburne University) and member of the Australasian Housing Institute (AHI).

Experience

Brodie is a recently retired senior public servant formerly with Housing NSW and Family and Community Services (FACS). He was General Manager for Southern and Western Region in Housing NSW for 6 years up to February 2013. His latest role prior to retirement was Interim District Director FACS Nepean/Blue Mountains. Brodie currently volunteers in a number of roles in the Penrith/Blue Mountains area.

Special Responsibilities

Member of the Asset and Development Committee.

Cameron Lamb

Appointed February 2013

Qualifications

Bachelor of Engineering (Civil), Chartered Professional Engineer and Diploma of Youth and Development.

Experience

Cameron has very broad experience in property development; the majority of his work has been focussed around the planning, development and construction of large master planned and medium density residential developments however, he also has considerable experience in commercial developments and special projects including schools and parks. He has also worked in the community development sector on housing estate renewal enabling him to provide a unique perspective on achieving commercial and housing in the context of community housing.

Special Responsibilities

Chairperson of the Asset and Development Committee.

Aimee Lindfield

Appointed October 2015

Qualifications

Member of the Institute of Chartered Accountants of Australia and Bachelor of Business at the University of Technology, Sydney.

Experience

Aimee has a broad range of experience in professional services and has recently taken on an IT strategy and governance role for a large FMCG company. Her experience covers consulting, financial audit and transformation change projects.

Special Responsibilities

Member of the Finance, Risk and Audit Committee

Joseph Litwin

Resigned November 2014, reappointed May 2015

Qualifications

Bachelor of Social Anthropology, Diploma in Teaching and Masters in Development and Community Organisation.

Experience

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

Special Responsibilities

Member of the Asset and Development Committee.

Louise Morris

Appointed January 2015

Qualifications

Bachelor of Commerce, Bachelor of Law (Honours) and GDLP.

Experience

Louise is an award-winning property developer with a professional background in property and construction law. She has specialised experience in the procurement, planning, funding and delivery of medium- and high-density residential buildings in Canberra, ACT and has developed over 1000 apartments since 2009. Louise is dedicated to excellence in design,

quality of delivery, value for money and customer service in property transactions.

Special Responsibilities

Member of the Asset and Development Committee.

Ashleigh O'Brien

Appointed February 2013

Qualifications

Bachelor of Arts in Communication and Media (UWS), Masters of Business Administration (SGSM), Masters of Business Marketing (SGSM) and Graduate Member of the Institute of Company Directors (AICD).

Experience

Ashleigh is a senior executive with an international building materials company. She has worked extensively in the corporate world and provides expertise to both the Board and Wentworth in the areas of strategic business planning, communications and marketing.

Special Responsibilities

Member of the Finance, Risk and Audit Committee.

Meetings of Directors

The number of meetings (including meetings of committees) held during the year and the numbers of meetings attended by each Director were as follows:

	Board Meetings held whilst a Director	Board Meetings Attended	Finance, Audit & Risk Meetings held whilst a Director	Finance, Audit & Risk Meetings Attended	Asset & Development Meetings held whilst a Director	Asset & Development Meetings Attended
Keith Bryant	9	9	7	7	–	–
Ken Gilbert	9	9	7	7	–	–
Ron Coskerie	9	6	–	–	–	–
Brodie Druett	9	8	–	–	7	4
Cameron Lamb	9	9	–	–	7	7
Joseph Litwin*	5	5	–	–	4	3
Louise Morris **	5	3	–	–	3	1
Ashleigh O'Brien	9	7	7	7	–	–

* Joseph Litwin resigned from the Board in November 2014 and was reappointed in May 2015.

**Louise Morris was on Board leave of absence from April 2015, returning in September 2015.

Significant changes in the state of affairs

During the year, Wentworth commenced three new projects under the State Government 'Going Home Staying Home' tender program. These programs are for three years with total recurrent funding of \$3.6M with Wentworth being the lead agency in two and one as a partner. In addition, Wentworth was successful in a tender for a 49 apartment complex in St Mary's which will commence construction in the 2015/2016 year.

After balance date events

No other matters or circumstances have arisen since 30 June 2015 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 where appropriate and continue with two development projects during the year. In addition, the Company will continue to sourcing acquisition and property development opportunities.

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 each towards meeting any outstanding obligations of the entity. At 30 June 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$340 (2014: \$320).

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 has been received and can be found on page 28 of the financial report.

Signed in accordance with a resolution of the Directors of the Company:



Keith Bryant
Director



Ken Gilbert
Director

Dated the 16th day of October 2015



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**Auditor's Independence Declaration
To the Responsible Entities of Wentworth Community Housing Limited**

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Wentworth Community Housing Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

James Winter
Partner - Audit & Assurance

Sydney 16 October 2015

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
REVENUE FROM ORDINARY ACTIVITIES			
Government grants and subsidies	2	5,493,034	14,980,884
Tenant rents		21,354,319	20,121,978
Other revenues		3,658,145	3,516,419
Employee benefits expense		(4,726,781)	(4,073,727)
Property and lease expenses	5	(19,306,352)	(20,674,243)
Depreciation expenses	3	(237,628)	(139,548)
Other expenses from ordinary activities	6	(1,522,651)	(1,710,098)
Net surplus for the year		4,712,086	12,021,665
Other comprehensive income			
Other comprehensive income for the year		–	–
Total comprehensive income for the year		4,712,086	12,021,665

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	8	27,603,932	12,927,140
Accounts receivable and other debtors	9	2,236,837	1,613,090
Other current assets	10	192,656	10,246,114
Total current assets		30,033,425	24,786,344
NON-CURRENT ASSETS			
Property, plant and equipment	11	19,295,606	14,709,170
Other non current assets	12	1,519,341	1,430,243
Total non-current assets		20,814,947	16,139,413
Total assets		50,848,372	40,925,757
CURRENT LIABILITIES			
Accounts and other payables	13	11,811,119	6,472,767
Borrowings	14	300,000	300,000
Current tax liabilities	15	39,672	33,692
Provisions	16	706,860	495,135
Total current liabilities		12,857,651	7,301,594
NON-CURRENT LIABILITIES			
Accounts and other payables	13	42,764	59,941
Borrowings	14	4,425,000	4,725,000
Provisions	16	114,355	142,706
Total non-current liabilities		4,582,119	4,927,647
Total liabilities		17,439,770	12,229,241
Net assets		33,408,602	28,696,516
FUNDS			
Reserves	7	18,068,000	17,971,000
Accumulated funds		15,340,602	10,725,516
Total funds		33,408,602	28,696,516

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Accumulated Funds \$	Reserves \$	Total Funds \$
Balance at 1 July 2013	2,253,851	14,421,000	16,674,851
Comprehensive income			
Surplus for the year	12,021,665	–	12,021,665
Other comprehensive income for the year	–	–	–
Total comprehensive income	12,021,665	–	12,021,665
Transfer to/from reserves	(3,550,000)	3,550,000	–
Balance at 30 June 2014	10,725,516	17,971,000	28,696,516
Comprehensive income			
Surplus for the year	4,712,086	–	4,712,086
Other comprehensive income for the year	–	–	–
Total comprehensive income	4,712,086		4,712,086
Transfer to/from reserves	(97,000)	97,000	–
Balance at 30 June 2015	15,340,602	18,068,000	33,408,602

STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Tenant rents received		21,599,608	19,847,673
Sundry income		138,444	60,851
Government grants and subsidies, and Management Fees		15,839,524	18,578,324
Payments to suppliers and employees		(27,943,128)	(27,732,182)
Interest received		636,409	817,063
Net cash from operating activities	19	10,270,857	11,571,729
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(4,594,065)	(12,254,367)
Investment in Term Deposit		–	(9,300,000)
Redeemed Term Deposit		9,300,000	–
Net cash from (used in) investing activities		4,705,935	(21,554,367)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase (decrease) in bank loan		(300,000)	5,025,000
Payment for borrowing expenses		–	(26,630)
Net cash from (used in) financing activities		(300,000)	4,998,370
Net increase (decrease) in cash held		14,676,792	(4,984,268)
Cash at the beginning of the financial year		12,927,140	17,911,408
Cash at the end of the financial year	8	27,603,932	12,927,140

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

Note 1: Summary of significant accounting policies

1. Nature of operations

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

2. General information and statement of compliance

The general purpose financial statements of the Company have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements for the year ended 30 June 2015 were approved and authorised for issue by the Board of Directors of Wentworth Community Housing Limited on the 16th of October 2015.

3. Revenue recognition

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Rental income

Rental Income is recognised as income in the period within which it is earned.

Government grants

Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when the company obtains control of the funds.

Rendering of services

Revenue from fees received for services and management fees is recognised when the service is provided.

Interest

Revenue is recognised as interest accrues using the effective interest method.

4. Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

5. Current and other receivables

Current receivables

Current receivables are recognised at original invoice amounts less an allowance for uncollectible amounts. Collectability of receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the company will not be able to collect all amounts due according to the original terms. On confirmation that the receivable will not be collectible, the gross carrying value of the asset is written off against the associated provision.

Non-current receivables

Non-current receivables include loans due from related parties. These are accounted for on an amortised cost basis using the effective interest method. For non-interest bearing loans, fair value at initial recognition requires an adjustment to discount these loans using a market-rate of interest for a similar instrument with a similar credit rating. The discount is debited on initial recognition to the statement of comprehensive income. The amortised cost is subsequently measured as the fair value amount initially recognised, plus interest accrued using the effective interest method, less any principal repayments.

Available-for-sale financial assets

Available-for-sale financial assets comprise investments in listed and unlisted entities and any non-derivatives that are not classified as any other category of financial assets, and are classified as non-current assets (unless management intends to dispose of the investment within 12 months of the end of the reporting period). Available-for-sale financial assets are measured at fair value, with changes in fair value recognised in other comprehensive income.

6. Fair values

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

7. Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Plant and equipment is recognised at historic cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairment. Land and buildings transferred to the company for nil consideration are measured at the fair value of the contribution received. This takes into account any restrictions on use imposed by the transferor.

Land is not depreciated.

Depreciation on other assets is calculated on a straight-line method so as to write off the net cost of the assets over their estimated useful lives, as follows:

Motor vehicles	4.5 years
Leasehold improvements	5-6 years
Office furniture	4-10 years
Computer equipment	3-4 years
Buildings	40 years

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in profit or loss in the year that the item is derecognised.

8. Leases

Leases of property, plant and equipment where the company has substantially all the risks and rewards of ownership are classified as finance leases and capitalised at inception of the lease at the fair value of the leased property, or if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases where the lessor retains substantially all the risks and rewards of ownership of the net asset are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

9. Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost. Value in use for all other assets is a discounted cash flow calculation.

10. Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the company prior to the year end and which are unpaid. These amounts are unsecured and have 7 to 90 day payment terms. The carrying amount of the creditors and payables is deemed to reflect fair value.

11. Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

12. Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee entitlements arising from wages, salaries, annual leave and personal leave have been calculated based on current remuneration rates. The entitlements which are payable later than one year are not materially different from the liability measured at the present value of the estimated future cash outflows to be made for those benefits. The Long Service Leave Liability has been calculated based on current remuneration rates for all employees which provides an estimate of the long service leave not materially different from the liability measured at the present value of the estimated future cash outflows to be made for those benefits.

13. Income Tax

The Company is exempted from income tax under section 23(e) of the Income Tax Assessment Act and it is registered under the Australian Charities and Not-for-profits Commission Act 2012.

14. Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the statement of financial position.

15. Significant accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historic knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. The Directors have assessed the likely timing of the repayment of the loan to BlueCHP Limited and this timing has been incorporated into the measurement of the loan on an amortised cost basis using the effective interest method.

16. New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods. The impact of these new standards and interpretations is not expected to be significant.

Note 2: Revenue

	2015 \$	2014 \$
Revenue from operating activities:		
Tenant rents and utilities received	21,354,319	20,121,978
Government funded subsidies	5,493,034	14,980,884
Management fees	2,830,634	2,797,081
Insurance recoveries	9,588	–
Profit on sale of non current assets	25,321	24,794
Other income	103,535	77,429
	29,816,431	38,002,166
Revenue from non-operating activities:		
Interest revenue	636,409	617,115
Other	52,658	–
	30,505,498	38,619,281

Note 3: Surplus from ordinary activities

	2015 \$	2014 \$
Surplus from ordinary activities been determined after charging expenses:		
Bad and doubtful debts	305,957	611,845
Depreciation	237,628	139,548
Loss on disposal of assets	–	2,779
Provision for employee entitlements	88,201	37,178

Note 4: Income Tax

The Company is a public benevolent institution, is registered with the Australian Charities and Not-for-profits Commission and is exempt from income tax under Division 50 of the Income Tax Assessment Act of 1997.

Note 5: Tenancy and property expenses

	2015 \$	2014 \$
Bad and doubtful debts	305,957	611,845
Insurance	466,711	459,915
Property leases	5,861,410	5,740,727
Property acquisition and development costs	–	125,556
Rates (council and water)	3,137,432	2,998,439
Repairs and maintenance	7,957,295	9,663,878
Return of unexpended funds	206,954	195,990
Sundry expenses	1,370,593	877,893
	19,306,352	20,674,243

Note 6: Other expenses

	2015 \$	2014 \$
Office expenses	684,309	601,831
Program expenses	58,096	235,082
Rent	301,569	276,614
Finance charge on receivable	–	290,968
Loss on impairment	–	54,348
Sundry expenses	478,677	251,255
	1,522,651	1,710,098

Note 7: Reserves

	2015 \$	2014 \$
Balance at the beginning of the reporting period:		
General reserve	11,700,000	8,600,000
BlueCHP consortium reserve	575,000	575,000
Asset revaluation reserve	113,000	113,000
Acquisition and development reserve	4,237,000	3,987,000
Community services projects reserve	400,000	200,000
Computer and IT reserve	946,000	946,000
	17,971,000	14,421,000
Increase (decrease) in reserves during the reporting period:		
General reserve	300,000	3,100,000
BlueCHP consortium reserve	(575,000)	–
Asset revaluation reserve	–	–
Acquisition and development reserve	122,000	250,000
Community special projects reserve	250,000	200,000
Computer and IT reserve	–	–
	97,000	3,550,000
Balance at the reporting date		
General reserve	12,000,000	11,700,000
BlueCHP consortium reserve	–	575,000
Asset revaluation reserve	113,000	113,000
Acquisition and development reserve	4,359,000	4,237,000
Community services special projects	650,000	400,000
Computer and IT reserve	946,000	946,000
	18,068,000	17,971,000

Nature and purpose of each class of reserve:

General reserve

The general reserve is maintained for the purpose of funding future maintenance of the Company's capital and capital stock transfer properties.

BlueCHP consortium reserve

The BlueCHP consortium reserve were previously funds set aside for possible future contributions to a consortium joint venture with four other housing associations in New South Wales for the purpose of the development of housing projects and opportunities under the company structure of BlueCHP Limited from July 2008.

Asset revaluation reserve

The asset revaluation reserve is carried forward from prior periods from an increase in value of the proportional share of property owned by Wentworth Community Housing Limited with Housing NSW. No properties are held by the company at revalued amount.

Acquisition and development reserve

These are funds from operating surpluses which have been specifically identified for future equity contributions and financing of future property acquisitions and developments.

Community services special projects reserve

These are funds for specific projects for the community services team as determined by the Board and management.

Computer and IT reserve

These are funds from the operating surplus that are for the specific purpose of a new integrated IT system and implementation phase during 2014/2015 year.

Note 8: Cash assets

	2015 \$	2014 \$
Cash at bank – CBA	2,810,833	2,869,557
Cash at bank – NAB	57,776	84,991
Cash at bank – Westpac	25,840	52,392
Cash management and short term deposits	24,708,033	9,918,750
Cash on hand and float	1,450	1,450
Cash at bank	27,603,932	12,927,140

Reconciliation of cash:

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash	27,603,932	12,927,140
	27,603,932	12,927,140

Note 9: Receivables

	2015 \$	2014 \$
Sundry debtors and accrued income	1,617,091	920,766
Tenant rental arrears	307,289	466,095
Tenant debts – Water	270,132	294,538
Tenant debts – Other	328,472	501,663
Provision for doubtful debts	(286,147)	(569,972)
	2,236,837	1,613,090

Note 10. Other assets

	2015 \$	2014 \$
Prepayments	514,621	491,408
GST receivable	(372,852)	182,508
Security bonds and deposits	50,887	42,198
Term Deposit – Westpac	–	9,300,000
Land held for resale – Hazelbrook	–	230,000
	192,656	10,246,114

Note 11: Property, plant and equipment

	2015 \$	2014 \$
Land and buildings – Richmond		
At cost	155,000.00	155,000.00
	155,000.00	155,000.00
Land and Buildings – Derby Street, Penrith		
At cost	13,731,506	13,717,206
Less: Accumulated Depreciation	(96,986)	–
	13,634,520	13,717,206
Land and Buildings – Hart Drive, Rouse Hill (Under Construction)		
At cost	2,644,030	–
	2,644,030	–
Land and Buildings – Phillip Street, St Marys (Under Construction)		
At cost	1,842,733	–
	1,842,733	–
Land and Buildings – Macquarie Street, Springwood (Under Construction)		
At cost	598,074	491,235
	598,074	491,235
Leasehold improvements:		
At cost	446,123	371,871
Less: Accumulated depreciation	(302,925)	(251,521)
	143,198	120,350
Office furniture and equipment:		
At cost	588,366	509,605
Less: Accumulated depreciation	(473,655)	(416,188)
	114,711	93,417
Plant and equipment:		
At cost	826	826
Less: Accumulated depreciation	(746)	(720)
	80	106
Motor vehicles:		
At cost	195,170	132,343
Less: Accumulated depreciation	(31,910)	(487)
	163,260	131,856
Total property, plant and equipment	19,295,606	14,709,170

Note 11: Property, plant and equipment (cont'd)

Movements in carrying amounts for each class of property and equipment:

2015	Freehold land and buildings \$	Leasehold Improvements \$	Office Furniture and Equipment \$	Motor Vehicles \$	Total \$
Beg. Balance	14,363,441	120,350	93,523	131,856	14,709,170
Transfer to held for sale	–	–	–	–	–
Additions	4,607,902	74,252	78,760	63,150	4,824,064
Disposals	–	–	–	–	–
Depreciation	(96,986)	(51,404)	(57,492)	(31,746)	(237,628)
Balance at year end	18,874,357	143,198	114,791	163,260	19,295,606

2014					
Beg. Balance	1,650,405	164,069	167,804	11,884	1,994,162
Transfer to held for sale	(283,455)	22,789	(22,789)	–	(283,455)
Additions	12,996,491	–	18,171	144,333	13,158,995
Disposals	–	–	–	(20,984)	(20,984)
Depreciation	–	(66,508)	(69,663)	(3,377)	(139,548)
Balance at year end	14,363,441	120,350	93,523	131,856	14,709,170

Note 12: Non-current – other assets

	2015 \$	2014 \$
Loan to BlueCHP Limited	1,105,814	1,053,156
Security bonds and deposits	403,527	367,087
Other	10,000	10,000
	1,519,341	1,430,243

In August 2008, Wentworth, together with four other community housing associations entered into a Members' Agreement to establish BlueCHP Limited for the purpose of assisting in the growth of community housing by providing affordable and subsidised housing solutions to low and moderate income households. BlueCHP achieves this aim by the securitisation of finance and government grants to purchase and/or construct dwellings that are then leased to members to provide appropriate long term management of these properties to tenants as social or affordable housing.

In the event of the winding up of BlueCHP Limited every member of the company undertakes to contribute to the assets of the company, while they are a member, or within one year after they cease to be a member, for the payment of the debts and liabilities of the company (contracted before they cease to be a member) and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributions among themselves such as any be required, the amount undertaken by each member not exceeding \$10 or any unpaid membership subscription fee whichever is the larger.

Wentworth Community Housing Limited has signed a Membership Agreement and at the end of the financial year had made unsecured non-interest loans totalling \$1,344,124. As at year end, these loans were not expected to be repaid within the next twelve months so they have been classified as non-current loans.

The receivable is carried at a discounted amount in accordance with the Australian Accounting Standard 139 'Financial Instruments' (AASB 139).

Note 13: Payables

	2015 \$	2014 \$
Current		
Trade creditors and accrued expenses	1,773,776	2,923,181
Tenant rents in advance	906,450	715,269
Government subsidies in advance	9,029,110	2,767,733
Tenant bonds not remitted	40,242	22,272
Superannuation payable	589	1,886
Lease liability – Westpac	60,952	42,426
	11,811,119	6,472,767
Non-current		
Lease liability – Westpac	42,764	59,941
	42,764	59,941

Note 14: Borrowings

	2015 \$	2014 \$
Current		
Bank loan (secured) – Westpac	300,000	300,000
	300,000	300,000
Non-current		
Bank loan (secured) – Westpac	4,425,000	4,725,000
	4,425,000	4,725,000

The bank loan is secured against the company's land and buildings at Derby Street, Penrith and a deed of priority between the company, Westpac Banking Corporation and the Director-General of the NSW Department of Family and Community Services.

Note 15: Tax liabilities

	2015 \$	2014 \$
Current		
PAYG tax payable	39,672	33,692
	39,672	33,692

Note 16: Provisions

	2015 \$	2014 \$
Current		
Employee entitlements*	706,860	495,135
	706,860	495,135
Non-current		
Employee entitlements*	114,355	142,706
	114,355	142,706
*Aggregate employee entitlements liability	821,215	637,841

A provision has been recognised for employee entitlements relating to annual leave, long service leave and personal leave for employees.

Note 17: Auditors' remuneration

	2015 \$	2014 \$
Audit and review of financial statements	30,700	27,500

Note 18: Leasing commitments

Operating Lease Commitments

The Company's future minimum operating lease payments are as follows:

	2015 \$	2014 \$
Not later than 1 year	729,866	667,662
More than 1 year but not greater than 5 years	350,114	240,729

The leased assets are as follows:

Type	Term	Expiry
Office leases	1 to 4 years	March 2016 to October 2018
Property leases	1 year	July 2015 to June 2016
Motor vehicles	1 to 3 years	October 2015 to May 2017
Equipment leasing	2 to 3 years	September 2015 to February 2020

The property lease commitments are non-cancellable operating leases within lease terms between one month and 12 months. Increases in lease commitments may occur in line with CPI or market rent reviews in accordance with the agreements.

All commitments are exclusive of GST.

Note 19: Reconciliation of net cash provided by/used in operating activities to net profit

	2015 \$	2014 \$
Operating surplus	4,712,086	12,021,665
Non-cash items in operating profit:		
Depreciation	237,628	139,548
(Gain) / loss on disposal of assets	–	2,779
Interest (income) / expense on discounting of BlueCHP loan	(52,658)	54,348
Movement in assets and liabilities:		
Decrease/(increase) in receivables	(623,747)	(12,949)
Decrease/(increase) in other receivables	487,018	282,135
Increase/(decrease) in accounts and other payables	5,321,176	(952,974)
Increase/(decrease) in current tax liabilities	5,980	–
Increase/(decrease) in provisions	183,374	37,177
Net cash provided by operating activities	10,270,857	11,571,729

Note 20: Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows and excludes the term deposit in Note 10:

	2015 \$	2014 \$
Cash at bank and on call	10,207,253	5,425,690
Short term bank deposits	17,395,229	7,500,000
Cash on hand	1,450	1,450
	27,603,932	12,927,140

Note 21: Directors remuneration benefits

The names of Directors of the Company who have held office during the financial year were:

- › Keith Bryant
- › Brodie Druett
- › Joseph Litwin
- › Ken Gilbert
- › Cameron Lamb
- › Ashleigh O'Brien
- › Ron Coskerie
- › Louise Morris

Directors were paid honorariums for undertaking duties to ensure effective governance of the Company during the year totalling \$24,060 (2014: \$19,144).

Note 22: Transactions with key management personnel

Key management of the company are the members of Wentworth Community Housing's Board of Responsible Entities (Directors) and members of the company executive.

Key management personnel are those having authority for planning, directing and controlling the company's activities, directly or indirectly, include the Chief Executive

Officer, Finance and Corporate Services Manager, Asset Services Manager, Housing Services Manager, Community Services Manager and Human Resources Manager.

	2015 \$	2014 \$
Key Management Personnel remuneration (excluding directors honorariums disclosed at Note 21)	754,339	630,186

Note 23: Related parties

In August 2008, Wentworth Community Housing joined four other large Housing Associations – Argyle Community Housing, Hume Community Housing, Southern Cross Community Housing and Women's Housing Company (collectively "Members") – and entered into a Members' Agreement to establish Blue CHP Limited, for the purpose of

assisting in the growth of community housing by providing affordable and subsidised housing solutions to low and moderate income households. Blue CHP achieves this aim by the securitisation of finance and government grants to purchase and/or construct dwellings that are then leased to Members to manage as social or affordable housing.

Wentworth leases properties from BlueCHP Limited at market rates and sub leases these properties to tenants and engages BlueCHP Limited on a consultancy basis for sourcing of properties and potential development of these properties.

	2015 \$	2014 \$
a. Transactions with other related parties		
Rent paid to BlueCHP Ltd (from which management fee revenue was deducted)	1,095,578	1,072,910
b. Outstanding balances with other related parties		
Other Current Receivables – BlueCHP Limited	150,478	113,792
Current Other Creditors – BlueCHP Limited	17,946	1,830
Loan to BlueCHP Limited – at amortised cost	1,105,814	1,053,156
Loan to BlueCHP Limited – contracted amount	1,344,124	1,344,124

Note 24: Contingent liabilities

There were no contingent liabilities as at 30 June 2015 (2014: Nil).

Note 25: Capital commitments

Capital commitments are for estimated construction costs on the Rouse Hill Project, St Mary's Project and Springwood Group Home that will continue to be developed in the 2015/2016 year. The estimated total capital commitment is approximately \$9,084,000 (2014: \$5,930,000).

Note 26: Equity

The Company has no issued capital and is a Company limited by guarantee. Accordingly, pursuant to the Memorandum of Association of the Company, each member has undertaken, in the event of a winding up, to contribute for the payment of the Company's debts an amount not exceeding twenty dollars (\$20.00).

Note 27: Events subsequent to reporting date

Subsequent to year end, Wentworth Community Housing Limited entered into negotiations with BlueCHP Limited in regard to the potential settlement of the loan of \$1,344,124, for the full amount of the receivable.

Additionally, subsequent to year end the company received a statement of claim relating to a matter that is claimed to have occurred in a prior financial year. The company does not expect any material financial impact from the claim.

Note 28: Economic dependency

Wentworth Community Housing Limited is involved with Federal and State Government departments. Any change in the policies of these Governments may impact on the Company's ability to achieve its principal objectives.

Note 29: Registered office and principal place of business

The address of the Company's registered office and principal place of business is: Suite 1002, Level 1, 29-57 Station St Penrith NSW 2750.

RESPONSIBLE ENTITIES' DECLARATION

In the opinion of the Responsible Entities of Wentworth Community Housing Limited:

a. The financial statements and notes of Wentworth Community Housing Limited are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

i. Giving a true and fair view of its financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and

ii. Complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013, and

b. There are reasonable grounds to believe that Wentworth Community Housing Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Responsible Entities of the Company:



Keith Bryant

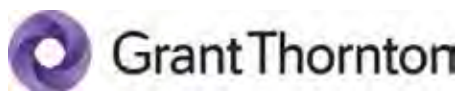
Director



Ken Gilbert

Director

Dated the 16th day of October 2015



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Independent Auditor's Report To the Members of Wentworth Community Housing Limited

We have audited the accompanying financial report of Wentworth Community Housing Limited (the "Company"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Responsible Entities' declaration of the company.

Responsible Entities' responsibility for the financial report

The Responsible Entities of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards –Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012. The Responsible Entities' responsibility also includes such internal control as the Responsible Entities determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

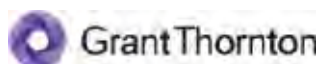
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Responsible Entities, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

Auditor's opinion

In our opinion the financial report of Wentworth Community Housing Limited is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- 1) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- 2) complying with Australian Accounting Standards-Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013.

A handwritten signature in dark ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in dark ink that reads "James Winter".

James Winter
Partner - Audit & Assurance

Sydney, 16 October 2015



IT CONTINUES WITH A GREAT TEAM OF PEOPLE





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