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HIGHLIGHTS

9,058
NUMBER OF PEOPLE PROVIDED HOUSING

4,418
TOTAL PROPERTIES UNDER MANAGEMENT

$1.3 B
TOTAL ASSETS UNDER MANAGEMENT

$9.2 M
TOTAL GRANTS

$8.8 M
TOTAL CASH

$62.4 M
TOTAL REVENUE

$16.2 M
TOTAL SURPLUS

$361.8 M
NET ASSETS

TENANT OUTCOMES

72
STARTED EMPLOYMENT

352
REFERRALS FOR SUPPORT

67
EDUCATION REFERRALS

172
STARTED VOCATIONAL EDUCATION

84
VOLUNTEERISM

83
ENGAGEMENT EVENTS HELD

2,597
ATTENDED COMPASS EVENTS

TENANT SATISFACTION DATA

90% Satisfied with the way COMPASS involves tenants
91% Satisfied with the way COMPASS communicates and provides information
92% Satisfied with the way COMPASS provides
88% Satisfied that their rights as a tenant are upheld by COMPASS
92% Satisfied with the overall condition of their home
Moving into this Compass property has completely opened up my world. Having my own place has allowed me to start becoming who I want to be.

- Scott from Wallsend

They’ve helped me to finally achieve something. They’ve taken me from a place where I never wanted to be to a place that I love being. I’m eternally grateful for it. They’ve changed my life.

- Brittany from East Maitland

If it wasn’t for Compass I wouldn’t have known about the RISE in the Hunter opportunity. The work placement was really good because I got to do hands-on experience and I feel more confident to go out into the workplace and provide for my family.

- Jesikah from Beresfield

I just wanted to give a BIG shout out to the boys that have been coming to my house over the past few months to do the maintenance. The boys are amazing at doing their job not only quickly but right the first time!

- Claudia from Mansfield

I feel as if I have more opportunities now to better mine and my daughter’s life. The team from Compass made sure that the course suited me and my family.

- Shannyn from East Maitland
COMPASS HOUSING SERVICES CO LTD (COMPASS) IS AN ENTERPRISING AND SOCIALLY COMMITTED NOT-FOR-PROFIT ORGANISATION THAT PROVIDES SOCIAL AND AFFORDABLE HOUSING FOR LOW TO MODERATE INCOME HOUSEHOLDS.

At Compass we believe community housing is about much more than providing accommodation. It’s also about building communities. Our vision is for a world in which all people have access to safe and affordable housing and are actively engaged in their communities. That’s why we’re dedicated to making sure our tenants are empowered to have their voices heard and to participate in the social and economic life of their communities. In addition to professional tenancy management, Compass delivers a range of additional wraparound services that help sustain tenancies as well as offering innovative tenant engagement initiatives that help foster a sense of social inclusion. We understand that the best outcomes are achieved through an integrated service which understands and respects the people, place and potential of communities.

Compass currently manages a total of 4418 properties across 10 locations throughout New South Wales and Queensland, supported by a head office in Newcastle. We are registered as a Tier 1 provider under the National Regulatory System for Community Housing and hold full accreditation under the National Community Housing Standards.
OUR TEAM

EMPLOYEE ENGAGEMENT

Compass’ 2015-16 overall employee engagement was 71 per cent. Compass recognises that positive employee engagement is a product of a range of factors including an effective operational structure, sound organisational policies and procedures, clear and frequent communication mediums and inspiring leadership. Compass strives for continual improvement in these areas in order to provide a workplace where employee engagement remains consistently high.

Our Employees Say:

‘THERE IS AN EXCELLENT ENVIRONMENT WHICH ENCOURAGES NEW AND INNOVATIVE IDEAS AND FEELING PART OF AN ORGANISATION THAT TRULY WANTS TO MAKE A DIFFERENCE ON A LARGE SCALE’

PROFESSIONAL DEVELOPMENT SNAPSHOT

Compass Housing Services views education and training as a critical component for successful workforce succession planning and a key to sustained employee engagement. We continually scan the external environment for innovative ways to further support learning and development opportunities for our employees. With this in mind Compass continues to provide an annual training budget and paid study leave to encourage learning opportunities. In 2015-16 Compass invested $136,498 to offer professional development opportunities allowing 87 employees to undertake formal professional training and qualification across 35 training areas.

Our Employees Say:

‘I FEEL THIS IS A SUPPORTIVE WORKPLACE THAT ALREADY ENCOURAGES TRAINING AND PERSONAL DEVELOPMENT’

PROFESSIONAL DEVELOPMENT

AWARDS AND RECOGNITION

In September 2016 Compass received the Employer of Choice Award at the Australian Business Awards for the second consecutive year. This honour is awarded in recognition of “outstanding achievement through effective employee recruitment, engagement and retention”.

Doctorate Business Management................. 1
Bachelor Business/Accounting.................. 1
CPA............................................................... 4
Certificate IV Social Housing .................... 3
Diploma Business Management.................. 2
Diploma Management............................... 2
Bachelor Business (Management).............. 1
Business Case Writing................................ 20
Mng. Difficult Employee Behaviour............... 4
Effective Minute Taking........................... 5
First Aid...................................................... 8
Microsoft Office Skills............................. 4
Community STAR Training........................ 9
Health & Safety Representative Training....... 4
Certificate IV Information Technology....... 1
Bachelor of Information Technology........... 1
Sustaining Tenancies................................. 7
Masters Business Administration............... 1
Project Management............................... 8
Suicide Intervention............................... 1
HAC Master Class....................................... 2
Tenant Participation & Engagement............ 5
Justice of the Peace................................. 3
Effective Complaints Management............. 3
Time Management..................................... 2
Certificate IV Property Management.......... 3
NRAS Compliance..................................... 1
Representing at Tribunal............................ 8
Working With Culturally Diverse Clients....... 8
Conflict Management Training.................... 26
Mental Health First Aid............................. 2
Writing Skills for Business....................... 4
Cultural Competency.................................. 5
Effective Communication......................... 1
Fraud Risk Training................................. 12
Compass’ 2015-16 Employee Engagement Survey demonstrated our continued commitment to workplace diversity and inclusion, with staff recognising Compass’ intention to continue to work towards an open and accepting work environment which is effective, irrespective of ethnicity, gender, disability, age, sexual orientation or religion.

BY THE NUMBERS:

- **41.4 Years**
  AVERAGE AGE OF WORKFORCE

- **3.3 Years**
  AVERAGE LENGTH OF SERVICE

- **$136,498**
  TRAINING EXPENDITURE

- **69%**
  PERCENTAGE OF STAFF THAT UNDERTOOK PROFESSIONAL DEVELOPMENT

- **69%**
  FEMALE TO MALE RATIO

- **31%**
  FEMALE SENIOR MANAGEMENT

- **69%**
  AVERAGE LENGTH OF SERVICE

**EQUITY AND DIVERSITY**

**HEALTH, SAFETY AND WELLBEING**

We foster a culture where our people keep their safety and that of their colleagues at front of mind at all times. To support this culture, Compass has implemented a safety management system where identified risks, near misses and incidents can be reported immediately. In addition, Compass has issued employees with individual safety devices for use when undertaking work in the field. These devices provide GPS location and back to base monitoring. To further support our commitment to employee safety Compass is currently rolling out a Take 5 risk assessment and pre-start vehicle check app which will allow employees to assess risks using their mobile devices. Compass continues to offer employees EAP services to support their wellbeing with both personal and/or work related concerns.
FROM THE CHAIR

2015-16 WAS A YEAR IN WHICH COMPASS' PROMINENCE AS A LEADER IN SERVICE PROVISION BEGAN TO BE MATCHED BY ITS POSITION AS A THOUGHT LEADER AND POLICY CREATOR.

Elsewhere in this Annual Report you will read about the significant contributions Compass has made in the development of national and international housing policy both as the primary instigator of a push to create a national housing strategy, and as a key player in the Australian contribution to the United Nations Habitat III conference. That Compass achieved these milestones at the same time as delivering even higher levels of tenant satisfaction is testament to the quality of its management team and the staff in general.

In many ways Compass' emerging position as a driver of policy as well as a provider of services is a microcosm of what an empowered community housing sector can achieve. Last year we reflected on the emergence of community housing 40 years ago as a response to an unmet need, namely the fact that single people and those with special needs were ineligible for support by government housing commissions. These days, community housing continues to fill a gap in the public housing system by providing a financially sustainable model capable of delivering the kind of intensive support and wraparound services required to address the complex needs of today's social housing tenants.

In 2015-16 Compass had another successful financial year with this report highlighting a number of the more significant figures. These include a 4 per cent increase in total assets to $405 million from $390 million in 2015, and a five per cent increase in net assets from $346 million in 2015 to $362 million this year. Compass has 4418 properties under management with the majority provided by state and Commonwealth governments under various programs and the remainder provided directly by Compass by leveraging the value of vested assets.

While providing housing is our core business, Compass has always believed it is just as important to build a sense of community around that housing. Thanks to the diligent corporate governance and financial management of our senior executive team, Compass is able to provide services to our tenants that not only help sustain tenancies, but help break down social isolation and foster a genuine sense of belonging. The evidence of how effective such programs can be is visible in the results of our tenant satisfaction survey, which this year recorded an increase from an already impressive 91 per cent, to a new high of 92 per cent.

As a director I am constantly inspired by the passion our managers and staff have for Compass' mission. This year the board had the privilege of going on a field trip around the Newcastle area hosted by some of the local staff. The trip gave us a chance to view some of the Compass portfolio; but more importantly it gave us the chance to talk to frontline staff about their roles. On behalf of the board I'm confident to say that all of us came away with a renewed appreciation of the passion and commitment Compass staff bring to the job, of how much they care about our tenants, and how seriously they take the role they play in vulnerable people's lives. The board is greatly looking forward to repeating the experience in Queensland early next year.

The passion Compass employees have for the job was reflected in the results of this year's staff engagement survey which showed overall engagement at an impressive 70 per cent. Of particular note was the result in Queensland where staff engagement recorded an enormous increase from 36 per cent last year to 68 per cent in 2015-16. These results are an endorsement of the Compass systems and processes that were implemented following the merger with WHS the previous financial year. Compass' ongoing dedication to its staff was recognised at the Australian Business Awards again this year with our organisation named Employer of Choice for the second year in a row.

Looking ahead there is a great deal of reform on the horizon in all jurisdictions. The NSW Government's Future Directions for Social Housing policy has won the strong backing of the community housing sector and the board is excited to see what opportunities it will bring. In Queensland we look forward to seeing the detail of the Queensland Government's new housing strategy following the release of a discussion paper earlier in the year. Across the Tasman, Compass will continue to explore opportunities in the New Zealand market as the government there continues to roll out its ambitious Social Housing Reform Program.

At the end of another successful financial year I would like to thank my fellow directors for their continued commitment to the sound governance of the organisation, and for their ongoing efforts on behalf of Compass in the many forums in which they represent it. On behalf of the board I also want to thank the Group Managing Director and the entire executive team for leading Compass through another busy year and, finally, would like to congratulate the staff for their inspirational commitment to the people they serve.

KERRY SKELLERN
CHAIR
GROUP MANAGING DIRECTOR'S REPORT

I'm delighted to take this opportunity to write to you about Compass Housing's progress in 2015-16. At the outset I would like to thank our board of directors, my senior executive team and our outstanding staff for their efforts over what was a momentous year for our organisation. I would also like to thank our support partners, for their dedication to improving the lives of our tenants, and our contractors whose diligence and dedication contributes so much to the lifestyle our tenants enjoy. Our thanks must also go to the Australian, New Zealand, New South Wales and Queensland governments for their sound public administration in the areas of housing and homelessness. Finally, and most importantly, I would also like to thank our tenants for working with us as we strive to fulfil our mission to contribute to a world where all people have access to safe and affordable housing.

This year had some very interesting highlights including the development of a national housing strategy, the expansion of our highly successful Grow a Star program, and, perhaps most significantly, Compass playing a pivotal role in developing the Australian Government's contribution to the United Nations Habitat III conference held in Quito, Ecuador.

But first to matters at home. Compass places its tenants at the centre of everything it does which is why it was deeply satisfying this year to see another fantastic result in our annual tenant satisfaction survey. Across the organisation, overall tenant satisfaction was a remarkable 92 per cent, up a full percentage point on last year. 92 per cent of tenants also reported being satisfied with the overall condition of their homes and an amazing 94 per cent indicated they were satisfied with Compass support services. Also of note was a big jump in reported satisfaction with repairs and maintenance, up 11 points this financial year to 89 per cent. Compass invested $6.6 million in maintenance work during the financial year and it’s good to see that investment paying dividends for our tenants.

Compass firmly believes that community housing is about building communities just as much as it is about providing housing and I’m pleased to report that our community development activities went from strength to strength this financial year. The highly successful Grow a Star youth mentoring and scholarship program completed the delivery of 20 scholarships funded by the Newcastle Permanent Building Society, and we have increased our reach by expanding the program into Queensland. Meanwhile, our commitment to improving the lives of people in regional and remote communities remains undiminished. Perhaps the clearest example of that commitment can be found in Broken Hill, where the Compass 123 Community Hub which promotes social cohesion through the delivery of positive lifestyle, education and support programs, has been credited by local police with contributing to a significant reduction in crime in the surrounding area. The success of the Hub has been recognised across the sector with the facility picking up awards from both the Australian Business Awards and PowerHousing Australia.

While Compass offers a variety of community development programs in different locations, they are all underpinned by the same desire to promote social inclusion, economic opportunity and community cohesion. This year I am particularly proud to report that thanks to the efforts of our dedicated support staff, a total of 528 Compass tenants took up new employment, training or volunteering opportunities. That figure represents an 86 per cent increase on the previous financial year.

Compass’ commitment to improving the lives of its tenants was recognised with a number of industry awards in 2015-16. At the Australian Business Awards, Compass was honoured with awards for Community Contribution and Business Innovation, as well as picking up an Employer of Choice award for the second year running for ‘outstanding achievement through effective employee recruitment, engagement and retention’. At the PowerHousing Australia Awards the Coordinator of the 123 Community Hub in Broken Hill was recognised with an Outstanding Achievement Award, while I was honoured to take home a Lifetime Achievement award.

In the previous financial year Compass launched a research and development department under the stewardship of Professor David Adamson OBE, Emeritus Professor with the University of South Wales and internationally recognised expert on community regeneration. This year we began to see the fruits of that venture with the publication of a Compass led National Housing Strategy designed to get housing back on the political agenda in Australia. A comprehensive account of the creation, purpose and enduring significance of this document is contained on page 76 of this Annual Report.

The other major influence on Compass’ domestic operations this year was a change in Queensland Government policy which resulted in the decision not to proceed with the Logan Renewal Initiative (LRI).

“WE STRIVE TO FULFIL OUR MISSION TO CONTRIBUTE TO A WORLD WHERE ALL PEOPLE HAVE ACCESS TO SAFE AND AFFORDABLE HOUSING”
Compass would like to thank all those who worked with us over the last three years through extensive rounds of consultation and community engagement. In particular we are grateful to the social housing tenants, Logan City Council staff, support partners and social service providers and other members of the Logan community. As I mentioned earlier, 2015-16 was the year in which Compass began to make its mark on the world stage. Earlier in the year, Compass was awarded special consultative status with the United Nations Economic and Social Council - a first for an Australian community housing provider. As a result, Compass was able to participate in the planning and preparation work for the United Nations Habitat III conference, the major vehicle of the UN Human Settlements Program. A full report on Compass' influential contribution to this major international event is available on page 74.

This year we have also been actively pursuing our planned expansion into the New Zealand market and it appears likely, will soon have properties under management in Auckland which will be a significant milestone in the history of our organisation and a credit to the efforts of our New Zealand General Manager.

While Compass and the community housing sector more broadly have achieved a great deal over the past decade, Australia is still a long way from solving the issue of adequate housing for all. However this year, perhaps more than any other in the past decade, there are causes for optimism. The Australian Government’s endorsement of the New Urban Agenda at the UN Habitat III conference should be seen as the first sign of a renewed interest in housing issues on the part of the Commonwealth. After a number of years in which federal attention on housing was sorely lacking, it appears housing and homelessness is finally back on the national agenda where it belongs. Meanwhile in New South Wales the state government has embarked on an ambitious program to transfer an additional 18,000 social housing dwellings to the community housing sector. This is a major vote of confidence in our industry and a welcome endorsement of the additional value community housing providers can offer their tenants. The social and economic pressures that bring people into the orbit of organisations like Compass are ever present. At all points of the housing continuum too many of our citizens continue to experience housing stress, and an unacceptable number are homeless or at extreme risk of becoming so. Overcoming these issues and contributing to the policies that will prevent their return is the work of the whole community. Put simply, delivering the human right to adequate housing is everybody’s business. As both the profile, and the service delivery capacity of Compass continue to grow, I look forward to seeing our organisation playing a central role not just in supporting those in immediate need, but also in working with our colleagues and partners in the sector, and with governments of all levels, to help create the policies that will make our vision for all people to have access to safe and affordable housing a reality.

GREG BUDWORTH
GROUP MANAGING DIRECTOR
For and on behalf of Compass’ Management Team

KEY PERFORMANCE INDICATORS 2016 2015 2014

<table>
<thead>
<tr>
<th>TENANT SATISFACTION</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Overall satisfaction with the organisation</td>
<td>92%</td>
<td>91%</td>
<td>89%</td>
</tr>
<tr>
<td>Satisfaction with ways in which Compass involve tenants</td>
<td>91%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>Satisfaction with ways in which Compass communicate with tenants</td>
<td>88%</td>
<td>89%</td>
<td>87%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SERVICE DEVELOPMENT</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total properties managed as at 30 June</td>
<td>4418</td>
<td>4473</td>
<td>3317</td>
</tr>
<tr>
<td>Total properties managed under Housing NSW programs</td>
<td>-</td>
<td>2900</td>
<td>2881</td>
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<table>
<thead>
<tr>
<th>FINANCIAL MANAGEMENT</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Cash at end of year</td>
<td>$8.8M</td>
<td>$8.7M</td>
<td>$23.9M</td>
</tr>
<tr>
<td>Net Profit</td>
<td>$16.2M</td>
<td>$159.0M</td>
<td>$21.9M</td>
</tr>
<tr>
<td>Net Operating Profit (ex Capital Grants / Contributions)</td>
<td>$5.1M</td>
<td>$4M</td>
<td>$8.4M</td>
</tr>
<tr>
<td>Retained Profit</td>
<td>$361.8M</td>
<td>$345.7M</td>
<td>$192.4M</td>
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<table>
<thead>
<tr>
<th>HOUSING MANAGEMENT &amp; MAINTENANCE</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrears</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Tenant income</td>
<td>$37.8M</td>
<td>$36.2M</td>
<td>$30.0M</td>
</tr>
<tr>
<td>Combined maintenance expenditure</td>
<td>$6.6M</td>
<td>$7.0M</td>
<td>$5.4M</td>
</tr>
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<table>
<thead>
<tr>
<th>REPAIRS AND MAINTENANCE COMPLETIONS</th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Number of requests raised</td>
<td>24,062</td>
<td>21,192</td>
<td>15,040</td>
</tr>
<tr>
<td>Number of requests completed</td>
<td>24,441</td>
<td>20,208</td>
<td>14,457</td>
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</tbody>
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<table>
<thead>
<tr>
<th>HUMAN RESOURCES</th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Number of full time equivalent staff</td>
<td>13146</td>
<td>13049</td>
<td>8594</td>
</tr>
<tr>
<td>Training Spend</td>
<td>$136,498</td>
<td>$108,000</td>
<td>$116,000</td>
</tr>
</tbody>
</table>
OUR ASSETS

PROPERTIES BY LOCAL GOVERNMENT AREA

QUEENSLAND

- Brisbane 779
- Logan 67
- Moreton Bay 47
- Gold Coast 23
- Townsville 16
- Redland 8
- Ipswich 1
- Pine Rivers 1

NEW SOUTH WALES

- Newcastle 781
- Lake Macquarie 666
- Wyong 335
- Maitland 455
- Cessnock 250
- Broken Hill 203
- Upper Hunter 167
- Dubbo 146
- Gunnedah 100
- Tamworth 72
- Singleton 28
- Central Darling 25
- Port Stephens 24
- Walgett 9
- Bourke 4
- Walumbungle 4

QLD & NSW PROPERTIES

<table>
<thead>
<tr>
<th>BY PROPERTY SOURCE</th>
<th>QLD</th>
<th>NSW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>456</td>
<td>1456</td>
</tr>
<tr>
<td>Fee for Service</td>
<td>259</td>
<td>206</td>
</tr>
<tr>
<td>Leasehold</td>
<td>221</td>
<td>420</td>
</tr>
<tr>
<td>Owned</td>
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<table>
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<tr>
<th>BY ASSISTANCE TYPE</th>
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<td>Affordable Housing</td>
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<tr>
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<tr>
<td>Transitional Housing</td>
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<td>80</td>
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<tr>
<td>Indigenous Housing</td>
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<td>136</td>
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<tr>
<td>Other Government</td>
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<td>Crisis Accommodation</td>
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<table>
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<th>NO PROPERTIES OWNED BY COMPASS</th>
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<tr>
<td>NO OF PROPERTIES OWNED IN NSW</td>
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<tr>
<td>SHCF and NRAS government initiatives</td>
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<td>Vested title from Housing NSW</td>
<td>1018</td>
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<tr>
<td>Vested leveraging</td>
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<tr>
<td>Boarding House New Generation</td>
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| NO OF PROPERTIES OWNED IN QLD  | 8    |
| Equity ownership                | 8    |

| NO PROPERTIES MANAGED ON BEHALF OF OTHER ORGS | 3018 |
| FFS (private & AHO)                  | 465  |
| Head lease                           | 641  |
| CHP (formerly CAPHM)                 | 1456 |
| DHPW                                 | 456  |
Compass is continuing to deliver additional dwellings to its asset portfolio through a variety of programs providing much needed additional housing for those in need.

From 2009 through to 30 June 2016, Compass has delivered an additional 374 affordable and social housing dwellings, with a further 50 dwellings currently in the pipeline, creating a total of 424 dwellings due for completion by the end of 2017.

This additional housing is a product of the ongoing commitment from state and federal governments to the provision of housing for people in need along with the strong partnerships between Compass and local developers and builders.

These dwellings have been delivered through various government funding schemes including the federal government’s Nation Building Economic Stimulus Plan, the joint state and federal National Rental Affordability Scheme, the federal government’s Supported Accommodation Innovation Fund and earlier schemes such as the Debt Equity Scheme and the Affordable Housing Innovation Fund.

These dwellings have assisted in providing diverse affordable and social housing including specialist options for seniors and people with a disability.

RAYMOND TERRACE, PORT STEPHENS

Compass is working with local developer Bamreta to deliver a complex of 14 one bedroom units. The development is contemporary in design, complete with high quality environmental fitting and finishes and is located within a vibrant community 300m from the CBD of Raymond Terrace in Port Stephens offering a myriad of employment opportunities, services, shopping and transport options.

These dwellings are being delivered through leveraging from dwellings received under the federal government’s Nation Building Economic Stimulus Plan.
Wyoming, Central Coast

Compass is working with a local developer to deliver a quality unit complex of 9 one bedroom units for seniors approved under the State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004. The development includes quality fittings and all the units are accessible in design. The complex is located in a quiet street in Wyoming on the Central Coast and is located close to services and transport options with regular buses running and trains running to Newcastle and Sydney.

These dwellings are being delivered through leveraging from dwellings received under the federal government’s Nation Building Economic Stimulus Plan.
Compass Housing Services is Australia’s leading community housing provider with more than 4400 properties under management across New South Wales and Queensland.

We undertake all aspects of tenancy and property management, including allocations and wait-list management, and have a proven track record of managing a wide range of tenancies under a variety of housing programs.

At Compass we place our tenants at the centre of everything we do. We pride ourselves on providing tailored tenancy and support services to accommodate the specific requirements of our tenants.

Community housing is subsidised rental housing provided by not-for-profit, community based organisations for households on low incomes or who would otherwise struggle to find suitable accommodation. It’s an integral part of Compass operations and accounts for 77 per cent of our overall housing portfolio.

While community housing is similar to government managed public housing in many respects, what sets community housing providers apart is an increased focus on tenant and community engagement.

At Compass we believe community housing is about much more than providing accommodation. It’s also about building communities which is why we’re dedicated to making sure our tenants have a voice and are actively engaged in their communities. In addition to professional tenancy management, Compass continues to show the way when it comes to providing additional wraparound services that help sustain tenancies and delivering tenant engagement initiatives that help foster a sense of social inclusion.

Compass is registered under the National Community Housing Regulatory System as a Tier 1 provider and holds full accreditation under the National Community Housing Standards.
Lauren’s is an inspiring story of beating the odds.

After a traumatic childhood marked by parental neglect, homelessness and abuse, Lauren spent the bulk of her teenage years couch-surfing and occasionally sleeping rough.

“After my mum and my step-dad separated, my mum started drinking really heavily. She would kick me out when she had people over and I ended up staying away longer and longer until in the end our relationship completely broke down,” Lauren says.

“I went to live with my dad for a while, but we hardly knew each other. I went from seeing him once a year if I was lucky, to living with him during one of the most vulnerable periods of my life. He had his own demons which made him unwilling to face up to mine and it wasn’t long before I decided I was more comfortable couch surfing or sleeping out than staying at his place.”

On the street Lauren says she found a sense of belonging but it came at a heavy price.

“There’s a code of honour among people who have nothing. People would share whatever they had and the ones who had been out there longer would teach the younger ones how to stay safe and how not to freeze during the winter. When you’re homeless, if you don’t find that community and that support, you’re dead.”

Yet despite the obvious benefits, the transition from homelessness to stable housing wasn’t without its challenges.

“When you’ve had certain experiences, you learn to resist getting attached to things because when you have something it can be taken away,” Lauren says.

“At the start I was completely convinced it wasn’t going to last and that any day someone was going to come along and kick me out. It took about two months before I finally started to feel like the place was my home.”

Since securing her home through Compass, Lauren has completed a Diploma of Counselling through the Change Academy and plans on studying psychology at university. She volunteers at the Wesley Mission where she works alongside staff from Jenny’s Place, a domestic violence support agency she turned to after escaping a previous relationship.

“Having stable housing has allowed me to focus on achieving what I want to achieve,” she says.
At 27, Allan was still living with his mum and he felt like that was his only option. The suburb where his mum lives doesn’t have good transport options. He would have needed to catch three buses and a train to get to the TAFE where he wanted to study and local job opportunities were limited. Without qualifications and work he was financially unable to move out of the family home.

These challenges were more difficult for Allan than many other young people. Allan has been legally blind since birth which means he is unable to drive. Then his mum heard about Compass Housing. He now lives independently in a home that is only a couple of minutes’ walk to shops, a TAFE and his employment provider.

“My apartment is fantastic and I am so happy here,” Allan says.

“I couldn’t have asked for anything more perfect. Compass went out of their way to meet my needs.

“I would never have thought of my current location as an option and wouldn’t have got this place without Compass looking out for me.

“Without a job it is hard to get a decent rental home and because of my eye-sight, without a home in a location that is close to transport and services it is hard to get a job.”

Since moving in to his new home Allan has completed qualifications in retail operations, retail management, IT and first aid at the nearby TAFE. Getting a job has been more difficult than he hoped. But Allan lives close by to a new Lifeline store and has started volunteering there to gain the experience that is vital to getting a foot in the door.

He says the move has helped him in other areas of his life too.

“Where I was living with mum it was hard to make friends and socialise. I have made new friends through Lifeline and am much closer to other social activities. If it wasn’t for Compass I would still be at home or stuck in a horrible place in a poor location.”
Lynette lives in a Compass unit in Brisbane’s inner suburbs. Prior to finding a home with Compass she had endured decades of instability that nevertheless hasn’t blunted her ability to see the bright side of life.

“I moved to Brisbane with my mum back when I was in my late teens,” she says.

“Before that I had been living in a sort of youth home in Kingaroy. It was on a farm which I really loved. I stayed there for a few years until my mum came back into the picture, then we moved to Brisbane.

“I lived with Mum for a while but that didn’t work out. We loved each other but we didn’t get on when we lived together.

“After I left home I moved around quite a bit. I had to stay in hostels and with friends a lot. I spent a little bit of time on the street too but I was drinking back in those days.”

“The hostels were alright but you have no privacy. There was one place at New Farm that was OK. I lived there while I was working in an Endeavour workshop. After that I got some work at a place in Woolloongin that did laundry for the Army but they closed down after a while.”

After her employment wound up, Lynette spent several more years moving around Brisbane’s inner suburbs in search of a stable place to call home. Eventually a friend put her in touch with Micah Projects which resulted in a referral to Compass Housing.

“I love where I am now,” Lynette says.

“I love that it’s mine and I don’t have to worry about not having any privacy. I’ve told them I’m not going to move out until I’m at least 80 or 90!”

Lynette receives ongoing support from Micah to sustain her tenancy. She often travels into town to catch up with friends or to West End where she plays in a weekly darts competition. She is also a regular at the 139 Club in Fortitude Valley where she is taking classes to improve her literacy.

“I’m good at sums but my reading and writing isn’t good. At the moment I’m working on making my writing smaller.”

Next year Lynette plans to sign up for volunteer work with a view to re-entering the workforce.

Prior to moving in with Compass Rebecca had been living in a women’s refuge with her nine children for almost a year.

“We ended up at that place because before that we’d been staying at my mother’s place and it was very overcrowded. She had another eight children living there so it was a full house even before we got there,” Rebecca said.

“The women’s housing was run by Nova who did a really good job helping me get things in order and pointing me in the right direction so I could get a long-term place.”

“The lease with Nova was only for 12 months so I had to find permanent accommodation. Nova pointed me in the right direction and helped me get the place with Compass.”

Rebecca says having a permanent home has given her children, aged from 13 to 12 months, a welcome sense of security.

“My eldest is very smart with computers,” Rebecca said. “He’s always loved them so a while ago I bought him one and since then he’s taught himself so much. He’s even making his own games and programs.”

If it wasn’t for this place we’d probably be back at my mother’s place dealing with the overcrowding and the kids wouldn’t have the support and opportunities they have now.
SUPPORTED HOUSING

Tenants housed in supported accommodation are the most vulnerable, and require varying levels of support to live independently.

As well as housing people with physical and intellectual disabilities, Compass provides supported housing to people escaping domestic and family violence, people experiencing mental health problems as well as those exiting the criminal justice system.

Compass partners with a range of support agencies across Queensland and New South Wales to make sure our tenants have the services and support they need to help them live independently and to address their needs. These partnerships are an integral part of providing the most vulnerable members of our community with the dignity and security that comes from independent living.

Before Brittany received a home through Compass Housing she had been living in a tent in a friend’s backyard for eight months.

Disconnected from her family she was in foster care until she was 18. Her early adult years were spent couch surfing or renting with people who stole from her or mistreated her.

“I was working to try and save to get things for myself and whenever I did they were taken from me,” Brittany said.

Escaping domestic violence led her to Compass Housing. A refuge support program worker spoke to Compass who were able to get Brittany into a home within a couple of days.

The 23 year old said she would have been happy with anything but is now living in a home which is better than she could ever have imagined.

“For the first time in my life I have a roof over my head that I can call my own,” she said.

That roof has been a catalyst for a positive transformation of her life.

Brittany has been involved in an employment pathway program and has her sights set on becoming a disability worker. She has already completed aged care nursing qualifications through WEA.

“Before I got my home I had no qualifications and no idea what I wanted to do with my life.”

“Spending your whole time thinking about where you are going to sleep makes it hard to plan for your future.”

“In just 18 months I have finished Year 10, got further qualifications and have a career plan.”

This year Brittany received a Grow a Star scholarship worth $500 from Compass to help her to get her driver’s licence. A licence is essential to gaining work and with little money and no family support, learning to drive is not a simple thing.

“Being given that scholarship has not only helped me financially but it has given me confidence.”

“People believe in me and are helping me to achieve my plans for the future.”
Noel is an articulate, intelligent and proud man. He lives in a Compass property with wife Guifu and their two teenage daughters. Noel is a devoted husband and father and plays an active role in the life of his girls. As English is not Guifu’s first language, Noel oversees the family’s finances and day-to-day household business.

Two years ago, after a string of diabetes-related illnesses Noel’s leg had to be amputated during life-saving surgery.

Post-surgery, Noel was forced to endure a long stay in hospital. Unfortunately once Noel had recovered sufficiently from the surgery, he was unable to return home as the family lived on the 3rd floor of an apartment block and Noel’s mobility was severely restricted. Instead, Noel was placed in an aged-care facility far away from his loved ones.

During this time, Guifu juggled looking after their daughters and maintaining the household expenses whilst still providing care for Noel in the hospice.

Guifu is unable to drive so the hospice visits involved a full day round trip via public transport. Guifu made this journey 3 times a week, every week Noel was away.

When Compass Housing staff heard of the family’s plight, they stepped in and worked tirelessly to secure a ground floor unit. Modifications including the widening of doorways and the replacement of flooring were made and Noel was soon back home with his family.

“I am very, very pleased with the effort that has been made by Compass to make this possible for my family because it would have been an ongoing situation of despair” says Noel.

“NOW THAT DESPAIR HAS BEEN REPLACED BY HOPE, BY LOVE, BY A FAMILY UNIT BEING RESTORED TO WHAT IT SHOULD BE.”

Noel and Guifu | Central Coast
AFFORDABLE HOUSING

Over the past 30 years Australia has witnessed a profound change in the composition of households accessing housing assistance.

With both public and community housing now almost exclusively reserved for the most vulnerable members of society, affordable housing products have emerged as an alternative for low income workers experiencing housing stress in the private rental market.

By providing stable accommodation for key workers and moderate income earners, affordable housing products serve as an important midway point between the social housing system and the private rental market. By removing the spectre of rental stress, affordable housing can also help people accumulate the capital to get a foot on the property ladder.

Compass’ affordable housing portfolio is funded by federal and state governments under various programs including the National Rental Affordability Scheme, Debt Equity Funding and the Social Housing Growth Fund. It receives additional funding directly from Compass through debt finance and leveraging from our asset portfolio.

In addition to the government funded programs, Compass also manages 90 affordable units in Brisbane’s inner west under a unique privately funded housing program. Rents are capped at 74.9 per cent of market rent, and must comprise less than 30 per cent of the tenant’s weekly income.
ON ANY GIVEN NIGHT ONE IN 200 AUSTRALIANS ARE HOMELESS. THAT’S MORE THAN 105,000 PEOPLE. MORE THAN 17,000 OF THOSE ARE CHILDREN UNDER THE AGE OF 10.

Despite the incredible work done by specialist homelessness services across the country, too many people continue to fall through the cracks. According to the Australian Institute of Health and Welfare, last year 329 requests for help were unable to be met each and every day. Of the 256,000 people who did receive support, 10 per cent had a physical disability and 25 per cent had a current mental health issue.

Many of Compass’ tenants have experienced homelessness in one form or another. Some have fled domestic or family violence. Others have experienced addiction or mental health issues. Some simply cannot afford to rent privately.

Figures from the most recent National Social Housing Survey indicate the experience of Compass tenants is not unique. In fact almost 20 per cent of community housing tenants have experienced homelessness in the previous five years.

Figures like this make for bleak reading, but also serve as a sobering reminder that for many Australians, a robust community housing sector is the only thing standing between them and the street.

HOMELESSNESS INITIATIVES

THIS WAY HOME

The This Way Home project continues to help people experiencing homelessness to sustain transitional tenancies in order to move into independent accommodation. The specialised program utilises the assistance of partner agencies to provide holistic wraparound services within the Compass tenancy to help tenants with complex needs to meet their obligations and achieve their goals.

This Way Home hosts 9 temporary accommodation units for people requiring accommodation for up to 28 days. There are 24 medium-term accommodation units where tenants can reside for up to two years. Since its commencement five years ago This way Home has assisted almost 340 people experiencing or at risk of homelessness.

The Project Facilitation Group includes representatives from Compass Housing, Family and Community Services, Nova, Jenny’s Place, Matthew Talbot Homelessness Services (St Vincent de Paul), Samaritans, Baptist Care, Wesley Mission, Mission Australia, Wandiyali, and Allambi.

HOMELESSNESS INITIATIVES

- Tenant Volunteering
- Tenants Studying
- Gained Employment
- Transitioned into Long Term Accommodation
- Clients House
Compass works in partnership with Matthew Talbot Homelessness Service (St Vincent de Paul) to provide accommodation and support to men experiencing or at risk of homelessness and those with complex needs.

Tenants are linked with appropriate support and are actively involved in a case plan as a condition of their ongoing tenancy.

This year, tenants at the complex were the first in the country to receive access to a new mental health first aid course being delivered through a Compass partnership with Lifeline. The new program is designed to empower residents to recognise the early warning signs of mental illness or suicide and teach them how to connect themselves, and their neighbours, with the right kind of help.

The Compass Boarding House at Adamstown is made up of 18 units for people who identify as having a disability.

The complex is operated under a transitional housing program with tenants remaining in residence for up to two years during which time they are assisted to build living skills with the goal of transitioning to independent accommodation.

Tenants at the complex are supported by disability support provider House with No Steps. As well as receiving tailored day-to-day support, tenants also have access to group programs like cooking classes to improve living skills, as well as recreational activities to foster a sense of community and inclusion.
Compass was proud to be among the 84 organisations that contributed to the annual Hunter Homeless Connect Day (HHCD) held at the Newcastle PCYC earlier this year.

HHCD has been held in Newcastle since 2009 and provides those who are homeless or at risk of homelessness with access to services including housing, financial advice, health checks, eye tests, vaccinations and haircuts, as well as clothing and blankets.

The huge event took months of planning and would not have been possible without the support of the Hunter Homeless Connect work group. This group comprises of representatives from services including TAFE, Matthew Talbot Homeless Service, Newcastle Family Support, Jenny’s Place, FACS, Centrelink, Hunter New England Health, Carries Place, Catholic Diocese, Newcastle City Library, Department of Sport & Rec, Nova for Women & Children, Uniting Care, Samaritans, Legal Aid and St Vincent de Paul Society.

While the event itself was a huge success, the level of need continues to grow. This year’s event was attended by almost 1000 people who were homeless or at risk of homeless, an increase of about 10 per cent on last year.

At this year’s event, students from Hunter TAFE conducted a survey of guests to help create a more complete picture of homelessness in the region.

The data indicated a substantial increase in the number of women attending, as well as the number of youth. Almost 20 per cent of attendees were classified as homeless with 18.5 per cent of people surveyed either sleeping rough, sleeping in cars, couch surfing or staying in hostels or refuges.

Aboriginal and Torres Strait Islander people continue to be disproportionately represented at 21 per cent of attendees, compared with just 2.6 per cent of the general population in the region.

While concerning, these figures highlight the importance of the event which once again was an outstanding success.

THE MOST POPULAR REASONS GIVEN FOR ATTENDING THE EVENT WERE

13% ACCESSING HEALTH CHECKS/SERVICES

12.5% FREE HAIR CUTS

11% CLOTHING AND BLANKETS

7% SEEKING HOUSING

THE HUNTER HOMELESS CONNECT

ACCESSING HEALTH CHECKS/SERVICES

FREE HAIR CUTS

CLOTHING AND BLANKETS

SEEKING HOUSING

While concerning, these figures highlight the importance of the event which once again was an outstanding success.
Compass’ Housing Pathways team runs quarterly sessions for people who are homeless or in transitional properties and who have limited experience in the private rental market or have had a poor tenancy history in the past. The sessions are designed to educate people about all aspects of the rental process and cover topics including applying for housing, property care and managing expenses.

Once a fortnight Compass Housing Pathways officers attend the Soul Café in Newcastle which is run by Life Church. The Soul Café has become a one-stop-shop serving approximately 800 free hot meals a week, offering a GP clinic as well as access to support services, Centrelink and Legal Aid to highly disadvantaged members of our community.

Compass’ outreach service has been running for five years and has allowed specialist Compass staff to work one-on-one with hundreds of people who are homeless or at risk of homelessness. Through the outreach program, Compass provides information on housing options and can check and accept housing applications for lodgement to the housing register. Compass also provides a comprehensive list of resources and support services to people who are homeless and, as required, refers individuals to NSW Housing for emergency accommodation.
SUSTAINABLE TENANCY PROGRAM

The Sustainable Tenancy Program supports vulnerable people whose tenancy is under threat due to poor property care and/or rent arrears.

The program is based on a case management model and as such, is tailored to meet the individual needs and circumstances of the tenant.

In the initial stage, Compass staff work with tenants to design an intensive tenancy improvement plan. Deadlines are set, inspections are scheduled and commitments are made. A task-force of external support services are enlisted to assist front-line Compass staff in meeting the tenants’ individual needs and to support them through the transition from housing crisis to sustainable tenancy.

Wraparound support services offer practical assistance through brokerage and property care management. The support services also provide financial, personal and relationship counselling as well as parenting and self-improvement classes to enable tenants to build life skills, social skills and resilience.

The tenancy improvement plan is reviewed periodically to ensure that milestones have been met. During the review, changes are made as required and new goals are set. It is a collaborative process that ensures tenants have choices, ownership and a clear direction forward.

Although the Sustainable Tenancy Program is still in its infancy, it has made a significant and life-changing impact on 47 tenants who would otherwise be at risk of homelessness.

Angela had always been a great Compass Housing tenant. She took pride in maintaining her property and her rental payments were in advance.

In the middle of 2015, everything changed when the young mum and her six year old daughter became victims of domestic abuse. Both were injured physically and emotionally and from that point, life spiralled out of control. There was a sharp decline in Angela’s property care and she quickly fell behind in her rent.

By the time Compass stepped in, the mother of three was overwhelmed and at crisis point. Angela’s rent was $2000 in arrears and her property was in such poor condition that the real estate was looking to terminate her tenancy at the leasehold property.

Compass applied for possession of the tenancy through NSW Civil and Administrative Tribunal and Angela was offered a place in the Sustainable Tenancy Program. Compass staff connected Angela with support services including the Samaritans who assisted with brokerage and property care support and the Raymond Terrace Neighbourhood Centre who gave Angela parenting, social and emotional support.

Angela took full advantage of the support services and the second chance that Compass had given her. She is now coping well and is in regular communication with Compass staff. She is in credit with her rent and there has been a dramatic improvement in her property care.
COMMUNITY

OURS FIRMLY BELIEVES THAT COMMUNITY HOUSING IS ABOUT BUILDING COMMUNITIES JUST AS MUCH AS IT IS ABOUT PROVIDING HOUSING. WE'RE DEDICATED TO MAKING SURE OUR TENANTS HAVE A VOICE AND ARE ACTIVELY ENGAGED IN THEIR COMMUNITIES.

We offer a wide range of community development activities across Queensland and New South Wales but they are all underpinned by the same desire to promote social inclusion, economic opportunity and community cohesion.

THE 123 COMMUNITY HUB

The 123 Community Hub was born after Compass staff in the remote New South Wales town of Broken Hill identified the neighbourhood around Creedon Street as a suitable location for a community hub due to its distance from facilities, and relatively high concentration of social housing.

The subsequent $100,000 conversion of a vacant Housing NSW property into the 123 Community Hub was funded entirely by Compass with ongoing funding to be provided at no cost to the government.

The new facility is designed to reduce antisocial behaviour by offering positive lifestyle activities for local residents as well as serving as a central point for support agencies to provide outreach services.

Despite only opening its doors in September 2015, the benefits of the new facility are already being felt with crime rates in the surrounding area plummeting and police call outs to the area in sharp decline.

Serious crimes in the area have seen some of the sharpest declines with a 100 per cent decrease in street offences, a 90 per cent decrease in break and enter crimes and a 65 per cent decrease in assaults and malicious damage.

In addition to the reduction in crime, Compass staff members from Broken Hill have also noted an increase in engagement with tenants since the Hub opened for business.

A large part of the successes of the 123 Community Hub stems from Compass' understanding of the community in Broken Hill. To ensure regular feedback, weekly meetings are held by the Local Advisory Work Group, which includes tenant representatives and representatives from the local indigenous community.

The work group has been set up to provide advice on the programs that should be made available in the future. This feedback ensures the Hub is able to cater to the community's specific and changing needs.

Activities already on offer at the 123 Community Hub include cooking lessons, quit smoking programs, a mother's group, a homework club and a community art program. In the year ahead the Hub is expected to begin offering counselling services, health outreach programs, a private rental education course and a Work for the Dole program.

The success of the 123 Community Hub has been recognised within the community housing sector with the facility picking up an Australian Business Award for Community Contribution, as well as an Outstanding Achievement award from PowerHousing Australia.
The Meeting Place is a community hub managed by Compass on the New South Wales Central Coast. It serves as a central location for residents to access a range of outreach services and community development activities.

Activities and programs on offer at the Meeting Place are based on tenant and community needs and are designed to support the development of practical life skills, and to provide material aid like no-interest loans and EAPA vouchers or low cost food and groceries through the hub’s ‘Shack Shop’.

The Meeting Place also offers a range of social activities like free community lunches, a youth group, a sewing and craft group, regular seniors’ morning teas and a coffee club.

THE MEETING PLACE OUTCOMES 2015-16

890
SERVED MEALS TO THE COMMUNITY

14
NO-INTEREST LOANS FUNDED

135
COMMUNITY MEMBERS ACCESSED INTERNET/FAX/PHONE FACILITIES

156
TENANTS USED THE MEETING PLACE TO ACCESS TENANCY SUPPORT

53
COMMUNITY MEMBERS SOUGHT ASSISTANCE WITH HOUSING NSW PAPERWORK
The Shack Shop was opened at the Meeting Place in 2015 and aims to provide emergency relief and low cost goods to community members facing hardship. Food is sourced from Foodbank New South Wales and donations from local businesses. The Shack Shop is staffed by our Meeting Place volunteers and all funds go straight back into the purchase of additional supplies, making the program completely self-sufficient.

Michael and his dog Chopper are daily visitors at The Meeting Place. Michael is quadriplegic but is able to live independently, with some assistance, in a Compass property.

During a recent visit, Michael told Compass staff about the first time he discovered the community hub.

“The Meeting Place had only just opened and I dropped in to see what activities were on offer” said Michael. “That was four years ago and I have been coming here ever since.”

“I enjoy the community lunches and morning teas but mostly I enjoy the social connections and the support that I receive from staff.”

Compass staff at The Meeting Place have helped Michael in a number of ways. They have assisted Michael to sustain his tenancy by helping him to access energy vouchers and Centrelink for his rent and utility bills.

Compass has also strongly advocated for Michael to receive additional services to suit his specific needs. Three years ago, staff connected Michael to the NSW Trustee and Guardian which enabled him to gain control of his life and finances. Michael continues to enjoy the freedom that comes from being able to make informed, supported life decisions.

“I DON’T KNOW WHAT I WOULD DO IF THE HUB WASN’T HERE. THE STAFF ARE ALWAYS HERE TO SUPPORT ME. THEY GIVE ME ADVICE ON MY TENANCY, THEY HELP ME MAKE PHONE CALLS AND THEY CONNECT ME TO THE SERVICES I NEED.”

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Compass has also strongly advocated for Michael to receive additional services to suit his specific needs. Three years ago, staff connected Michael to the NSW Trustee and Guardian which enabled him to gain control of his life and finances. Michael continues to enjoy the freedom that comes from being able to make informed, supported life decisions.

“I DON’T KNOW WHAT I WOULD DO IF THE HUB WASN’T HERE. THE STAFF ARE ALWAYS HERE TO SUPPORT ME. THEY GIVE ME ADVICE ON MY TENANCY, THEY HELP ME MAKE PHONE CALLS AND THEY CONNECT ME TO THE SERVICES I NEED.”
Grow a Star is an innovative youth mentoring and scholarship program that helps young people from disadvantaged backgrounds overcome the financial or generational obstacles that are preventing them following their dreams.

Since its launch in 2012, the program has assisted 166 young people to pursue their academic, sporting or artistic goals. In 2015-16, the program took two major steps forward.

The first came about thanks to a partnership with the Newcastle Permanent Charitable Foundation. In October 2015, the Foundation committed to funding an additional 20 scholarships for vulnerable and disadvantaged young people in the Hunter and Central Coast regions as well as on the Mid North Coast and in the Central West. Compass is grateful for the contribution the Foundation has made to our program and looks forward to working together again in future.

2015-16 also saw Grow a Star expand its geographic reach with the expansion of the program into Queensland. The program launched in Queensland with the sponsorship of two young girls from disadvantaged backgrounds and is set to scale up rapidly over the coming 12 months.
Music allows 14 year old Lucy Kelderman to be creative and express herself.

The once shy and reserved schoolgirl has experienced bullying and anxiety. When she mentioned to Compass’ Grow a Star Program Coordinator, Shane Marshall, that she was passionate about music, he sprang into action. Her scholarship funded some initial singing lessons to kick-start that dream.

Lucy has taken the opportunities provided by Grow a Star with both hands. She has gone on to form a band, Damsel in Dismay. The band is entering a competition to sing at New Year’s Eve celebrations in Newcastle, another opportunity uncovered for her by Shane. Compass also put her in touch with the Central Coast Conservatorium after she determined she wanted more technical coaching for her voice.

Lucy’s Dad, Justin, says music plays a big part in their family. He says it helps Lucy to go to places in herself that she wouldn’t generally go.

“It is comforting for her to have that creative outlet,” Justin says.

“Without the backing of Grow a Star she wouldn’t have gone anywhere near achieving what she has achieved.”

Lucy says music is “central” in her life and that without it nothing would be the same.

“Without the backing of Grow a Star and Shane, I don’t think I would have been motivated enough and confident enough to take my interest in music as far as I have,” she says.

“The program has given me an end goal. It is also how I have met my best friends [and fellow band members].”

“I tell Shane every time I see him that my big goal is to perform in an 80,000 seat arena.”
Having his own laptop has made school life a little easier for Brad Carberry.

The West Wallsend High School student will sit the HSC in 2017. He wants to study business and also become an officer in the Australian Defence Force.

Brad said not having his own laptop set him back compared to the other kids in the class.

"The old laptop I was sharing with Mum wasn’t the best and it needed an upgrade so I was trying to use computers at school," Brad said.

"Now I am able to do more study and assignments at home," he said.

The laptop was part of his Grow a Star scholarship from Compass Housing. Brad also used some of the money to do some essay writing courses in preparation for the HSC.

"I have always been a high achiever but to have other people believe in me and my abilities makes me more confident."

Brad said there have been other benefits from Grow a Star.

"[Program Coordinator] Shane calls me every now and again to see how I am doing and I really appreciate that."

"It is just me and Mum at home so it is good to have someone else to bounce ideas off."

Brad’s mum Cheryl said the scholarship really took the pressure off her financially but it also helped Brad be like other kids at school.

"Compass Housing and its Grow and Star program is helping Brad to have the same dreams and aspirations or achieve the same things as other kids in his class," Cheryl said.
Prior to moving in to a Compass Housing property in Brisbane, Tayla and her family had been through a tumultuous period that saw them shuffling back and forth between crisis accommodation and outright homelessness.

Thankfully time spent sleeping rough hasn’t blunted the talented 12 year old’s can-do attitude or her love of sport, particularly soccer and futsal. Despite only picking up the game 12 months earlier, Tayla’s natural skills resulted in her selection in the QLD City Futsal Team scheduled to take place in the National Championships.

Unfortunately the family’s financial constraints meant it was likely Tayla would have had to forego this fantastic opportunity. Thanks to some targeted intervention from Grow a Star however, Tayla was able to take part in the tournament where her team made it all the way to the semi-finals!

“I love playing futsal because it gets me involved in all sorts of different opportunities,” Tayla says.

“If Grow a Star didn’t help I would be missing out.”
Kaitlyn is a bubbly outgoing 12 year old whose tough start in life hasn’t prevented her from aiming for the stars.

Following a family breakdown due to domestic violence, Kaitlyn’s Mum spent a number of years moving her two young children around between domestic violence refuges. After a stressful period on the brink of homelessness, the family eventually obtained a permanent home through Compass Housing and Kaitlyn’s Mum has since devoted herself to doing everything she can to make sure her kids have the chance to shine.

Three years ago Kaitlyn was identified by her school drama teacher as strong candidate for the Australian Girls’ Choir. After a promising start however, she was forced to drop out as the costs involved were beyond the reach of the already stretched family budget.

Thanks to the Compass Grow a Star program however, Kaitlyn has been able to reconnect with the Australian Girls’ Choir and despite her tender years, has already been invited to move into one of the more senior choirs.

“Grow a Star has helped me by giving me opportunities I wouldn’t normally get to do,” she says.

“It makes me feel lucky because not many girls get to be in the Australian Girls’ Choir.”

Kaitlyn’s next ambition is to audition for the Australian Girls’ Choir tour of the USA in 2017.
In The House is a therapeutic art and community building program designed to engage tenants and services in a fun environment that serves as a soft access point to support.

Motivated by the recognition that many tenants aren’t aware of the services or support available for their specific circumstances In the House was developed as an early intervention practice in which tenants can not only access referrals for support but also have access to a safe space for collaboration, creativity and social cohesion.

In addition to Compass staff sessions are facilitated by Shane Kennedy from UP&UP who was last year named Youth Worker of the Year for his continued commitment to mentoring young people in the region.

In the House sessions are held once a fortnight with each session aiming to encourage tenants and neighbours to discuss the issues impacting their community and to break down the barriers of communication within a complex.

In 2015-16 In the House had another amazing year with almost 200 tenants choosing to get involved. Two complexes took the program to new heights by participating in cleaning bees complete with skip bins and help from enthusiastic Compass housing staff.

Several groups of tenants utilised the In the House program to brainstorm ideas for upgrades to their housing complex; assisting staff to submit a series of funding applications through the NSW Government’s Social Housing Community Improvement Fund. Of five applications submitted, four were successful resulting in approximately $200,000 worth of upgrades being funded!
Compass Housing Services' Tenant Incentive Scheme (TIS) recognises and rewards tenants who maintain their homes to a high standard, pay their rent on time or in advance, and generally fulfil their lease agreements to a high standard.

The scheme operates on three levels - Gold, Silver and Bronze and runs in all areas that Compass operates in throughout NSW.

To be eligible for Gold status, tenants must be 4 weeks or more in advance of their rent. Tenants can achieve Silver status by ensuring that their rent is 2-4 weeks in advance and for Bronze status eligibility, tenants must be up to 2 weeks in advance.

Each month a list of eligible tenants is compiled and a Gold, Silver and Bronze winner from each branch area is randomly drawn.

All winners are presented with a financial prize and certificate at a special quarterly event held in their honour.

All Gold status winners are then put into a draw to win a major annual cash prize. In the 2015-16 Financial Year, a total of 216 Compass tenants were recognised through TIS.

The Tenant Incentive Scheme (TIS) Green Reward is an ecological initiative which rewards tenants for their environmentally sustainable practices, either in their home or in the wider community.

Tenants can receive the award for recycling, maintaining courtyard gardens, being members of community garden groups or by participating in tree planting days.

Every quarter, Compass awards a $50 cash prize to a tenant from each branch area. As a further incentive, all tenants who are eligible for the Green Reward and have entered within the year, go in the draw for an annual cash prize of $250.
PARTNERSHIPS

Last financial year Compass established two critical new partnerships with the Cancer Council and Lifeline.

In May 2016, Compass joined forces with the Cancer Council and its Tackling Tobacco program in a bid to help tenants quit smoking. According to the Cancer Council, around 70 per cent of homeless people and 65 per cent of vulnerable young people smoke, compared to less than 16 per cent of the general population. Combined with regular tenant visits, the Tackling Tobacco program will mean that people who are trying to kick the habit have access to things like nicotine replacement products and addiction counselling programs.

Earlier in the year, Compass teamed up with Lifeline to deliver mental health first aid and suicide prevention courses for tenants living in boarding houses and specialist homelessness accommodation. The partnership will provide training to tenants who are considered at risk due to things like homelessness, substance abuse and mental illness. The training is designed to empower people to recognise the early signs of mental illness or suicide and teach people how to connect themselves to their neighbours with the right kind of help.

COMPASS NEW ZEALAND OPERATIONS

In April 2016 Compass Housing Services (New Zealand) Co Ltd became registered with the New Zealand Community Housing Regulatory Authority as a Class 1 Social Housing Landlord.

We are committed to working with government agencies to help achieve the goals of the Social Housing Reform Programme.

As of November 2016, Compass New Zealand is currently in the process of taking on the tenancy management of a parcel of social housing in Auckland and also has a presence in Christchurch.

Compass New Zealand is led by Dr Bernadette Pinnell. Bernadette has a PhD from the University of New South Wales and has been based in Christchurch for four years working on the Canterbury rebuild. Bernadette has a track record of delivering social infrastructure including housing renewal projects, new models of affordable housing and business plans for urban development in both New Zealand and Australia.

Compass New Zealand is excited to be operating in New Zealand and looks forward in partnering with local governments, developers, investors and other community housing providers on projects that deliver best practice tenancy management and which create additional affordable housing for New Zealand families.
Early in 2016, Compass was awarded special consultative status with the United Nations Economic and Social Council - a first for an Australian community housing provider. This accreditation enabled our organisation to participate in the planning and preparation process for the Habitat III conference.

Habitat III is the major vehicle of the UN Human Settlements Program and aims to set global standards for sustainable urban development through the adoption of the New Urban Agenda - an action-oriented document which calls for a rethink of the way we build, manage, and live in cities.

Between April 2015 and July 2016, Compass delegates took part in key planning meetings in Nairobi, Jakarta and Surabaya. The Australian Government’s contribution to this planning process was minimal however, with federal attention on housing policy instead absorbed within a broader review of the federation.

Failure to engage with the Habitat III process would have been a significant missed opportunity by any measure. As a prosperous “first world” nation, where upwards of 70 per cent of the population already live in urban centres, Australia has a great deal to contribute to any discussion about urbanisation and improving housing sustainability. Indeed, Australian expertise could contribute to improving the lives of the billions across the world for whom access to safe and affordable housing is little more than a pipe dream.

Thankfully, due to some extensive lobbying from Compass and other civil society organisations, the Australian Government made a last minute decision to send the Australian Ambassador to the United Nations Her Excellency Dr Gillian Bird as its representative at Habitat III.

Dr Bird and her team did an exemplary job and Compass would like to congratulate the ambassador and the rest of the Australian delegation for their exceptional work on behalf of our government.

The conference itself which took place in Quito, Ecuador, was a resounding success. Over the course of four days 30,000 people from 167 countries took part in almost 1000 events including eight plenary sessions, six high level roundtable discussions, 157 exhibition booths, and over 460 networking and training events.

In what was a momentous event for our organisation, Compass was granted the opportunity to make a presentation to the final plenary session. Group Managing Director Greg Budworth took the opportunity to share Compass’ vision for a world in which all people have access to safe and affordable housing and are engaged in their communities.

Habitat III concluded with the New Urban Agenda being officially adopted by all member states including Australia - a historic moment for housing policy in this country and a welcome sign that housing is back on the national agenda.

Despite our enviable position as a prosperous advanced economy, Australia is not immune from population and sustainability related challenges. Ten years ago a United Nations special rapporteur on adequate housing visited Australia and reported that we had failed to address this fundamental human right, primarily due to their being no national plan. Sadly, very little has changed over the past decade. In our major cities, population growth is placing significant pressure on housing affordability, transport infrastructure and human services and proposed solutions are thin on the ground.

While the challenges for Australia are not as acute as in the developing world, we are still a long way from solving the issue of adequate housing for all members of society. The endorsement of the New Urban Agenda however, is an enormous step in the right direction and there is now cause for optimism that this issue will finally get the attention it deserves.
TOWARDS A NATIONAL HOUSING STRATEGY

In January 2016, Compass embarked on a process that would lead to the publication of the Towards a National Housing Strategy document on the 10th May 2016. The catalyst for the development of a national statement on housing policy had been Compass’ participation in the United Nations Habitat III consultation process. The absence of a national statement from the Australian government on the current condition of housing in Australia, and the resulting preparation of a statement by Compass, suggested that a more comprehensive document was needed. The purpose of that document would be to provide a detailed analysis of the current crisis in the Australian housing system and to develop a clear strategy that the Commonwealth Government could follow to remedy the key issues. The document also provided material that could be used to lobby government for positive investment in housing in Australia.

THE PROCESS

Three components informed the development of the document:

- A comprehensive review of the recent and current research literature including the major outputs from the Australian Housing and Urban Research Institute
- Invited submissions from peak bodies, leading housing providers and academic experts
- Informal interviews and conversations with leading housing experts

The document was developed over the following four months and launched in Sydney on the 10th May at an event hosted by the Committee for Sydney and PricewaterhouseCoopers (PwC).

DEVELOPING A CAMPAIGN FOR CHANGE

The launch was immediately followed by a symposium in Canberra on the 17th of May where many of the contributors met to refine the key recommendations of the report into a Ten Point Action Plan for submission to an incoming government following the July election. During the election campaign support was given to the VoteHome campaign. The failure of housing to become an election issue and the absence of a housing role in the newly appointed cabinet prompted an attempt to develop a collaborative campaign involving the wider housing sector and related peak bodies. A workshop was convened in Canberra on the 11th October where the participating organisations agreed to fund the first stages of a national campaign. Participating organisations were: Community Housing Industry Association (CHIA), NSW Federation of Housing Associations (NSWFHA), Community Housing Federation Victoria Anglicare, National Shelter, QShelter, Shelter SA, National Affordable Housing Partnership (NAHP), Unity Housing, Launch Housing and Evolve Housing.

NEXT STEPS

A smaller group has been established to further scope the development of a national campaign to raise both public and political awareness of the housing crisis and the solutions that can be delivered. The aim is to ensure that there is cross-party support for the right to adequate housing for everyone in Australia. This vision has moved a step closer with Australian Government’s endorsement of the New Urban Agenda at the recent UN Habitat III conference held in Quito, Ecuador. The campaign initiated by the Compass publication of Towards a National Housing Strategy, will be an important mechanism for ensuring that government support for the objectives of the New Urban Agenda are implemented.

DIRECTORS
The following persons were directors of Compass Housing Services Co Ltd during the whole of the financial year and up to the date of this report, unless otherwise disclosed:

Kerry Skellern
Paul Johnson
Kwesi Addo
Greg Budworth
Geoffrey Kiel
Susan Williams
Tim Williams (resigned 13 September 2015)
Brian Wrice

PRINCIPAL ACTIVITIES
During the year the principal continuing activities of the group consisted of providing social and affordable housing in the areas of Broken Hill, Dubbo, Upper Hunter, Maitland, Central Coast, Newcastle and Lake Macquarie for New South Wales and in Queensland in the areas of Logan and Greater Brisbane.

DIVIDENDS
The company is a not for profit organisation and is prevented by its constitution from paying dividends.

REVIEW OF OPERATIONS
The consolidated results from ordinary activities before tax for the year amounted to $16,161,342 (Prior year: $158,965,057).
SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the group during the financial year were as follows.

During the year Compass Housing Services Co Ltd (‘Compass’) took the opportunity to obtain efficiency gains in the group by consolidating the accounting, payroll and supplier payment functions for group entities into head office. The benefit is to leverage improved buying power from suppliers and to provide improved flexibility in staff management across the wider group. Compass Housing Services (QLD) Co Ltd (‘Compass QLD’) is a member of the Compass Housing Services Co Ltd (‘Compass’) group which brings with it the opportunity to leverage the buying power of a much larger organisation and the benefit of accounts payable and payroll shared services functions. Given this arrangement, Compass undertakes procurement and payment of goods and services and administration of payroll and manages the working capital impact of these functions on behalf of Compass QLD. The rights and obligations associated with this working capital arrangement are recorded in Compass QLD by way of a loan payable to Compass.

There have been no other significant changes in the state of affairs of the group during the year.

EVENT SINCE THE END OF THE FINANCIAL YEAR

Logan Renewal Initiative - Subsequent to 30 June 2016, the Queensland Government (Department of Housing and Public Works - DHPW) has elected to cancel the Logan Renewal Initiative (LRI). The initiative involved Compass Housing Services Co Limited (Compass) and BlueCHP establishing an entity, Logan City Community Housing (LCCH). Compass had been engaged by LCCH under a subcontract to undertake tenancy management activities, but the project was cancelled before these commenced. Compass have recorded in their income statement at 30 June 2016 expenses related to the transition of the LRI. The financial effect of the cancellation of the LRI is unable to be reliably estimated as at the date of this financial report.

The previously issued financial report of the Company for the year ended 30 June 2016 dated 24 October 2016 has been withdrawn and is replaced by this financial report. The revision was necessary due to further information being provided in respect of the Logan Renewal Initiative (LRI). Accordingly, the directors have amended the directors’ report and note 10 (above) to reflect the financial impact on Compass Housing Services Co Limited following the cancellation of the LRI.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect:

(a) the group’s operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the group’s state of affairs in future financial years.

ENVIRONMENTAL REGULATION

The group is not affected by any significant environmental regulation in respect of its operations.
MEETINGS OF DIRECTORS

The numbers of meetings of the company’s board of directors and of each board committee held during the year ended 30 June 2016, and the numbers of meetings attended by each director were:

<table>
<thead>
<tr>
<th>Director</th>
<th>Board of Directors</th>
<th>Remuneration Committee</th>
<th>Nominations &amp; Governance Committee</th>
<th>Appeals Committee</th>
<th>ARC Committee</th>
<th>AGM</th>
<th>Committee of Subsidiaries</th>
<th>Committee of Subsidiaries</th>
<th>Committee of Subsidiaries</th>
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A = Number of meetings attended
B = Number of meetings held during the time the director held office or was a member of the committee during the year
* = Not a member of the relevant committee
REMUNERATION REPORT

The directors are pleased to present your Compass Housing Services Co Ltd’s 2016 remuneration report which sets out remuneration information for the company’s non-executive directors, executive directors and other key management personnel.

(a) Details of remuneration

The following tables show details of the remuneration received by the directors and committee members of the group.

<table>
<thead>
<tr>
<th>TOTAL REMUNERATION FOR 2015-16 INCLUDING SUPERANNUATION</th>
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<tbody>
<tr>
<td>BOARD</td>
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<tr>
<td>Kwesi Addo</td>
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<td>Stephen Barr</td>
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<tr>
<td>Barry Martin</td>
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<tr>
<td>Didier Brown De Colstoun</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

INSURANCE OF OFFICERS

During the financial year, Compass Housing Services Co Ltd paid a premium of $20,930 to insure the directors of the company and its Australian-based controlled entities, and the general managers of each of the divisions of the company.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

AUDITOR’S INDEPENDENCE DECLARATION

A copy of the auditor’s independence declaration as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 is set out on page 8 and forms part of the Directors’ Report.

ROUNDING OF AMOUNTS

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/19, issued by the Australian Securities & Investments Commission, relating to the ‘rounding off of amounts in the directors’ report. Amounts in the directors’ report have been rounded off in accordance with that instrument to the nearest dollar.

AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors.

Paul Johnson
DIRECTOR

Kerry Skellern
DIRECTOR

14 November 2016
AUDITOR’S INDEPENDENCE DECLARATION

Under Section 307C of the Corporations Act 2001 To the Directors of Compass Housing Services Co Ltd and Controlled Entities.

As auditor for the audit of Compass Housing Services Co Limited for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Compass Housing Services Co Limited and the entities it controlled during the period.

Caroline Mara
Partner 14 November 2016

PricewaterhouseCoopers

CONSOLIDATED BALANCE SHEET

as at 30 June 2016

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>NOTES</th>
<th>2016 $</th>
<th>Restated 2015* $</th>
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<td>7,053,038</td>
<td>5,141,128</td>
</tr>
<tr>
<td>Financial assets at fair value through profit or loss</td>
<td>3(c)</td>
<td>11,275,994</td>
<td>10,941,100</td>
</tr>
<tr>
<td>Other current assets</td>
<td>3(d)</td>
<td>1,037,257</td>
<td>1,139,317</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>28,165,964</td>
<td>25,873,434</td>
</tr>
</tbody>
</table>

| **NON CURRENT ASSETS** | | | |
| Other financial assets | 3(c) | | |
| Property, plant and equipment | 4(a) | 2,933,776 | 2,844,786 |
| Investment properties | 4(b) | 373,950,245 | 361,204,949 |
| Intangible assets | 4(c) | 295,531 | 310,324 |
| Other non-current assets | 3(d) | 1,650 | 1,650 |
| **Total non-current assets** | | 377,307,851 | 364,487,213 |
| **Total assets** | | 405,473,815 | 390,360,647 |

| LIABILITIES | | | |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 3(e) | 3,745,976 | 3,080,239 |
| Borrowings | 3(f) | 2,423,452 | 2,669,606 |
| Provisions | 4(d) | 1,263,273 | 972,176 |
| Other current liabilities | | 2,357,449 | 3,244,782 |
| **Total current liabilities** | | 9,790,150 | 9,966,803 |

| **NON CURRENT LIABILITIES** | | | |
| Borrowings | 3(f) | 33,764,212 | 34,597,182 |
| Provisions | 4(d) | 95,376 | 133,927 |
| **Total non current liabilities** | | 33,859,588 | 34,731,109 |
| **Total liabilities** | | 43,649,738 | 44,697,912 |
| **Net assets** | | 361,824,077 | 345,662,735 |

| EQUITY | | | |
| Other reserves | 5(a) | 115,089,886 | 115,089,886 |
| Retained earnings | 5(b) | 246,734,191 | 230,572,849 |
| **Total equity** | | 361,824,077 | 345,662,735 |

* See note 7(a) of the full financial statements for details about restatements for changes in accounting policies and note 7(b) for details regarding the restatement as a result of an error.

The above consolidated balance sheet should be read in conjunction with the accompanying notes of the full financial statements.
### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2016

<table>
<thead>
<tr>
<th>Asset Revaluation Reserve</th>
<th>Vested Capital Assets Reserve</th>
<th>Vested Surplus Reserve</th>
<th>Retained Earnings *</th>
<th>Total Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2014</td>
<td>75,000</td>
<td>110,101,451</td>
<td>4,913,435</td>
<td>186,697,678</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td></td>
<td></td>
<td>158,965.057</td>
<td>158,965.057</td>
</tr>
<tr>
<td>Balance at 30 June 2015</td>
<td>75,000</td>
<td>110,101,451</td>
<td>4,913,435</td>
<td>345,662,735</td>
</tr>
</tbody>
</table>

* See note 7(a) of the full financial statements for details about restatements for changes in accounting policies and note 7(b) for details regarding the restatement as a result of an error.

The above consolidated statement of changes in equity should be read in conjunction with the notes of the full financial statements.

### CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2016

#### CASH FLOWS FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from customers (inclusive of goods and services tax)</td>
<td>41,989,345</td>
<td>45,223,341</td>
</tr>
<tr>
<td>Payments to suppliers and employees (inclusive of goods and services tax)</td>
<td>(47,702,964)</td>
<td>(46,370,552)</td>
</tr>
<tr>
<td>Interest income</td>
<td>406,552</td>
<td>670,998</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(1,669,928)</td>
<td>(1,557,691)</td>
</tr>
<tr>
<td>Receipt from grant</td>
<td>9,213,583</td>
<td>2,168,366</td>
</tr>
<tr>
<td>Net cash inflow from operating activities</td>
<td>6(a)</td>
<td>2,236,588</td>
</tr>
</tbody>
</table>

#### CASH FLOWS FROM INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments for property, plant and equipment</td>
<td>4(a)</td>
<td>(497,359)</td>
</tr>
<tr>
<td>Payment for investment property</td>
<td>-</td>
<td>(23,765,927)</td>
</tr>
<tr>
<td>Payment for intangibles</td>
<td>(178,745)</td>
<td>(319,523)</td>
</tr>
<tr>
<td>Payment for investments</td>
<td>(334,894)</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from sale of property, plant and equipment</td>
<td>1,340</td>
<td>3,603</td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>-</td>
<td>169,711</td>
</tr>
<tr>
<td>Proceeds from financial assets</td>
<td>-</td>
<td>(1,121,915)</td>
</tr>
<tr>
<td>Net cash (outflow) from investing activities</td>
<td>(1,009,658)</td>
<td>(25,427,743)</td>
</tr>
</tbody>
</table>

#### CASH FLOWS FROM FINANCING ACTIVITIES

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from borrowings</td>
<td>-</td>
<td>13,569,689</td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>(1,079,124)</td>
<td>-</td>
</tr>
<tr>
<td>Payment for subsidiary, net of cash acquired</td>
<td>-</td>
<td>2,615,928</td>
</tr>
<tr>
<td>Net cash (outflow) inflow from financing activities</td>
<td>(1,079,124)</td>
<td>16,185,617</td>
</tr>
</tbody>
</table>

Net increase (decrease) in cash and cash equivalents 147,806 (9,107,664)

Cash and cash equivalents at beginning of financial year 8,651,869 17,759,553

Cash and cash equivalents at end of year 3(a) 8,799,675 8,651,889

Non-cash investing and financing activities

The above consolidated statement of cash flows should be read in conjunction with the notes of the full financial statements.
DIRECTORS’ DECLARATION

In the directors’ opinion:

(a) the financial statements and notes set out on pages 9 to 33 are in accordance with the Corporations Act 2001, including:
   (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
   (ii) giving a true and fair view of the consolidated entity’s financial position as at 30 June 2016 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Note 14(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by management as required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of directors.

PAUL JOHNSON
DIRECTOR
14 November 2016

KERRY SKELLERN
DIRECTOR
14 November 2016

DIRECTOR’S DECLARATION

In my opinion:

(a) the consolidated statement of comprehensive income and notes set out on pages 9 to 33 give a true and fair view of all income and expenditure of Compass Housing Services Co Ltd with respect to fundraising appeals;

(b) the consolidated balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeals;

(c) the provision of the Charitable Fundraising Act 1991, the Charitable Fundraising Regulation 2008 under the Act and the conditions attached to the authority have been complied with for the year ended 30 June 2016; and

(d) the internal controls exercised by Compass Housing Services Co Ltd are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

KERRY SKELLERN
DIRECTOR
14 November 2016

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF COMPASS HOUSING SERVICES CO LIMITED

Independent auditor’s report to the members of Compass Housing Services Co Limited

Report on the financial report
We have audited the accompanying financial report of Compass Housing Services Co Limited (the company), which comprises the consolidated balance sheet as at 30 June 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors’ declaration for the Compass Housing Services Co Limited Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at year’s end or from time to time during the financial year.

Directors’ responsibility for the financial report
The directors 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 (ACNC) Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 that we 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. In making those risk assessments, the auditor considers internal control relevant to the consolidated entity’s preparation and fair presentation of the financial report 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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
Our auditor’s independence declaration contained within the directors’ report would be the same if it had been issued at the same time as this audit report.

PricewaterhouseCoopers, ABN 52 760 433 732
Level 3, 42 Watt Street, PO Box 798, NEWCASTLE NSW 2300
Liability limited by a scheme approved under Professional Standards Legislation.
Auditor’s opinion

In our opinion, the financial report of Compass Housing Services Co Limited is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission (ACNC) Act 2012, including:

(a) giving a true and fair view of the consolidated entity’s financial position as at 30 June 2016 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013

Release of Financial Report

We draw attention to the following matter. As indicated in Note 10, the financial report of Compass Housing Services Co Limited has been revised and reissued. This audit report supersedes our audit report on the previously issued financial report, dated 24 October 2016. Our opinion is not modified in respect of this matter.

Report on the requirements of the NSW Charitable Fundraising Act 1991 and NSW Charitable Fundraising Regulations 2015

We have audited the financial report of Compass Housing Services Co Limited as required by Section 24(2) of the NSW Charitable Fundraising Act 1991. The directors of the company are responsible for the preparation and presentation of the financial report in accordance with the Charitable Fundraising Act 1991 (NSW) and the NSW Charitable Fundraising Regulations 2015. Our responsibility is to express an opinion on the financial report based on our audit.

Auditor’s Opinion

In our opinion, in all material respects:

(a) The financial report and associated records have been properly kept, during the financial year ended 30 June 2016, in accordance with:

(i) sections 20(3), 22(1-2) and 24(1-3) of the NSW Charitable Fundraising Act 1991; and

(ii) Sections 9(6) and 10 of the NSW Charitable Fundraising Regulations 2015.

(b) Money received as a result of fundraising appeal activities conducted by the company during the financial year ended 30 June 2016 has been properly accounted for and applied in accordance with the above mentioned Act and Regulations.

PricewaterhouseCoopers

Caroline Mara
Partner
Newcastle
15 November 2016