



ANNUAL REPORT

—
2019/20

COMPASS HOUSING SERVICES

'YOUR DIRECTION HOME'



OUR VISION

“At Compass Housing our vision is that all people have appropriate and affordable shelter and are engaged in sustainable communities.”



COMPASS HOUSING SERVICES IS FUNDED BY

Australian Government



OUR MISSION

PROVIDING HOMES

Housing is where we started, the heart of our work. We take pride in our tenancy and asset management services. Access to adequate housing is a universal human right. But what we do is more than housing—its about people, the lives they live, the community they live in and providing a place they call 'home'.

EMPOWERING PEOPLE

We aim to optimize the potential of the people who live in our properties. We support their dreams and aspirations, giving them opportunities to grow and become who they want to be.

CONNECTING COMMUNITIES

Communities are created through a shared sense of belonging and connectedness. Connected communities care about and support the wellbeing of the people who live in them. Our endeavours assist in connecting communities.

INFLUENCING THE FUTURE

We have an active role to play in influencing the future of housing and sustainable communities. We act to support our clients and influence others to achieve a better future. We look for sustainability, in business and in the environment. We measure our success in the impact we leave on the environment and how well we support our clients to determine their own future.

OUR VALUES

COMMUNITY

Community is at the heart of our work: local communities, national communities, world communities. We work to leave a lasting legacy in creating connected communities.

EMPOWER

We work from a deep respect, for each other, our clients, our partners, the community and, as we also acknowledge that our purposes are more important than our own organisational success, a deep respect for our colleagues and partners in this field.

ASPIRE

We aspire to do our best. We support our clients to find and achieve their aspirations.

TRANSFORM

Our work transforms lives, communities and generations and contributes to transforming our world.

EFFECT

Our work effects change and makes a difference. We are continually looking for ways to improve our work practice and positively effect our environment, our communities and our clients futures.

COMPASS HOUSING SERVICES 2019/20 ANNUAL REPORT

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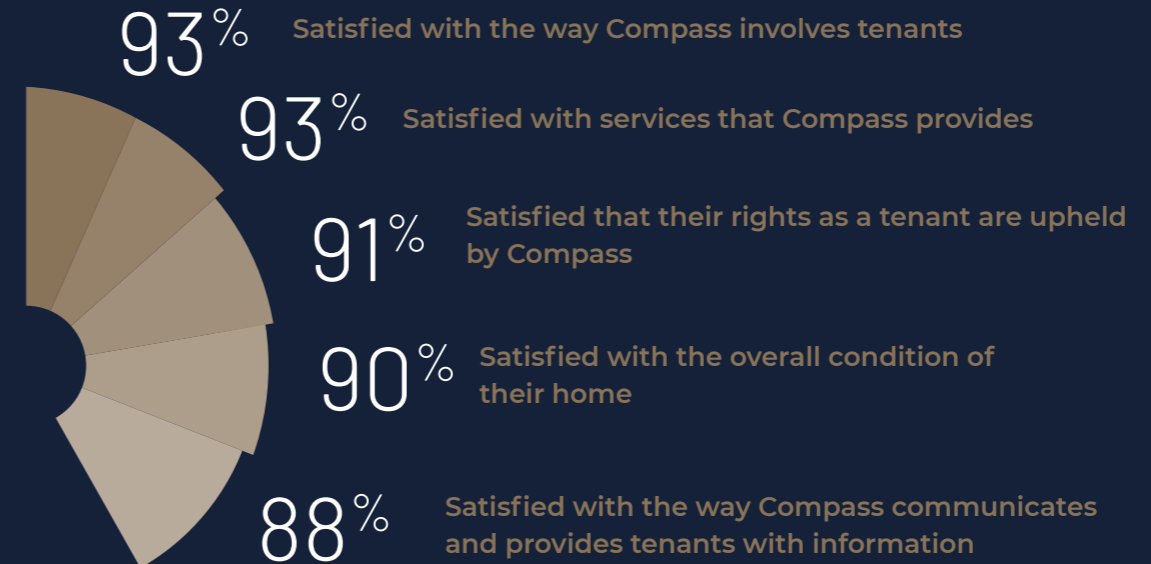
HIGHLIGHTS



16,709
Number of people provided housing

7,139
Total properties under management

TENANT SATISFACTION



TESTIMONIALS

“Overall, the service provided by Compass and its staff is excellent and very professional.”

“Compass Housing is good in all aspects. Thank you and God Bless.”



“Property is well maintained and a very pleasant place to live. Quiet and a very comfortable and friendly environment.”

“Thank you for your service my grandmother loves the house and loves living here.”

\$2.14B

Total assets under management

\$14M

Total grants

\$33M

Total cash

\$80M

Total revenue

\$15.6M

Total surplus

\$384M

Net assets

SNAPSHOT OF OUR ASSETS

7,139

Properties managed
in NSW, QLD & NZ

1,446

Total number owned

14

Service centres

68

Local Government Areas



2019-20

AWARDS



2019 Australian
Business Awards



Employer of Choice



Training Excellence



Community Contribution



HR Management



2019 Sustainability Advantage Program



Gold Status



Sustainability Champion

SUSTAINABLE DEVELOPMENT GOALS

The United Nations introduced the Sustainable Development Goals (SDGs) in 2015 to create a 15-year roadmap to addressing some of our planet's most urgent and crucial challenges including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

Compass has long been committed to social, environmental and economical sustainability. Our vision of adequate housing and sustainable communities for all is underpinned by this commitment.

Since 2017 Compass has shown our commitment to achieving the SDGs and has continually advocated for governmental and business action at local, national

and international levels ever since. Over the past year we have embedded our commitment to the SDGs even further. Through the development of our 2020-30 Strategic Plan, we have evaluated and prioritised the SDGs goals, and framed our targets and outcomes around achieving these goals and contributing to a better, more sustainable and prosperous world.

WHAT WE'RE DOING TO MAKE A DIFFERENCE



1. NO POVERTY

- Our housing services continue to provide vulnerable people with adequate, safe and affordable housing through growth in portfolio and building on our service provision.
- Our ongoing support and referral services provide access to basic services, including financial support and financial welfare checks to help eliminate financial stress for low-income earners.
- Our resident and community programs provide resources and education to assist clients in financial literacy and improved employment opportunities.



2. ZERO HUNGER

- We provide vulnerable people with access to basic services, including affordable food and produce, foodbanks, weekly free lunches, and cooking classes through our community Hubs and referrals.
- Our community gardens enable tenants to grow fruit and vegetables as a source of food.



3. GOOD HEALTH AND WELLBEING

- Compass provides our "Shout Out" suicide prevention training for tenants and staff, which assists with mental health support, and provides training on accessing help and assisting others. This program also participates in tenant engagement activities to encourage discussions on mental health and how to access services.
- We provide access to various free health screening programs for tenants and communities through our community Hubs and tenant engagement activities.
- Our community gardens help increase the health, well-being and social participation opportunities for our tenants and their community.
- Our Open Door Committee provides employees with health and well-being support and advocates for staff. Employees are also offered discounted fitness memberships, free flu immunisations and mental health first aid courses.



8. DECENT WORK AND ECONOMIC GROWTH

- Compass creates opportunities for tenants to access education and vocational training that can lead to opportunities for full and productive employment, we do this through referrals and facilitating training programs.
- Our Deep Place Method provides a comprehensive profile for marginalised communities and maps new economic activities that can create training and employment opportunities for the long-term unemployed.



10. REDUCED INEQUALITIES

- We manage specialised disability housing for people with disability across Australia and work with the residents' service providers to ensure quality outcomes. Compass facilitates tenant engagement activities such as sensory gardens at our disability accommodation complexes.
- Our Cultural Diversity Program builds organisational and employee capacity to work in culturally responsive ways and requires staff to complete a cultural competency training module.
- Compass has implemented a Reconciliation Action Plan Program which provides a framework for the organisation to support the national reconciliation movement.



13. CLIMATE ACTION

- Since 2012 Compass has continued to achieve a carbon footprint reduction of 10% every three years and has committed to striving for carbon neutrality by 2030 through the implementation of our carbon neutral roadmap.
- Compass has developed a climate change mitigation/adaptation strategy and will implement through 2020/21.



4. QUALITY EDUCATION

- Each year Our Grow A Star youth mentoring and scholarship program helps young people from vulnerable backgrounds to overcome financial and generational obstacles and follow their academic, sporting, artistic or cultural dreams.
- Our support and referral services can help tenants gain access to education and vocational training.
- Our employee study program provides support and funding opportunities for lifelong learning and training in technical and vocational skills.



5. GENDER EQUALITY

- We run domestic violence (DV) awareness raising activities across all our office locations and have support programs for tenants and staff experiencing DV.
- We are represented on a number of community workgroups that advocate for DV services and programs.
- All operational staff undertake DV awareness training to understand the complexities and provide specialised assistance to tenants.
- We are an equal opportunity employer with 59% of our Executive Team and 33.5% of our Board of Directors represented by women.



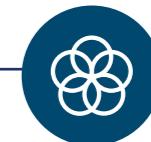
12. RESPONSIBLE PRODUCTION AND CONSUMPTION

- We have waste management practices including soft plastics recycling, aiming for zero waste. Compass is also investigating renewable energy options across all office locations.
- We encourage our major contractors to adopt sustainable practices and are implementing changes to our procurement policy and processes to include more sustainable development related criteria.
- In 2020 Compass implemented and was a signatory to a regional Sustainable Procurement MoU to support and encourage sustainable supply chains and products.



11. SUSTAINABLE CITIES AND COMMUNITIES

- We create and manage social and affordable housing and access to basic services.
- We participate in national and regional development planning and advocate locally, regionally, nationally and internationally for sustainable development and for all people to have adequate and sustainable housing.
- Compass established the Big Ideas Homelessness Network and fund a coordinator for Hunter Homeless Connect Day, an annual event for those experiencing homelessness to have access to basic services.



17. PARTNERSHIP FOR THE GOALS

- Compass has MoUs in place with over 50 support service providers to ensure tenants have access to the services and referrals they require.
- We participate in and promote effective public-private and civil society partnerships and work to strengthen national and regional development capacity and planning.
- We work collaboratively with organisations such as Hunter New England Health and the University of Newcastle to partner in events and projects that focus on reducing homelessness in our region.
- Our international collaborative efforts include active participation in the 9th World Urban Forum, UN Habitat General Assembly of Partners, UN ESCAP (Friends of Ocean City Advisory Group), Guangzhou International Awards for Urban Innovation, and Eastern Regional Organisation for Planning and Human Settlement (EAROPH).
- In 2020 Compass collaborated with other committed businesses and organisations across the Hunter and Newcastle regions to educate, collaborate and accelerate the SDGs.



7. AFFORDABLE AND CLEAN ENERGY

- Our solar energy pilot project increases access to affordable and renewable energy for tenants in 40 of the properties we manage.
- Compass is currently developing a second solar program based on outcomes of the pilot project.

WHO WE ARE

Compass Housing Services Co Limited (Compass) is an enterprising and socially committed international NGO that provides social and affordable housing for low to moderate income households. With more than 7000 properties under management, Compass is one of the largest non-government providers of subsidised housing in Australia.

With a track record stretching back more than 30 years, Compass has extensive experience in all aspects of tenancy and property management and has successfully operated under a wide range of state and federal government initiatives and housing programs.

Our vision is for a world in which all people have access to safe, affordable and adequate housing and are actively engaged in sustainable communities. In pursuit of that goal, Compass has developed an approach to service delivery which integrates tenancy and property management within a broader network of services and maximises opportunities for tenants to increase their economic and social participation.

Underpinning our company vision is a belief that safe and adequate housing is a basic human right. As promoters of the right to housing we are strong advocates for structural reform to Australia's broken housing system and active participants in a variety of national and international campaigns aimed at helping achieve the United Nations Sustainable Development Goals.





WORK HEALTH AND SAFETY

Compass takes a systematic approach to workplace health and safety (WHS) management in order to minimise risks to our employees. Compass recognises the most effective way to attract and support competent and productive employees is to ensure a healthy and safe work environment for everyone. As such Compass encourages workforce diversity including support for workers who may require reasonable workplace adjustments and non-discriminatory employment practices.

RESPONDING TO COVID-19

Like most businesses, Compass was heavily impacted by restrictions on movement and trade imposed by governments in response to the COVID-19 pandemic.

Social distancing requirements, including restrictions on the number of people able to share office space, necessitated a rapid and wholesale shift to working from home. With Compass having more than 150 full time employees, the logistics involved in effecting this change at short notice were considerable.

The challenge of transitioning to a work from home service model was made more complex as during normal times Compass, in keeping with its client centred approach to service delivery, relies heavily on face-to-face contact between staff and clients. Restrictions on gatherings and general social distancing and hygiene requirements interfered with the ability of staff to engage with clients in the normal fashion, as well as impacting the ability to conduct property inspections, and of maintenance contractors to perform required works.

Compass was an early mover in terms of making the transition to staff working from home. While the transition was occurring, tailored messaging was developed and distributed to various stakeholder groups, advising of the change in operating arrangements, as well as providing information about new health and safety protocols including social distancing, hand hygiene, and the use of PPE to help infection control.

Thanks to the dedication of Compass' HR and IT teams, the transition to working from home was implemented almost seamlessly, and in a remarkably short period of time given the scale of the challenge. IT staff provided necessary hardware, helped setup networks,

implemented additional online security protocols and training, and introduced virtual meeting technology, all within the space of a week. Our HR team, meanwhile completed a comprehensive set of working from home assessments to ensure staff had access to the space and equipment necessary to work safely and productively.

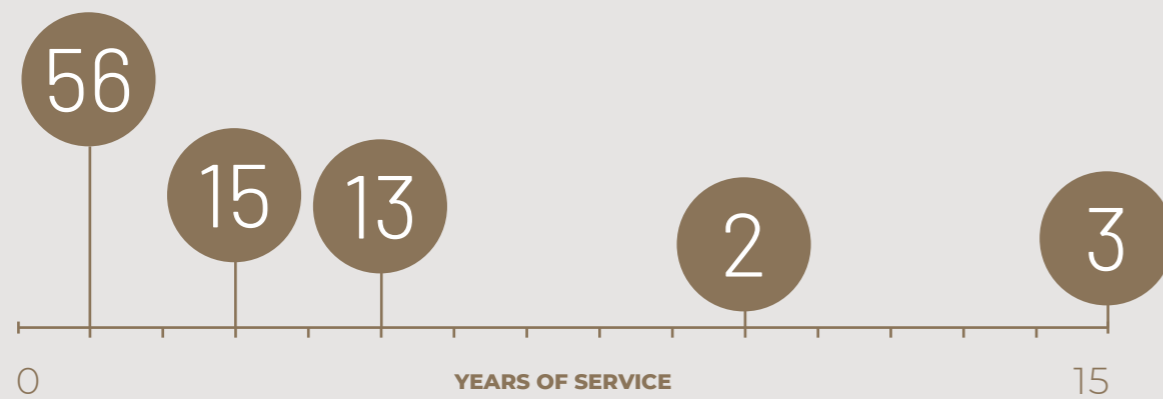
With staff working remotely, Compass quickly restructured its operations team to focus more heavily on functions rather than our locations. Management identified 10 key function areas crucial to business continuity. Our teams were then restructured and resulted in teams dedicated solely to each of these key functions. This approach led to a number of improvements in performance metrics, including a 38% reduction in rent arrears.

Compass staff were very aware of the potential for restrictions on gatherings and outings to compound the social isolation that can afflict tenants in normal circumstances, such as elderly and lone-person households. Compass Tenant Engagement Officers completed 2830 COVID-19 welfare checks in response to the COVID-19 pandemic and provided 'boredom packs' for some of our more isolated residents, to help them pass time during lockdown. To measure the success of the changed working arrangements, management developed an audit process to monitor changes in staff productivity while working from home. Staff were also surveyed about their communication needs, and interest in activities to support employee wellbeing during lockdown.

With lockdowns now over, the majority of Compass' operations have returned to normal. Offices are once again open to the public and staff are engaging face-to-face with clients. That said, several of the changes introduced during the pandemic have provided important learnings with the potential to improve efficiency and general performance moving forward.

Service Recognition Awards

Compass believes in acknowledging the professionalism, dedication and productivity of its employees by presenting them with Certificates of Service for their corresponding years of service to the organisation. In 2019-20, 89 employees received service recognition awards:



Learning and Development

Compass views education and training as a critical component to develop our future leaders, to achieve successful workforce succession planning, and as a key element to sustain our high employee engagement.

Three Greg Budworth Higher Education Scholarships were awarded to Compass employees in 2019 to support their ongoing career development goals:

 <p>Blackwood Melrose Graduate Certificate of Data Science</p>	 <p>Jandy McCandless Master of Business Administration</p>	 <p>Samantha Williams Bachelor of Commerce – Major in Accounting</p>
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Compass also supports the professional development of its staff through an annual training budget, various scholarships and up to 5 days paid study leave for staff who are studying.

\$144,176.12

Total training spend

95

Paid study days applied for external professional development

Diversity & Inclusion

29%

Employees are male

Median age

43



71%

Employees are female

Median age

42

11%

of employees are from a **culturally and linguistically diverse** background

5%

of employees identify as **Aboriginal** or **Torres Strait Islander**

55%

of **executive positions** are held by **women**

38%

of **Compass Board members** are women

Compass is proud of its workplace diversity and understands that diversity matters.

OUR ORGANISATION

EXECUTIVE TEAM

BOARD OF DIRECTORS



Greg Budworth
Group Managing Director



Lyndall Robertshaw
Group Chief Corporate Services Officer



Professor Dave Adamson
Group Chief Strategic Engagement Officer



Dr Bernadette Pinnell
General Manager Operations New Zealand



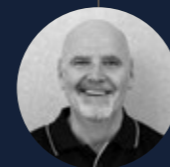
Lisa Tierney
Group Chief Operating Officer



Daniel Davis
Group Chief Legal Officer & Company Secretary Group



Julie Barnett
Group Chief Governance Officer



Damien Thomas
Group Chief Financial Officer



Kent Chalmers
Group Chief Technology Officer

GROUP EXECUTIVE MANAGEMENT BOARD AND COMMITTEE MEMBERSHIPS

Greg Budworth

Group Managing Director

- Executive Director Compass Housing Services Co Ltd
- Executive Director Compass Housing Services Co (Queensland) Ltd
- Executive Director Compass Housing Services Co (New Zealand) Ltd
- Director Logan City Community Housing Limited
- Director MyPlace Property
- Director 316 Maitland Road Pty Ltd
- Director 45 Pendlebury Road Pty Ltd
- Director 23-25 Young Street Pty Ltd
- Director 357-359 Mann Street Pty Ltd
- Director Tetris Finco #1 Pty Ltd

Lyndall Robertshaw

Group Chief Corporate Services Officer

- Director CHIA NSW
- Director Powerhousing Australia
- Director Logan City Community Housing Limited
- Director 316 Maitland Road Pty Ltd
- Director 45 Pendlebury Road Pty Ltd
- Director 23-25 Young Street Pty Ltd
- Director 357-359 Mann Street Pty Ltd
- Director Tetris Finco #1 Pty Ltd
- Member Powerhousing Australia CEO Committee
- Member City of Newcastle Building Better Cities Committee
- Member Property Council Australia Hunter Chapter

Professor David Adamson

Group Strategic Engagement Officer

- Chair Big Ideas Homelessness Network

Lisa Tierney

Group Chief Operating Officer

- Director Home4Life Limited

Bernadette Pinnell

General Manager, Compass Housing Services New Zealand

- Director Urban Development Institute of New Zealand

Julie Barnett

Group Chief Governance Officer

- Chair Powerhousing National Compliance Community of Practice Group
- Fellow of the Governance Institute of Australia



FROM THE CHAIR

The 2019/20 financial year has been characterised by big challenges and big achievements.

Compass has long argued for adequate and affordable housing as the foundation of human wellbeing - something that has been made even more apparent by COVID-19 inspired restrictions which saw most of us spend more time at home than we were probably used to.

Governments around the world responded to the virus by encouraging people to stay in their homes. This period of unexpected confinement, along with the widespread transition to working from home, prompted many people to consider the adequacy of their accommodation, and raised interesting questions about the future practicality of a housing system that involves large numbers of people living within homes that are not places they would enjoy spending a prolonged period of time.

Compass was an early mover in terms of adopting widespread work from home arrangements, and I would like to congratulate the executive team for the decisive way in which they approached the task, and the staff for adapting to the new requirements and continuing to deliver the exceptional service for which our organisation is known.

Despite the spectre of COVID-19, the business of providing safe and secure housing for vulnerable people still had to go on and I am pleased to be able to report that despite the pandemic, 2019-20 was another year of strong growth. In the 2019-20 financial year, we added another 248 properties to our portfolio, and increased the number of tenancies we manage by more than 7.5%. Further growth

is anticipated in 2020-21 largely thanks to the NSW Government's Social and Affordable Housing Fund (SAHF) which has allowed Compass to deliver a total 493 new dwellings under this program.

Another highlight over the past financial year was the progress made in our New Zealand division which not only increased its portfolio size by a remarkable 81% but is now returning a profit and is well positioned for further growth in the years ahead.

This past year also saw a substantial amount of work devoted to the development of the organisation's ten-year strategic plan.

Compass may have started small and local, but over the past five years has expanded rapidly to become a genuine international NGO with properties in Australia and New Zealand and humanitarian initiatives in the Pacific islands.

Staying on that trajectory requires a robust planning framework and I am pleased to report that our ten-year plan approved by the board in September of 2020 contains a mixture of ambitious new goals, as well as a commitment to ensuring the continuation of well-established services, and has been designed to reflect the United Nations Sustainable Development Goals (SDGs).

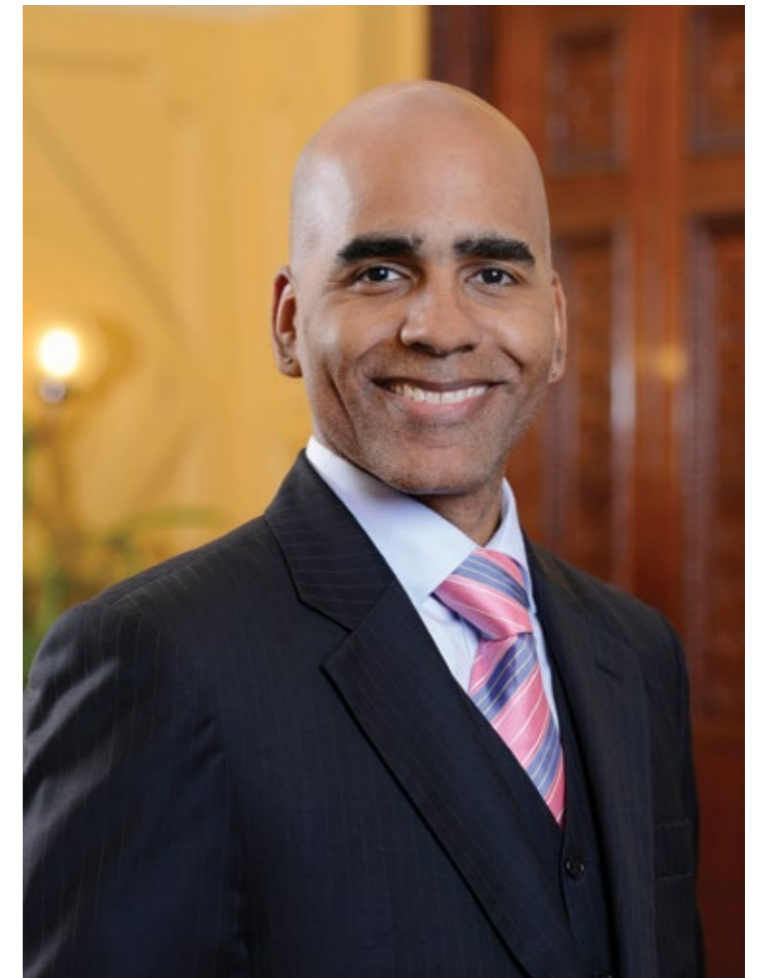
We are committed to influencing the acceptance of, and participation in, the SDGs and have aligned the strategic plan with those goals. The goals, and the accompanying targets and indicators, specifically those relating to housing and community resilience underpin several of the objectives of our ten-year plan.

As we move into the first year of the implementation phase of the new plan, it is perhaps appropriate that we do so with some new governance arrangements in place and a refreshed group executive management team at the helm.

Earlier this year, Daniel Davis was appointed the Group Chief Legal Officer in which position he will serve as in-house legal counsel as well as retaining his existing duties as company secretary for the Compass Group. Just prior to the publication of this report, Damien Thomas was appointed as Group Chief Financial Officer, filling the vacancy left by the resignation of Ian Rennie. On behalf of the board, I would like to thank Ian for his service over the past five years.

With a new strategic plan, and a new-look group executive management team, Compass is well positioned to continue growing its influence as an international NGO.

In 2019, Compass was officially accredited by the Australian Council for International Development (ACFID) and is in the process of obtaining accreditation through the Department of Foreign Affairs and Trade (DFAT). To date, we have delivered two community hubs and cyclone shelters in Vanuatu, and preliminary work is also underway to provide secure accommodation for female traders at the Freshwater food market in Port Vila. Elsewhere in the Pacific, Compass is partnering with RMIT University to deliver an Urban Resilience Adaptation project to deliver climate change mitigation interventions.



Looking ahead, despite the general uncertainty created by COVID-19, the outlook for Compass is encouraging and I look forward to reporting next year on the progress made against the first year targets in our new strategic plan.

I would like to thank my fellow directors for their ongoing commitment to the sound governance of the organisation. I would also like to congratulate the Group Managing Director and the entire executive team for their skilful leadership and navigation through another busy and challenging year and, finally, would like to congratulate the staff for their dedication to our cause, and their inspirational commitment to the people they serve.

Kwesi Addo
Chair

GROUP MANAGING DIRECTOR'S REPORT

As 2020 comes to a close, I want to begin this report by thanking and congratulating the entire Compass team for the strength, adaptability, and resilience they have displayed throughout what has been, without doubt, one of the strangest, and most challenging years of our personal and professional lives and one which has thrown into sharp relief the question of what it means to have “adequate” housing.

It is hard to believe that at the beginning of the year we thought recovering from the bushfires that were still ravaging parts of the east coast of Australia was going to be the defining challenge of the year. Just a few short months later the world as we know it had been turned on its head, close to a million people had lost their jobs in Australia and 67,000 in New Zealand, and previously unfamiliar expressions like “social distancing” and “epidemiology” had entered everyday usage.

I am proud to say that Compass was an early mover in terms of adapting to the workplace implications of COVID-19. Restrictions on the number of people able to share office space, necessitated a rapid and wholesale shift to working from home. With Compass having more than 150 full time employees, the logistics involved in effecting this change at short notice were considerable. I would particularly like to congratulate our IT team, ably led by our Chief Technology Officer, for the speed and skill with which the transition to a work from home arrangements were implemented, all within the space of a week, which enabled a more or less seamless transition from office-based to home-based working. In addition, there was considerable

and excellent work undertaken by Operations in Australia and New Zealand, Corporate Services, Governance, Human Resources and the Community Participation Unit to achieve continuity of the organisation and its service delivery functions.

With staff working from home, Compass restructured its operations team to focus on functions rather than locations. Management identified 10 key functions crucial to business continuity and allocated staff into teams dedicated solely to that function. This approach led to several improvements in performance metrics, not least of which was a 38% reduction in rent arrears.

Of course, the wellbeing of our tenants is of paramount importance and Compass staff were particularly cognizant of the potential for restrictions on movement and gatherings to compound the social isolation that can afflict elderly tenants and lone-person households, even under normal circumstances. As part of the COVID-19 response, Compass Tenant Engagement Officers completed 2830 COVID-19 welfare checks. For some of our more isolated residents we provided ‘boredom packs’ with content of their choosing to help them pass some time during lockdown.

This level of dedication to the wellbeing of our tenants is one of the defining features of Compass socially regenerative approach to tenancy and property management, and I am pleased to say that while COVID-19 impacted our ability to deliver the full range of engagement and community development activities in the normal fashion, the 19/20 financial year still produced plenty of fantastic outcomes.

Prior to the pandemic, Compass staff held 129 engagement events which were attended by more than 3000 people – a fantastic outcome and an increase on the previous year which is all the more impressive considering the final quarter of the year was heavily impacted by COVID lockdowns.

The commitment to tenant engagement is a major contributor to our tenant satisfaction results, which this year came in at 93%, another remarkable achievement and a testament to the hard work of our frontline staff.

Another highlight during an extremely challenging year was seeing the dedicated young people involved in the Compass Grow a Star mentoring and scholarship program, still chasing their dreams and looking to the future with optimism, despite the upheaval around them. Last year the program provided assistance to 80 new participants; the most ever. You can read more about the program, and some of the inspirational participants on page 66 of this report.

Last year also saw a major evolution in the way Compass delivers repairs and maintenance with the creation of our own in-house property maintenance division; My Place Property Maintenance (MPPM). MPPM will have a workforce of over sixty personnel across various trades roles and supporting staff, a fleet of forty vehicles and the establishment of three warehouses with the introduction of new infrastructure and technology to support the new operation. It will see the employment of apprentices from our client population with a focus on engaging Indigenous youth.



Compass is committed to growth, both in terms of scale, and the range of service offerings. This year we were pleased to see substantial growth in the size of our Specialist Disability Accommodation portfolio. By June 30 we had handed over 64 newly built group homes, delivered under the auspices of the Home4Life consortium, to the Supported Independent Living providers responsible for caring for the homes’ residents. Our SDA team also deserve to be congratulated for successfully completing the transfer of over 300 residents from old-fashioned institution-based care, to brand new, purpose built, group homes. More information about Compass SDA is available on page 45.

The past year has also seen substantial progress against our key milestones under the NSW Government’s Social and Affordable Housing Fund (SAHF). As part of this initiative Compass is delivering approximately 500 properties across the Hunter and Central Coast regions. At the time of writing, seven projects comprising 123 properties have been completed with another 12 projects scheduled for completion by the end of 2021.

As well as being a first-class provider of housing services, Compass recognises that it has a valuable role to play influencing the public debate about housing poverty and urbanisation. This financial year we produced two research papers delving into the extent of Australia's housing crisis. The first, Estimating Current and Future Demand for Housing Assistance, explored the extent to which official waiting list figures do not accurately capture the true level of demand for subsidised housing. The second was an updated edition of the Affordable Housing Income Gap Report which measures middle income housing stress across the country. You can read more about these papers and their findings on page 78.

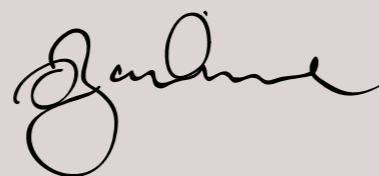
If 2020 has taught us anything it is that it's impossible to know what the future holds. In the areas in which we operate, COVID-19 lockdowns are largely over, at least for the time being and the majority of Compass' operations have returned to normal. Offices are once again open to the public and staff are engaging face-to-face with clients. Whether COVID-19 can be kept at bay and the current arrangements maintained remains to be seen. However having witnessed the speed with which our team adapted to a new operating environment gives me great confidence that our business is well positioned to respond to any future challenges which require innovative and rapid changes to operating procedures, whether those challenges are due to further outbreaks of COVID-19 or from another matter entirely.

The Compass 2020-30 Strategic Plan aligned with the UN Sustainable Development Goals was developed, approved and is presently being implemented. Compass will continue its international endeavours to become a world leader in international development, advocacy and service delivery and in part achieving that by continuing to deliver best practice aligned to our operating paradigm: People, Place, Performance, Planet and Partnerships.

I would like to thank the board of directors of both Australia and New Zealand, and directors of our joint ventures for their ongoing support and sound governance of the organisation, as well as my Group Executive and senior executives and our outstanding staff for their dedication and commitment to our cause. I would also like to thank our responsible government partners, Australian Commonwealth, New Zealand, New South Wales and Queensland as well as our dedicated strategic partners who are vital in delivering our vision.

Greg Budworth

Group Managing Director
For and on behalf of Compass'
Management Team



REPORT CARD

KEY PERFORMANCE INDICATORS	2020	2019	2018	2017	2016	2015
TENANT SATISFACTION						
Overall satisfaction with the organisation	93%	92%	94%	93%	92%	91%
Satisfaction with ways in which Compass involves tenants	93%	93%	93%	92%	91%	90%
Satisfaction with ways in which Compass communicates with tenants	88%	88%	90%	90%	88%	89%
SERVICE DEVELOPMENT						
Total properties managed as at 30 June	7,139	5,982	4,639	4,442	4,418	4,473
Total properties managed under Housing NSW programs	5,279	5,255	3,412	2,912	2,894	2,900
Total properties managed under DHPW programs	669	660	674	680	685	661
Total properties managed under NZ Government programs	163	90	90	72	NA	NA
FINANCIAL MANAGEMENT						
Cash at end of year	\$33.2M	\$38.3M	\$20.9M	\$23.0M	\$20.2M	\$19.7M
Net Profit	\$15.6M	\$17.2M	\$16.9M	\$14.2M	\$15.7M	\$159.0M
Total Equity	\$384.3M	\$368.7M	\$351.4M	\$334.5M	\$320.6M	\$345.7M
HOUSING MANAGEMENT & MAINTENANCE						
Arrears	0.7%	1.40%	1.30%	1%	2%	2%
Tenant income	\$66.2M	\$46.4M	\$43.9M	\$39.2M	\$37.8M	\$36.2M
Combined maintenance expenditure	\$20.4M	\$9.9M	\$9.6M	\$8.6M	\$6.6M	\$7.2M
REPAIRS AND MAINTENANCE COMPLETIONS						
Number of service requests raised	34,259	36,533	26,687	24,125	24,062	21,192
Number of service requests closed	38,898	35,259	25,945	23,196	24,441	20,208
HUMAN RESOURCES						
Number of full-time equivalent staff	188.88	183.36	136.6	119.78	131.46	130.49
Training Spend	\$144,176	\$192,252	\$179,832	\$143,637	\$136,498	\$108,000

OUR ASSETS

PROPERTIES BY LOCAL GOVERNMENT AREA

NEW SOUTH WALES



Newcastle	830	Bourke	6
Cessnock	745	Wyong	6
Midcoast	737	Inner West	5
Lake Macquarie	717	Queanbeyan Palerang	5
Central Coast	690	Tamworth	5
Muswellbrook	481	Ballina	4
Singleton	433	Brewarrina	4
Maitland	261	Burwood	4
Broken Hill	203	Warrumbungle	4
Upper Hunter Shire	165	Armidale	3
Dubbo	155	Bathurst	2
City Of Parramatta	109	Canada Bay	2
Penrith	82	Gunnedah	2
Campbelltown	65	Lismore	2
Blacktown	64	Liverpool Plains	2
Port Stephens	40	Blayney	1
Canterbury Bankstown	36	Byron	1
Central Darling	27	Clarence Valley	1
Dungog	27	Sydney	1
Liverpool City	26	Narrabri	1
Fairfield	23	Narromine	1
Sutherland	22	Northern Beaches	1
Georges River	16	Port Macquarie-Hastings	1
Shellharbour	16	Strathfield	1
Wollongong	15	Kiama	1
Orange	14	Hornsby	1
Goulburn Mulwaree	11	Tweed Shire	1
Rockdale	10	Wagga Wagga	1
Walgett	9	Wellington	1
Shoalhaven	8		
TOTAL	6107		

QUEENSLAND



Brisbane	719
Logan	61
Moreton Bay	46
Gold Coast	19
Townsville	17
Redland	6
Pine Rivers	1
TOTAL	869

NEW ZEALAND



Auckland	163
TOTAL	163

BY PROPERTY SOURCE	QLD	NSW	NZ
Capital	440	3335	-
Fee for Service	200	828	-
Leasehold (Private owned, Government funded)	220	507	163
Owned	9	1437	-
TOTAL	869	6107	163

PROPERTIES BY ASSISTANCE TYPE	QLD	NSW	NZ
Affordable Housing	71	845	-
General Housing	192	4736	163
Transitional Housing	476	92	-
Indigenous Housing	0	134	-
Other Government	0	17	-
Crisis Accommodation	0	9	-
Specialist Disability Accommodation	41	215	-
Non rental	89	59	-
TOTAL	869	6107	163

NUMBER OF PROPERTIES OWNED BY COMPASS

1446

NUMBER OF PROPERTIES OWNED IN NSW

1437

SHGF and NRAS government initiatives	228
Vested title from Housing NSW	1018
Vested leveraging	168
Boarding House New Generation	18
Social and Affordable Housing Fund	2
Other affordable housing	3

NUMBER OF PROPERTIES OWNED IN QLD

9

Equity ownership	9
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NUMBER OF PROPERTIES MANAGED ON BEHALF OF OTHER ORGANISATIONS

5693

FFS (Private & AHO)	886
Leasehold	890
NSW LAHC	3348
DHPW	440
Other government	129

7139



MY PLACE PROPERTY MAINTENANCE (MPPM)

This year has seen a major development in the maintenance of Compass assets with the creation of our own in-house property maintenance division; My Place Property Maintenance (MPPM) staffed by an internal, trade-based workforce.

MPPM significantly changes Compass approach to the way it delivers maintenance by utilising the existing annual maintenance budget that's used for reactive, cyclical and vacant maintenance.

The efficiencies created via MPPM will allow Compass to direct a larger proportion of the maintenance expenditure towards planned upgrades to extend the life of company assets.

MPPM aligns with Compass strategic objectives and its sustainable development goals (SDGs) encompassing both social and environmental outcomes. It will reduce waste to landfill and will ensure sustainable and efficient upgrades and repairs helping Compass achieve its 2030 carbon neutral objectives. MPPM will have a workforce of over sixty personnel across various trades roles and supporting staff, a fleet of forty vehicles and

the establishment of three warehouses with the introduction of new infrastructure and technology to support the new operation. It will see the employment of apprentices from our client population with a focus on engaging Indigenous youth, with our first apprentice ready to commence their construction career in September 2020. These employment initiatives and the social contribution MPPM will make through assisting in community gardens and other engagement activities will contribute to our social sustainability goals.



ACQUISITIONS AND DEVELOPMENTS

Compass has continued to expand its assets portfolio. From 2009 to the date of writing this report, Compass has delivered an additional 538 social and affordable housing dwellings through a number of programs.

The additional housing created is a result from the continued commitment from federal, state and local governments to the provision of housing for people in need, along with the strong partnerships between Compass, local developers and builders as well as investors.

New dwellings have been delivered through various government funding schemes over the years including the Federal Government's Nation Building Economic Stimulus Program, the joint State and Federal National Rental Affordability Scheme, the federal government's Supported Accommodation Innovation Fund, and earlier schemes such as the NSW State Government's Debt Equity Scheme, and the Affordable Housing Innovation fund.

This year Compass has been extremely busy working on the NSW Government's Social and Affordable Housing Fund (SAHF) which

for Compass includes the development of 493 properties across nineteen (19) development sites in the Maitland, Newcastle, Lake Macquarie and Central Coast Local Government Areas. Compass has been working to deliver these projects closely with our partners The NSW Department of Communities and Justice, Tetris Capital, Centuria Capital, developers and local builders.

The SAHF initiative provides much needed additional social and affordable homes along with coordinated access to tailored support services to empower people to improve their lives. Our SAHF developments provide homes to people on the social housing waiting list as well as local key workers, creating integrated, inclusive and viable communities.

Compass commends The Department of Communities and Justice and NSW Government for funding programs for much

needed housing projects and allowing Compass to deliver these new social and affordable properties.

At the date of writing this report, seven developments have been completed comprising a total of 123 dwellings with the remaining twelve projects currently in construction and due for completion next year.

NEW ZEALAND

As a result of a partnership with the Ministry of Housing and Urban Development and SOHO Developments we have over 160 new properties under construction including in Whanganui, Palmerston North and Auckland. These properties will open in late 2020-2021.



THORNTON Maitland LGA

Compass worked with a local developer to deliver this quality development of 65 single storey houses and townhouses comprising of 11 x one bedroom, 49 x two bedroom and 5 x three bedroom homes.

The development is spacious, contemporary in design, complete with high quality environmental finishes and fittings. The development offers a high standard of living with all dwellings being generous in size, utilising open plan living. The homes are constructed to a silver standard under the Liveable Housing Design Guidelines to ensure units are accessible and appropriate for a range of tenants and their needs.

The development is located in a rapidly growing part of the Maitland Local Government Area offering a myriad of employment options, transport, shopping and services.

These dwellings were delivered under the NSW Government's Social and Affordable Housing Fund.



MORISSET
Lake Macquarie

Compass worked with a local developer to deliver this quality complex of 26 units and townhouses comprising of 6 x one-bedroom and 20 x two-bedroom homes. The development is contemporary in design, complete with high quality environmental finishes and fittings. The development offers a high standard of living with all dwellings being generous in size, utilising open plan living. Over 60% of the units are constructed to a silver standard under the Liveable Housing Design Guidelines to ensure units are accessible and appropriate for a range of tenants and their needs.

The development is located in a rapidly growing part of the Lake Macquarie local government area offering a myriad of employment options, transport, shopping and services and was recently nominated as a finalist in the HIA Hunter Housing Awards.

These dwellings were delivered under the NSW Government's Social and Affordable Housing Fund.



GLENDALE Lake Macquarie

Compass worked with a local developer to deliver a complex of 12 townhouses comprising of 4 x one bedroom and 8 x two bedroom homes. The development is contemporary in design, complete with quality environmental fittings which provide energy and water efficiency and help reduce the costs of utilities for the tenants.

More than half of these units will be constructed to a silver standard under the Liveable Housing Design Guidelines to ensure units are accessible and appropriate for a range of tenants and their needs.

This development is located within a vibrant community in the Lake Macquarie Local Government Area offering a myriad of employment opportunities, services, shopping and transport options.

These dwellings were delivered under the NSW Government's Social and Affordable Housing Fund.



CARDIFF Lake Macquarie

Compass is partnering with Tetris Capital Pty Ltd and Centuria Capital Limited to deliver a quality complex of 60 units comprising of 14 x one-bedroom, 40 x two-bedroom and 6 x three-bedroom homes.

The development includes quality materials and fittings and is designed to deliver a property filled with natural light and private spaces to enhance the amenity. The development design and construction will improve energy and water efficiency producing lower living costs for our tenants. This development is located within a vibrant community offering a myriad of employment opportunities, services, support, shopping and transport options.

These dwellings are being delivered under the NSW Government's Social and Affordable Housing Fund.

OUR HOUSING & OUR PEOPLE

Compass Housing Services is Australia's leading community housing provider with more than 7000 properties and community development initiatives across New South Wales, Queensland, New Zealand and Vanuatu.

We undertake all aspects of tenancy and property management, including allocations and waitlist 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

Community housing is subsidised rental housing provided by not-for-profit, non-government organisations and is targeted at households on low incomes or who would otherwise struggle to find suitable accommodation.

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 be an industry leader in the provision of additional wraparound services that help sustain tenancies and delivering tenant engagement initiatives that help foster greater economic and social participation.



DARREN

Father's Day was extra special this year for Newcastle single dad Darren. For the first time in several years he was able to have a relaxed dinner with his adult daughter and teenage son in his own home.

A month ago, Darren moved into his brand new 2-bedroom townhouse. The townhouse is one of four in a development built under the NSW Government's Social and Affordable Housing Fund (SAHF). Compass Housing has used funding from the Australian Government's National Housing Finance and Investment Corporation (NHFIC) to deliver this and other social and affordable housing projects.

The home is a fresh start for Darren who says he made some poor choices which cost him dearly. Before Compass helped him to get this new home, he was living in a men's hostel.

"That hostel wasn't a place where I could bring my son to stay overnight," Darren says.

"It wasn't a place where I wanted to live and it wasn't helping me to avoid the pull of addiction," he says.

Moving into his new home has given Darren his mojo back. He has found casual work and is able to spend more quality time with his son.

"When you live in a men's hostel no one wants to employ you. Having a clean, safe home makes it easier to focus on working and raising my son."

"Here, my son has his own bedroom. Compass has helped me get a bed for him, which we put together as a project."

"These are things I used to, and many other people do, take for granted."

Darren says his friends say they can hear the energy back in his voice. And he is making new friends.

"I like the fact that my home is in a small development. My neighbours are really nice, and we are already helping each other – even taking each other's bins in and out."

Music is a passion of Darren's that he shares with his son, but Darren didn't have the space or ability to enjoy music as much at the hostel. He says music is food for his soul.

"After we warn the neighbours we can have the stereo up a bit or have a bash on the drums or strum the guitar. Being able to enjoy music, cook properly and have people over – these things help me get the addiction monkey off my back."



CRYSTAL

Crystal has a new place to call home for her and her one-year old daughter. She says the home is helping her to rebuild her life and to complete her HSC studies.

"Having a secure and affordable home is a huge weight off my shoulders and has already made a positive difference to the anxiety and depression issues that I manage," Crystal says.

As a teenager, Crystal got in with the wrong crowd and left home. She spent almost five years couch surfing and living on the streets in Sydney and other parts of NSW.

Then, she fell in love but after she became pregnant, her partner turned violent and she was forced to flee back to living with her mum.

"My mum was a great support, but she had me and then a baby in the house," she says.

Crystal got herself a private rental but making rent for the now 25-year-old was a constant struggle, balancing study and raising her baby.

"I was always under a lot of stress."

When her lease expired, Crystal was worried that her rent would increase again. This is when Crystal secured a new townhouse that is one of twenty six dwellings in a development also built under the NSW Government's SAHF program.

"It was perfect timing because this house became available through Compass."

She says she has a place where her mum and other family members can visit.

"The home is so lovely and the rent is stable and affordable. Having a secure and affordable home is a huge weight off my shoulders"

"This home means my daughter won't have to experience what I did – living on the streets."

Compass also provides tailored support services and tenant engagement activities. Crystal has been getting daily text messages and visits from our team to see how she is going and to link her in with other support services and programs.

"I was surprised how connected Compass have been. It has been great to have that support."





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 issues 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.

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 meet their obligations and achieve their goals.

This Way Home hosts nine 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.

The Project Facilitation Group includes representatives from Compass Housing, Department of Communities and Justice, ITEC Youth, Nova for Women and Children, Wandiyali, Warlga Ngurra, St Vincent De Paul (Matthew Talbot), Jenny's Place, Baptist Care, Samaritans Foundation and Wesley Mission.

SUPPORTED BOARDING HOUSE, WARATAH

Compass works in partnership with Matthew Talbot Homeless 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 up with appropriate support and are actively involved in a case plan as a condition of their ongoing tenancy.



DISABILITY HOUSING

As the demography of social housing tenants has evolved over time, the social housing system has seen a marked increase in demand for dwellings suitable for people with a disability.

To meet this need Compass undertakes modification works on existing dwellings and ensures new stock contains adaptable and accessible options. We work with a range of support partners to ensure our tenants receive services that afford them the greatest possible choice and flexibility, and which empower them to live independent and productive lives.

JAMIE AND SAMANTHA

Inspirational is a word that is overused, but it's the only one even vaguely appropriate to describe Jamie-Lee and Samantha.

At the ages of 11 and 9 respectively, Jamie and Sam were diagnosed with Friedreich Ataxia; a rare neuro-muscular condition leading to loss of co-ordination, fatigue, impaired speech, hearing loss and heart problems.

As with many degenerative conditions, the symptoms of Friedreich Ataxia take time to manifest and, in the early stages, did not prevent the girls finishing high school at St Stephen's College on the Gold Coast, before going on to study journalism and business at university. As their symptoms progressed however, the issue of finding appropriate housing became increasingly urgent.

Of the many problems characterising Australia's housing system, perhaps the most egregious is the lack of suitable options for young people with disabilities - something the Dwyer sisters can attest to firsthand.

"Before we got these apartments, we spent two years living in a place that was more like an old people's home," Sam says.

"It was really hard, and we were really unhappy. The longer we stayed the worse it got. Because we were the youngest people there by a long way, we felt like a lot of the other residents and staff resented us. It was horrible."

It's not difficult to imagine the debilitating effect of these living arrangements on the mental health of such fiercely independent young women. Above all else, it was the lack of choice and control that was the hardest to bear.

"In the past we had no control over who our carers would be from one day to the next," Sam says.

"Sometimes in the past, depending on which staff were on duty, I wasn't comfortable asking for certain things, like having my hair done, because I was worried they would get mad," Jamie says.

"I would end up just asking for simple things to avoid trouble."

After two years in this environment, the sisters obtained specialist disability accommodation through Summer Housing who Compass is supporting to deliver SDA outcomes, both now say they couldn't be happier.

"Having these apartments has changed our lives so much," Sam says. "It's meant proper independence. We each have our own apartments, so we are truly living on our own."

"We've been able to hand pick our carers and we love them all."

Living in the heart of Brisbane's entertainment precinct has also opened up a world of possibilities and the sisters are making the most of the area's plentiful cafes and restaurants.

"I celebrated my 30th birthday last month," Jamie says. "For the first time in ages we were able to go out somewhere close to home which was really good. It was nice to not have to take a 30 minute taxi ride to the city."

Jamie and Sam are living proof of the transformational power of appropriate housing and that is no one size fits all approach.



JADE

When Kim heard that the NSW Government was closing the Stockton Centre and its other institutions for people with a disability she was firmly against the idea.

Kim's daughter, Jade, had lived on the grounds of Stockton Centre in a cottage for 11 years. Jade, 35, has an intellectual disability and is largely non-verbal. She is on the top end of the Autism spectrum and experiences high levels of anxiety.

"With Stockton's large grounds, Jade sort of had community type living – Gate Cottage was the best of both worlds," Kim says.

"Jade's clinical psychologist and I initially thought the change to a new home, new support provider, and new location could be too much for Jade. But I have to say it has worked out very well and Jade loves where she is living and is very settled.

"The home is brand new – everything is fresh. It has a really good vibe and feels like a happy place."

Jade still lives by herself in a separate one bedroom home on a block containing two other group homes. She receives support from The Disability Trust – one of a number of Supported Independent Living (SIL) providers who deliver 24-hour care to residents. She calls her new home "The Garden".

Kim says the process of moving Jade into her new home went really well thanks to the work done by Compass and The Disability Trust.

"I can't fault them – they have been amazing" she says.

"They put up some extra small fencing and locks that we wanted for Jade's safety."

"There are lots of little things they have done too including putting up extra blinds and putting in a BBQ and little outside table and chairs."

"They do things that they probably don't have to do, and I am so very grateful for that."

She says Compass' SDA Relations Officer, Jo McGuire, has been wonderful to work with.

"Jo is so easy to talk to and nothing is a problem."

"The closure of Stockton was going to happen anyway - so in the long run, I am very happy, and so is Jade."



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.

With housing stress now a reality for millions of Australians, there is more need than ever for greater investment in dedicated, below market, affordable housing products. By providing stable accommodation for key workers and low to 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. The transitional aspect of affordable housing encourages tenants to pursue real property ownership while paying reasonable rent in their present circumstances.

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



FENN

In 2013, Fennis (Fenn) decided she needed a sea-change after living and working in Sydney all of her life. With friends in Maitland she had her sights set on the Newcastle region after running her own debt collection business for a number of years. Fenn realised that she was in the wrong business as she found herself helping people to save their houses instead of running her business. Her passion lies in supporting people out of homelessness and domestic violence and she found that there were so many out there needing support, she wanted to give back.

With encouragement from her two adult daughters (26 & 28) to “do something for herself” she applied for a position with Nova for Women and Children in Newcastle and after successfully landing the job, Fenn found herself living with friends in East Maitland as she began her new life.

She applied for an affordable housing property with Compass Housing and she moved into her current home in December 2014.

Fenn loves her home, “There are a great mix of tenants here, I have no complaints. Compass are always responsive to any needs.”

Fenn has been working with Nova for Women and Children for over seven years now. She’s a Support Worker for the Domestic Violence and Rapid Response programs, re-housing clients in private rental market or public housing. She says “There’s great management here at NOVA, we have a wonderful team, everyone is so supportive. We have many drop-in clients a day, and we all pull together to support each other, especially when the demand is high.”

“There has been a significant rise in clients this year due to COVID-19. We never closed the office, some of us did work from home for a while, but we maintained our face-to-face service throughout the lockdown.”

As a single mother for a long time, Fenn says she remembers not knowing much about what support was available to her. Over the years she has noticed that many who are vulnerable aren’t aware of support services and this is what drives her to “give back”.

Fenn volunteered at NOVA’s Trisha’s House as part of a community project back in 2017. “We painted that house for 18 months. There were two of us from NOVA and others from various services. I’d leave to go there straight from work every Wednesday night and Saturdays. It came together really well and it’s wonderful to see what it’s doing now for women in need.”

Fenn says she loves Newcastle and the sense of community here. “I love the beaches, and the people, Sydney was too fast paced. When I moved here, I originally worked out of the Compass office in Maitland, as NOVA shared an office with them. It made the transition from Sydney so easy. Everyone was so friendly. The services are great here too, we all pull together and collaborate. As a region with COVID-19, I think we have done really well.”

It’s clear that Fenn’s passion for the community has made its mark on those close to her. One of her daughters who had been working for the Commonwealth Bank for over ten years in Sydney recently gave it up to work in the community service sector.

She says “Kindness is a gift everyone can afford to give. Wake up each day doing at least one act of kindness and don’t forget to smile.”



ADDRESSING HOMELESSNESS

The Australian Bureau of Statistics estimates around 116,000 Australians are homeless on any given night. Almost 26,000 of these will be children.

Many of Compass' tenants have experienced homelessness in one form or another. Some have fled domestic or family violence, others have experienced childhood trauma which often results in addiction or mental health issues. Many simply cannot afford to rent privately.

Compass works closely with local homelessness support services in all jurisdictions to help people experiencing homelessness transition into stable long-term accommodation.

Provision of services for people experiencing homelessness is a significant part of Compass client services with 15 full time employees dedicated to Housing Access alone.

This year, through products such as temporary accommodation and the suite of private rental assistance products Compass is funded to offer across our whole location of areas, Compass has assisted with:

- over 1200 instances of temporary accommodation to in excess of 690 individuals;
- 229 people supported into the Start Safely Program which assists people escaping domestic violence into subsidised private rentals;
- over 100 people were housed straight from temporary accommodation into Compass properties; and
- over 40 individual private rental tenancies were saved using the rental arrears product.

During the horrendous fires that scorched the Mid-North Coast in November 2019, the Housing Access Team were directly involved in assisting people of the region who had lost their homes, into emergency accommodation. Compass was an integral part in contributing to the government's emergency response to these unprecedented fires.

In early 2020, pre-COVID-19, Compass was able to facilitate a real estate engagement program which was designed in collaboration with local support services specifically for local agents of the Manning Valley and Great Lakes area. The program's aim was to enhance property managers and agents' skills and knowledge of the local community services sector to support early intervention strategies and work together to sustain tenancies and prevent homelessness. This successful event was attended by over 35 agents from around the region.

Compass is also a major contributor to several innovative new projects designed to reduce homelessness in the Hunter region. Over the past 12 months, projects have included continued facilitation of the Big Ideas Homelessness Network, coordination of street count events with the Department of Communities & Justice (DCJ), as part of the Premier's Priority to halve street homelessness by 2025, and this year Compass received funding to deliver housing and support under the NSW Government's Together Home Project.

As the 'whole of location' provider in the SHMT areas of Cessnock, Dungog, Singleton, Muswellbrook, Upper Hunter and Taree, Compass partnered with DCJ to measure the number of people sleeping rough by visiting known 'hotspots' and gathering data over a two day period in February 2020. This data is being used to establish a state-wide baseline of street homelessness that will enable DCJ to track progress against the Premier's Priority homelessness target.



CREDIT: LEE ILLFIELD PHOTOGRAPHY

The street count events were paused due to the impact of COVID-19, however in June, the NSW State Government launched the Together Home Project, a \$36.1m investment. This is the NSW Government's largest housing response dedicated to rough sleepers in the state's history. Compass is one of 19 community housing providers to deliver this program.

Together Home is different to programs run in the past because the funding is managed directly by Compass and other community housing providers and has a funding component specifically for case management of this often complex cohort. In line with the Housing First Model, this helps to ensure both housing and support services are tailored to tenants' needs. It delivers stable housing and wraparound support for over 400 rough sleepers.

Compass received funding for 30 homes in the Newcastle, Cessnock, Port Stephens and Maitland areas specifically to house rough sleepers that were in temporary accommodation due to COVID-19. Compass has engaged intensive case management support to the value of \$1.15M forming new partnerships with Neami National and the Jeder Institute. Compass works closely with these partners and these new tenants to ensure they receive the support and services that assist them in managing the many complexities that contributed to their homelessness, ensuring they are able to successfully sustain their tenancies and remain permanently housed.

HUNTER HOMELESS CONNECT

Compass' Events & Community Relations Manager Michelle Faithfull was again at the helm of homelessness charity Hunter Homeless Connect this year. With the annual event cancelled due to COVID-19 restrictions, the organisation found other ways to connect people in need with services and support through this very difficult and uncertain time.

Each year at Hunter Homeless Connect Day, a directory of community services has been traditionally updated and distributed to guests attending the event. However, in 2020 it was decided that the Community Connections Directory would be distributed to the broader community because services were seeing a significant rise in people trying to access support, as a result of the pandemic. Many people were needing support for the first time and did not know where to find it.

Without a physical event to bring vulnerable people together and connect them with services, Hunter Homeless Connect turned its attention to making sure information on where to find support was made available to everyone. The project included successful grant applications to fund the organisation's digital presence with a re-branding campaign, new website, an online directory and a voucher system to support their Connecting the Hunter Program.

Orica and The City of Newcastle provided funding for printing 6,000 hard copies of the directory which were distributed to many specialist homeless services, government and non-government organisations. A partnership between Hunter Homeless Connect and the City of Newcastle was also formed as a result, to develop and launch their LIVE Community Directory, using the data from the HHC Community Connections Directory.



BLAKE

Blake now has a home that he, his partner, and their two kids, can live together in as a family.

The 28 year old says there was a period of several years where he struggled to find work and stable accommodation which prevented him from living with his family, full time.

"I lived on the streets for more than three months," Blake says.

"I felt like there was no one to help me – it was one of the toughest periods of my life," he says.

Blake was accessing temporary accommodation on and off in between bouts of rough sleeping and having to live separate to his partner and 2 young children.

The NSW Government's new project to support rough sleepers – Together Home allowed for Blake to be referred to Compass. His application was accepted, and he was immediately linked with the Jedar Institute for wraparound support, while Compass sourced a property for him.

Blake is now in a new home in the Hunter Valley.

"Being able to finally be with my partner and kids all the time is amazing," Blake says.

"It is tough paying rent and making ends meet but the kids have a backyard now, so we spend lots of time at home together."

Now that he is getting settled, Blake says the toll of sleeping rough is finally becoming apparent.

"Sleeping rough is really mentally hard but Jedar Insititue has helped me access counselling."

Blake has worked mostly in hospitality as a cook. COVID-19 has made it difficult for him to gain work in the trade he loves. Jedar Institute is helping Blake to also gain skills in construction if he is unable to get work as a chef. He says he is loving spending time in his home's new kitchen.

"Knowing where I am going to sleep every night and being with my family takes a big stress off my mind."

"I can focus on getting back to work and being a dad."



OUR COMMUNITY

TENANT ENGAGEMENT

Compass 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 deliver this commitment through our P5 ethical framework which addresses People, Place, Planet, Partnership and Performance. The commitment to all our residents is that we will support them to live in connected and sustainable communities and assist them to maximise their quality of life.

Consultation with our residents is critical to informing how we do this, and we support Tenant Reference Groups in each of our branch regions. These groups meet quarterly and discuss a range of issues that impact their lives and how Compass can support them. Discussions from the Tenant Reference Groups feed into the deliberations of an overarching Compass Tenant Inclusion Panel which in turn reports into the committee structure of our Board. This ensures that the views of tenants are able to influence Compass policy and actions at the highest levels.

We also use the data we gather as a critical tool to inform the ways we support tenants. In addition to the routine information tenants choose to share with us, we also undertake short surveys during routine contacts with tenants using the Compass Outcomes

Assessment Tool (COAT). The COAT assesses the wellbeing of our tenants and the extent to which they are engaged and integrated with their community. Contrary to stereotypes of social housing residents, many of our tenants work, volunteer, are members of community organisations and have strong relationships with their neighbours and the wider community. Our COAT data helps us plan programs and projects to assist residents to develop these activities further and we have ambitious targets to develop proactive and engaged communities.

ACTIVITY PARTICIPATION RATE

Taken part in training/learning in previous 12 months **6%**

Been employed in previous 12 months **16%**

Taken part in community activity in previous 12 months **9%**

Taken part in volunteering in previous 12 months **9%**

Interacting with neighbours at least once per week **62%**



Our community and COVID-19

Although our ability to deliver the usual range of activities was severely curtailed by the impact of COVID-19, the commitment to tenant welfare remained paramount through the global pandemic. During periods of lockdown, face to face activities were temporarily replaced by outreach programs aimed at safeguarding tenant welfare. As part of the COVID-19 response, our team completed 2830 COVID-19 welfare checks. Where those checks raised concerns, we referred residents to appropriate support agencies and ensured that their welfare was secured. For some of our more isolated residents we provided 'boredom packs' with content of their choosing to help them pass some time.

COMPASS HUBS

Both the 123 Hub in Broken Hill and The Meeting Place on the Central Coast continue to provide a base for local support agencies to offer outreach services as well as providing local residents with a place to meet, socialise and volunteer.

The hubs host several tenant and community events throughout the year including free lunches, school holiday programs, community garden activities and sporting programs. Importantly the hubs also offer a location for external agencies to meet with our tenants and provide services which meet their needs.

Both the 123 Hub and The Meeting Place offer a unique service to our tenants and their local community by providing a local and welcoming space to participate in community events and access specialist services. Each hub has established programs based on the needs of tenants and the local community.

123 Hub – Broken Hill

The 123 Hub has continued to provide frontline service to the community members in the Broken Hill region. The hub model has been well tested at Compass and internationally and is a proven method of service delivery in marginalised communities. The 123 Hub has supported direct patterns of tenant and community participation throughout the 2019/2020 financial year.

Despite having to close during the early stages of the COVID-19 pandemic, the 123 Hub has achieved great outcomes for the Broken Hill community providing the opportunity to volunteer, engage in education and employment opportunities, promote positive wellbeing and lifestyle and financial relief through Energy Accounts Payment Assistance (EAPA). The hub has strong connections with local support services; Deadly Liver Mob, Mission Australia, Aboriginal Women's Group, Broken Hill Correctional Centre and Warra Legal Service.

The Meeting Place – Central Coast

Despite having to close during the COVID-19 pandemic, The Meeting Place has achieved great outcomes for the Central Coast community over the past year. The Meeting Place offers the Central Coast community an opportunity to volunteer, engage in education and employment opportunities, promoting positive wellbeing and lifestyle, financial and food relief through the Shack Shop, Op Shop, Energy Accounts Payment Assistance (EAPA) and free community lunches. The hub has strong connections with the local TAFE as well as food charity Second Bite, Volunteering Central Coast, Mission Australia and several other local services.

The Shack Shop

The Meeting Place's long-standing social enterprise The Shack Shop, continues to go from strength to strength. In addition to providing affordable groceries, the shop has expanded to include an Op Shop, selling clothing, footwear and bric-a-brac. The Shack Shop continues to offer memberships to local community members (\$2 annually) and has seen a total of 34 new memberships and 64 renewals over the past year.

Education and Training @ The Meeting Place

Compass has continued its partnership with the Central Coast Community College with the aim of improving employment and personal development outcomes through targeted and customised training. To date, participants have undertaken a range of accredited courses including hospitality basics, horticulture, computer skills and an introduction to community services.



grow a star

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 from following their dreams.

In households where finances are tight, young people often miss out on the sort of extra-curricular activities that play an important role in connecting people to their communities. Grow a Star encourages generational change by empowering young people from disadvantaged backgrounds to follow their academic, sporting or artistic dreams.

By enabling young people to pursue their passions, the program helps foster habits and behaviours that can set young people up for life. Through their connection with the program, Grow a Star participants generally exhibit improvements in confidence and self-esteem which can have profound positive impacts on their prospects both in terms of their sporting, artistic or academic goals and their roles as members of the community in general.

The past year saw the completion of our partnership with the Newcastle Permanent Charitable Foundation which, over the past few years, delivered a total of 26 scholarships to disadvantaged young people. Our

partnership with Beyond Bank meanwhile, moved into its second year, and provided a total of 8 scholarships to young people.

We are all familiar with the disruptions to normal routines presented by the COVID-19 pandemic. Home schooling presented a particular challenge to young people without the necessary technology at home to be able to participate in online lessons. To help overcome this challenge Grow a Star delivered eight new laptops to young people living in Compass properties which enabled them to keep up with their peers during lockdown.

Grow a Star applications received **149**

Grow a Star applications approved **80**

Total spend 2019/2020 **\$57,305**

Total spend since 2012 **\$798,646**



EMYLIA

When Emylia was just eight years old, she and her mother Tiffany, moved into a home managed by Compass after escaping domestic violence. Tiffany struggled to find long term employment after injuring her back at work and finances were very tight.

Despite these challenges, Tiffany was determined that her daughter should follow her dreams. A year later, Emylia started riding horses.

A couple of years later, when it became obvious that Emylia had a true passion and talent for equestrian riding, unfortunately, equestrian lessons proved to be very expensive and they could only afford one lesson per week.

That's where Grow a Star and Beyond Bank came in.

When Emylia was awarded a scholarship through the Beyond Bank Scholarship Program with Grow a Star she was able to take extra dressage lessons at Byalee Stables in Cessnock and quickly became a talented and capable rider.

Emylia and her new horse Flitter are now training with her coach twice a week. She will soon be riding at a higher level against tough competition but is not daunted. She dreams of making it to the Olympics and is working hard towards her dreams.

She does a lot of work around the stables and hopes to work as a stable hand which will give her credits towards the stabling and care of her horse. As well as juggling work and school, Emylia is competing at local equestrian events and regularly brings home prize ribbons.

"It's something she always wanted to do. It's her safe and happy place where she can be her true self." Tiffany says.

"She didn't have any grand plans back then, but she started to reveal a hidden talent over time. It became obvious she had a natural rapport with horses and as a result of her riding, she has gained so many skills in all aspects of her life."



AYA AND DALAL

Aya and Dalal are sisters with big dreams.

Born in Syria, Aya is the eldest of five siblings and Dalal is the second eldest. The family arrived in Australia in 2018 after spending seven years in a refugee camp in Kurdistan in the northern region of Iraq. They began their life in Australia in Newcastle with the support of services including Settlement Services International (SSI), Northern Settlement Services (NSS) and Wesley Mission.

Aya's dream is to become a human rights lawyer. While the family were living in the refugee camp in Iraq, Aya became involved in Pathfinders, where she spent much of her time teaching other young children in the camp about the mission to empower people to live with hope and equal opportunity to achieve their potential. Aya also taught English and provided translation services for others in the refugee community.

Dalal's dream is to become a pharmacist. She used to spend a lot of time at her uncle's pharmacy in Syria when she was younger, watching him go about his business and it was there, that she began to think about a career in pharmacy.

In 2019, the girls were both attending Callaghan College in Waratah, however they were struggling to keep up with school assignments as their 11 year old sister Gulcheen had significant health issues and

spent nine months in a Sydney hospital with their mother while she received treatment, including dialysis and ultimately a kidney transplant. While their mother and sister were away, Aya was responsible for the cooking, cleaning and caring for their father and other siblings. She became the 'go to person' for her family as she speaks the most fluent English and regularly advocates for her parents.

Both Aya and Dalal were referred to the Grow a Star program in mid-2019 by Wesley Mission to assist them with their schooling.

Aya was granted a \$2,000 Beyond Bank - Grow a Star Scholarship, which she has used to purchase a laptop, uniforms, PPE clothing for electives, books and stationery. Dalal was also sponsored by Grow a Star to purchase her school uniforms, books and stationery. She is currently at Callaghan College Waratah, while Aya moved to the Jesmond Senior Campus in 2020.

The sisters are determined to find their independence in this new country, with Aya set to gain her provisional driver's licence in a few months and Dalal applying for her learners driver's licence in a few weeks. A significant challenge for both of them given their short time in Australia.

With the support of Grow a Star, Aya and Dalal are on track to realise their dreams.



SHOUT OUT

Shout Out is a Compass initiative helping train Compass tenants and staff to better recognise mental health challenges and suicide risk, and to have the confidence to open conversations that lead to support. The Shout Out program is funded by NSW Health under the NSW Suicide Prevention Fund.

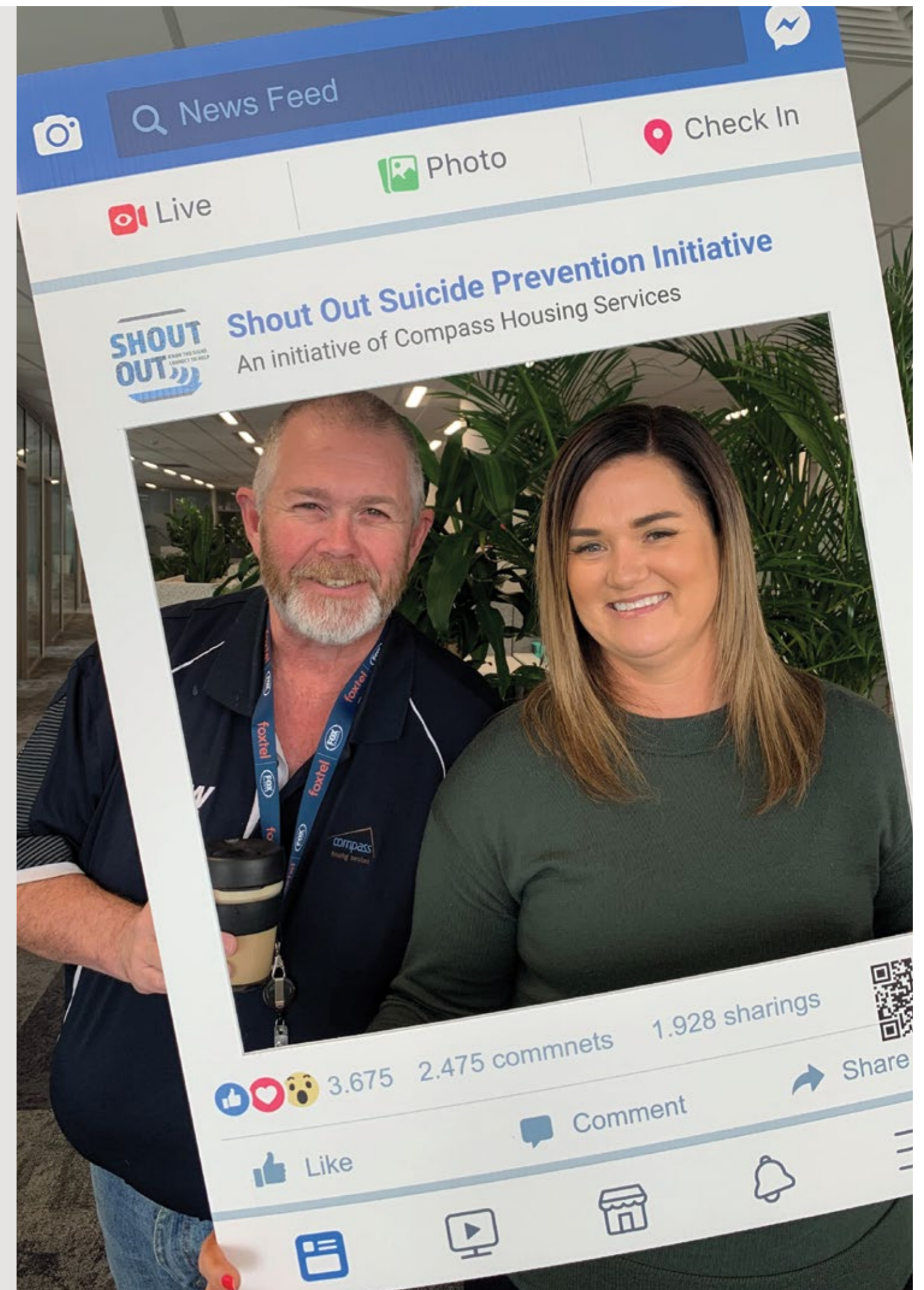
To date more than 130 staff and 120 tenants have completed suicide prevention training with all new staff at Compass attending Mental Health First Aid and Safetalk as part of their inductions.

This year we have delivered a number of Shout Out events and joined tenant engagement activities to link in education around suicide prevention and support services. Although some events were challenged by bushfires and COVID-19, Shout Out was able to use some creative engagement for tenants experiencing hardship and isolation during lockdown.

Due to COVID-19 restrictions in 2020, Shout Out offered the online Livingworks Start training to tenants and in addition encouraged support services to complete training for free.

Shout Out also introduced our wellbeing character 'Bob' and his friends to engage our Facebook followers in thinking about ways to improve mental health in a range of settings. Shout Out's illustrated characters also highlighted challenges experienced around loneliness, relationships and alcohol during holidays and COVID-19. The Shout Out Facebook page continues to have a broad reach across tenants and community and is a unique communication tool for the program.

In an exciting development this year, Compass was awarded NSW Health Suicide Prevention Gatekeeper funding. A mobile van and a Compass Community Wellbeing Officer will be on the ground in our communities building a suicide-safer community!



SUSTAINABILITY

Concern for the environment and promoting a broader sustainability agenda are integral to Compass' professional activities, the management of our housing and the management of the organisation.

Our social, economic and environmental sustainability goals are informed by our commitment to achieving the United Nations Sustainable Development Goals (SDGs). We empower our workers, and our tenants, to help achieve the SDGs locally, while advocating for their implementation at a national and international level.



SUSTAINABILITY ADVANTAGE GOLD MEMBERSHIP

The Sustainability Advantage Program is a business support service provided by the NSW Office of Environment and Heritage (OEH). The program helps organisations improve their environmental performance, reduce costs, and add value to their business.

Compass became a bronze member of the program in 2011 and in 2019 was awarded Gold Partner Status in Sustainability Advantage Recognition Scheme. Our Project and Sustainability Manager, Jandy McCandless, was named Sustainability Champion for commitment to engaging staff and tenants in sustainability initiatives.

Achieving Gold Member Status in the Sustainability Advantage Program is a result of our commitment to social, economic and environmental sustainability. Through staff and tenant engagement programs, corporate carbon reduction targets and international advocacy of the United Nations Sustainable Development Goals, Compass has demonstrated excellence in corporate sustainability.

SOLAR PILOT PROJECT

Compass Housing continues to look at new ways to reduce our carbon footprint, and to assist our tenants in achieving their own carbon reduction and environmental goals. The C3 Solar Project supports Compass' commitment to the UN Sustainability Development Goals (the SDGs) and our commitment to empowering tenants.

The C3 Solar Project has seen Compass install solar panels and inverters to over 40 properties. Tenants sign up with the participating electricity retailer and receive access to a discounted rate for solar power. The retailer passes on some of the feed in tariff to Compass to pay back the initial cost of the installation, plus maintenance / replacement costs over time. The C3 project aims to develop a model that can be replicated and extended for Compass and other housing providers so more tenants can access savings and reduce their impact on the planet.

Our initial assessment has demonstrated the success of the project and informs the next round of solar programs to ensure best outcomes for tenants and the environment.





COMMUNITY AND SENSORY GARDENS

Over the past year six new gardens were installed at social housing complexes across the country and ongoing support was provided to maintain the 12 existing gardens already in place.

Community gardens not only provide tenants with access to fresh fruit and vegetables, but also create a platform for social inclusion and address good health and wellbeing on a number of levels. Compass also uses the community garden forums to engage tenants on other sustainability issues providing information on the environment, energy and water efficiency and savings, and responsible waste management.

2020 saw Compass deliver our first Sensory Community Gardens at Specialist Disability Accommodation complexes. Sensory gardens allow people to connect with nature by touching, rubbing, smelling and eating the plants. Sensory gardens feature plants, water, and other materials with a variety of aromas, textures, colours, noises and shapes to invoke the senses of smell,

taste, sight and sound. They are increasingly being used in public spaces, schools, in public housing, and for people with special needs to develop a range of new skills.

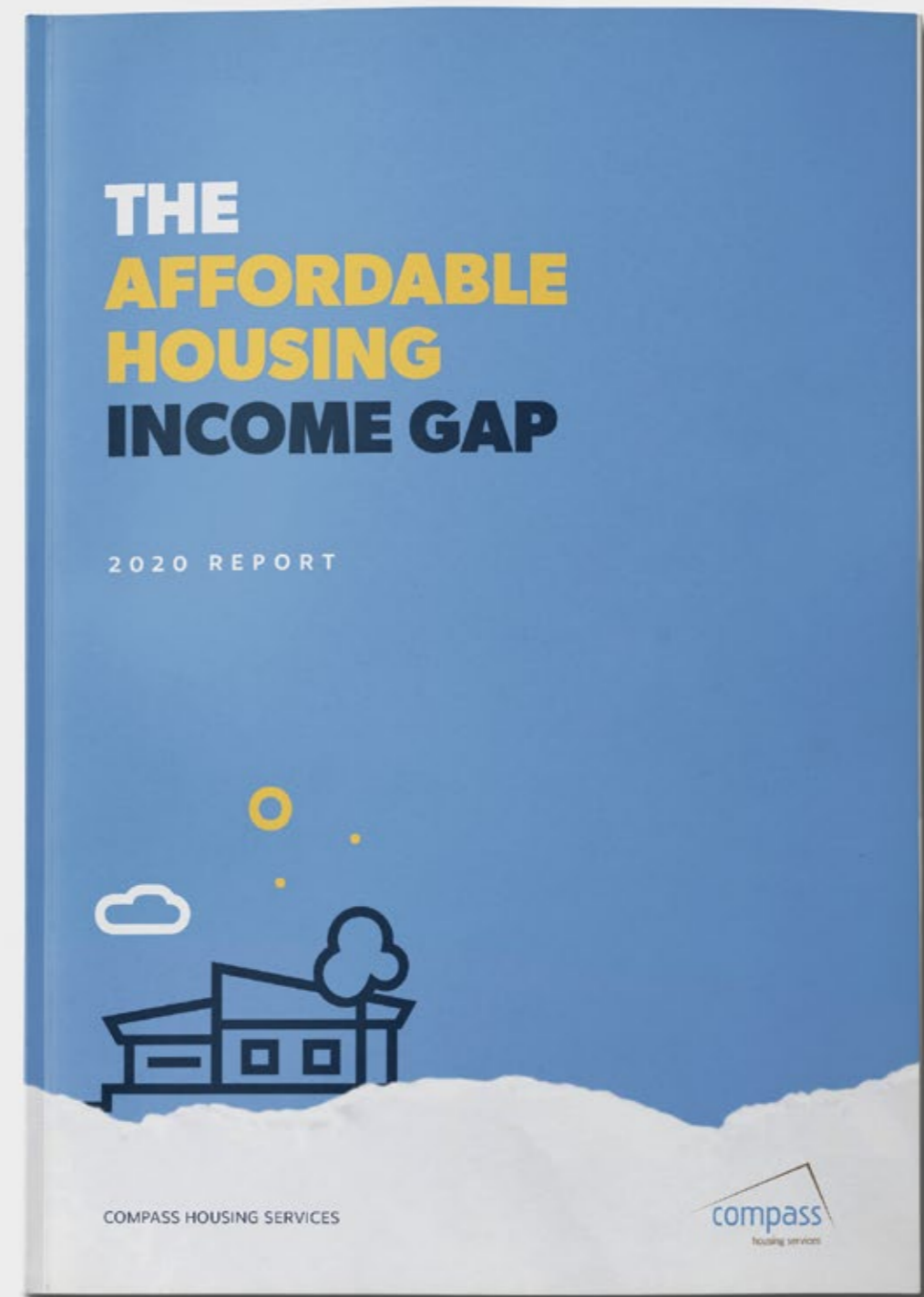
Community and sensory gardens are an important part of Compass' tenant and resident engagement programs and social inclusion activities.

ADVOCACY AND THOUGHT LEADERSHIP

Over the past 12 months Compass released two research papers measuring various aspects of Australia's housing crisis. The first, Estimating Current and Future Demand for Housing Assistance examined discrepancies between official waiting lists for social housing and the true level of demand as measured by the number of households who meet the relevant eligibility criteria. The report demonstrated that current waiting lists are not an accurate record of the true level of social housing need, and that if every household which met the current eligibility requirements in their state or territory decided to apply, waiting lists across the country would increase by more than 300%.

In May of 2020 Compass published the second edition of its Affordable Housing Income Gap Report which measures rental affordability for median income households. The report demonstrated that a substantial share of the private rental market in New South Wales, Victoria, Queensland, South Australia and Tasmania is severely unaffordable for median income households. In some areas, typical renting households earn tens of thousands of dollars per year less than the amount required to avoid housing stress on a median priced property.

Although affordability gaps are most prevalent in the inner suburbs of capital cities, the problem is not confined to metropolitan markets. Despite the nominally lower rents, renters in many regional towns and cities still face substantial affordability gaps, particularly for detached housing, due to having lower median incomes.



INTERNATIONAL ACTIVITIES

Over the past 12 months Compass has continued to develop its role and profile on the international stage. Compass is an active member of the World Urban Campaign and contributed to the recent organisational review of ITS (no apostrophe) mission and constitution. Compass has also contributed as participants to, and sponsored key international events including the World Urban Forum in Abu Dhabi (WUF 10), the Pacific Urban Forum 5 (PUF 5) in Fiji and the Asia Pacific Urban Forum (APUF7) in Malaysia.

Compass is also expanding its international development activities having achieved accreditation by the Australian Council for International Development (ACFID) in 2019. To date, we have delivered two community hubs and cyclone shelters in Vanuatu, and preliminary work is also underway on providing secure accommodation for female traders at the Freshwater food market in Port Vila. Elsewhere in the Pacific, Compass is partnering with RMIT University to deliver an Urban Resilience Adaptation project to deliver climate change mitigation interventions.

Compass has also developed its international advisory role working with the Vietnamese Government to share technical knowledge of social housing systems as Vietnam grapples with rapid urbanisation and growing demand for affordable housing solutions. Compass has contributed to a conference in Ho Chi Minh City aimed at addressing the housing needs of that city's rapidly growing population. This was followed by delivery of a bespoke one-day technical assistance workshop: Meeting the Housing Challenge in Ho Chi Minh City: The Role of Public, Private Partnership (PPP), in December 2019.

Regrettably, COVID-19 international travel restrictions have created barriers to completing some of these projects and we look forward to resuming work on the ground as soon as practicably possible.





NEW ZEALAND

Compass Housing Services Co. NZ (Compass NZ) completed its fifth year of operation this year and in the process, expanded into a new model of mixed tenure development in partnership with the Ted Manson Foundation and the Ministry of Housing and Urban Development.

The Life Apartments development is a unique partnership between public, private and not-for-profit agencies. It is also one of the first mixed tenure developments in New Zealand to include social and affordable rental along with privately owned properties.

Although well-established internationally as a model to reduce concentration of disadvantage associated with mono-tenure housing areas, it remains relatively uncommon in New Zealand.

This year had its challenges, but we are proud of the way our residents supported and looked out for each other. The random acts of kindness were evident in trips to chemists and supermarkets to pick up items for neighbours, sharing food parcels and working collectively to keep COVID-19 out of their communities.

The staff did an amazing job responding quickly and effectively, into a new operating environment.

Operating in the Auckland CBD enabled Compass NZ to establish new relationships with other community housing organisations and social services agencies. The low turnover of residents, many of whom had been experiencing long term homelessness, proves that the combination of long-term secure housing in a caring environment is what is needed to eliminate homelessness.





SOCIALLY SUSTAINABLE COMMUNITIES

An integral component of the Compass model is ensuring that we are enabling tenants to be “engaged in sustainable communities”. The community development approach to tenancy management is an integral part of Compass’ international operations.

The Life Apartment development in the Auckland CBD includes a community hub, which is an onsite facility to allow residents and agencies to engage and learn from each other. It is also a facility that is enabling the social integration of tenants into the wider Auckland community and helps ensure their networks are not insular.

Compass NZ’s commitment to resident engagement and empowerment is a major contributor to our high level of resident satisfaction which reached 96% in the most recent survey.

A key contributor to this satisfaction level was that in addition to tenant and property services, we also facilitated the provision of training including computer skills from one of our tenants Keith, and cooking classes provided by another tenant Linda. Other courses include art classes, te reo language, gardening and life skills.

PIPELINE OF NEW PROPERTIES

As a relatively new operation we are making a significant contribution to increasing the supply of new social housing, a task made more important than ever by the growing pressure on the social housing waiting list which reached a record high of 20,000 households at the end of this financial year.

As a result of a partnership with the Ministry of Housing, Urban Development and SOHO Developments, we have over 160 new properties under construction including in Whanganui, Palmerston North and Auckland. These properties will open in late 2020-2021.

The new Ted Manson Foundation Westlight development is scheduled to open in late 2020 and provides a new quality benchmark in social housing and mixed tenure developments. This will also have a community hub on site.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

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ABN 84 002 862 213

Information on Compass Housing Services Co Ltd Concise financial report

This concise financial report is an extract from the Compass Housing Services Co Ltd Annual Report for the year ended 30 June 2020.

The financial statements and specific disclosures included in the concise financial report have been derived from this annual report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the annual report. Further financial information can be obtained from the annual report and that the annual report is available, free of charge, on request to the entity.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Compass Housing Services Co Ltd and the entities it controlled at the end of, or during, the year ended 30 June 2020. Throughout the report, the consolidated entity is referred to as the group.

DIRECTORS

The following persons held office as 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:

Paul Johnson
 Kwesi Addo
 Greg Budworth
 Barry Martin
 Paul Hughes
 Michael Page
 Jennifer Roberts
 Susan Williams
 Caroline McMillen

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, Taree, Cessnock and Lake Macquarie for New South Wales and in the areas of Logan and Greater Brisbane for Queensland and in Auckland for New Zealand.

Compass Housing Services Co. Ltd received funding support from NSW Department of Community and Justice through grant subsidies for the Community Housing Leasing Program to lease properties from the private market for the provision of community housing.

Compass Housing Services Co Ltd and our wholly owned subsidiary Compass Housing Services Co (Queensland) Ltd received funding support from the Department of Housing and Public Works through grant subsidies for the Community Rent Scheme Program.

DIVIDENDS

The company and its controlled entities (together the Group) is not for profit group and is prevented by its constitution from paying dividends.

REVIEW OF OPERATIONS

The consolidated results from ordinary activities for the year amounted to \$15,575,000 (prior year: \$17,241,000).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community and the economy. Following the COVID-19 outbreak, the group has continued its business operations. The situation is unprecedented and management continues to consider the potential implications of COVID-19, which may include disruptions to the provision of services, availability of employees and changes in customer demand. However, as at the date these financial statements were authorised, the group was not aware of any material adverse effects on the financial statements or future results as a result of the COVID-19.

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

Except as noted above, no other matter or circumstance has arisen since 30 June 2020 that has significantly affected the group's operations, results or state of affairs, or may do so in future years.

ENVIRONMENTAL REGULATION

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

INFORMATION ON DIRECTORS



Paul Johnson

Qualifications

Certified Practising Accountant. Graduate member of the Australian Institute of Company Directors. Member of the Australian Computer Society.

Experience

Involved in the Community Housing Sector as a Director since 2008. Paul is a retired Chief Executive of a financial institution with over 28 years' experience as a senior executive in the financial services and not-for-profit sectors in Australia.

Special responsibilities

Parent Board Member. Chair of Compass (NZ). Compass (Qld) Board Member. Chair of Internal Review Committee. Chair of Australian Service Committee. Member of Governance & Remuneration Committee until 31 December 2019. Member of Audit Risk and Compliance Committee. Chair of Logan City Community Housing Co Ltd. Chair of MyPlace Property Pty Ltd.



Kwesi Addo

Qualifications

Fellow of the Australian Institute of Company Directors. Fellow of the Governance Institute of Australia. Bachelor of Laws. Master of Business Administration - International Business (Hons). Master of International Relations. Master of Construction Law.

Experience

Kwesi is an experienced non-executive director. He has nearly 16 years' experience in the community housing sector and also has over 14 years of legal experience in corporate and commercial law across local governance matters and a range of commercial and corporate areas of law including major infrastructure projects, commercial and civil litigation, debt recovery and insolvency, privacy, tax and employment law.

Kwesi has served on the working groups and boards of other not for profit organisations and is the author of 3 editions of a NSW legal text on community housing and 1 edition of a QLD legal text on community housing.

Special responsibilities

Chair of Parent Board. Chair of Compass (Qld). Chair of Governance and Remuneration Committee. Member of the Internal Review Committee. Compass (NZ) Board Member. Member of the Australian Services Committee until 31 December 2019, MyPlace Property Pty Ltd Board member.



Greg Budworth

Qualifications

Master of Business Administration. Master of Business. Other tertiary qualifications in: Project Management, Business Management, Workplace Safety, Workplace Training. Graduate Member of the Australian Institute of Company Directors. Member of the Australasian Housing Institute. Member of Managers and Leaders Australia.

Experience

Group Managing Director of the Compass Group. Previous directorships include Australasian Housing Institute, Community Housing Industry Association (National), Community Housing Industry Association (NSW), and PowerHousing Australia as well as a member of various other related committees and panels. He has previous experience in CEO and senior management roles in for profit human services organisations. Greg has previously undertaken the roles of the Vice President of the General Assembly of Partners, Co-Chair of the Civil Society Organisation and Chair of the International Partnership of Housing External Relations committee.

INFORMATION ON DIRECTORS (CONTINUED)

Special responsibilities

Compass Group Managing Director. Executive Director of the Parent Board. Executive Director of Compass (Qld). Executive Director of Compass (NZ). Member of the Internal Review Committee. Logan City Community Housing Co Ltd Board Member. Member of the Australian Services Committee, Director of SAHF A. MyPlace Property Pty Ltd Board member. Director of Home4Life Limited from 16 December 2019 to 30 April 2020.



Susan Williams

Qualifications

Member of the Australian Institute of Company Directors (AICD). Fellow Certified Practising Accountant. Fellow of the Governance Institute of Australia. Fellow of the Chartered Governance Institute. Master of Business Administration (International Business). Graduate Diploma of Applied Corporate Governance, Bachelor of Arts (Accounting). Registered Tax Agent.

Experience

Non-Executive Director with over 10 years' experience in both disability and community housing. Executive career including CFO and Company Secretary roles with ASX, NSX and NASDAQ listed companies, as well as private and not-for-profit organisations across a range of industries.

Special responsibilities

Deputy Chair of the Parent Board. Deputy Chair Compass (Qld). Chair of Audit, Risk and Compliance Committee. Member of Australian Services Committee. Member of the Internal Review Committee.



Barry Martin

Qualifications

Fellow of the Australian Institute of Company Directors. Diploma of Business. Certificate IV in Frontline Management. Qualifications in workplace training and assessment. Qualifications in alcohol and other drug training. Certificate IV Personnel & Industrial Relations.

Experience

Board member 2011 - 2014, 2016 - present. Non-Executive Director with experience in business development, contract management, projects, business planning and relationship management and human resource consultant.

Special responsibilities

Parent Board Member. Compass (Qld) Board Member. Member of the Governance & Remuneration Committee. Member of the Internal Review Committee. Member of the Australian Services Committee until 31 December 2019.



Paul Hughes

Qualifications

Bachelor of Commerce (Accounting Major). Fellow of the Australian Institute of Company Directors.

Experience

Over 20 years' experience as a non-executive director of unlisted public companies, not-for-profits and government organisations. Paul's leadership roles span over 30 years, with 20 years in local government senior management. As CEO of Newcastle Airport from 2005 - 2015, Paul led its evolution as a major regional economic driver.

Special responsibilities

Parent Board Member. Compass (Qld) Board Member. Member of the Governance & Remuneration Committee. Member of the Audit, Risk and Compliance Committee. Director of Home4Life Limited from 25 May 2020 to present.



Michael Page

Qualifications

GAICD, Australian Institute of Company Directors. Bachelor of Engineering (Civil).

Experience

Non-executive director with over 8 years' experience in community housing. Executive career for 35 years, including executive director, regional manager and project director roles with ASX listed companies in funds management, finance, development and construction. General manager, chief executive officer and board member of a variety of infrastructure, health and social infrastructure related PPPs and assets and not-for-profit organisations.

Special responsibilities

Parent Board Member. Compass (Qld) Board Member. Member of the Audit, Risk and Compliance Committee. Director of Home4Life Limited from 27 November 2018 to 1 November 2019 and Chairman of Home4Life Limited from 18 December 2018 to 1 November 2019. Member of the Governance and Remuneration Committee from 1 January 2020 to present.



Jennifer Roberts

Qualifications

Fellow of the Australian Institute of Company Directors. Fellow of the Australian Governance Institute. Bachelor of Economics (Honours First Class). Diploma of Education. Diploma of Urban and Regional Planning.

Experience

Senior executive in state and local government for 20 years. 15 years as a private consultant in economic, strategy and property. Experience on private and public-sector Boards and advisory groups. Extensive knowledge and skills in public sector strategy and policy development, project management, engagement and stakeholder relations. Strong experience in grant funding, economic impact assessment and project approval pathways.

Special responsibilities

Parent Board Member. Compass (Qld) Board Member. Member of the Governance & Remuneration Committee. Member of the Australian Services Committee from 1 January 2020 to present.



Professor Caroline McMillen (appointed January 2019)

Qualifications

Officer of the Order of Australia (AO), Fellow of the Australian Academy of Health and Medical Sciences, Honorary Fellow of the Asian College of Knowledge Management, Bragg Member of the Royal Institution Australia, Fellow of the Royal Society of New South Wales, and MAICD. BA (Honours) and Doctor of Philosophy (University of Oxford), MB, B Chir (University of Cambridge) and Honorary Doctorate of Science, University of Adelaide.

Senior academic leadership positions prior to taking up the role as Vice-Chancellor at the University of Newcastle and subsequently as Chief Scientist for South Australia. Experience on Boards, international and national disciplinary bodies, research policy and assessment panels and national and state industry and government leadership groups focused on R&D and innovation.

Special responsibilities

Parent Board member. Compass (Qld) Board Member. Member of the Australian Services Committee. Member of the Audit, Risk and Compliance Committee from 1 January 2020 to present.

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 2020, and the numbers of meetings attended by each director were:

	TOTAL MEETINGS ATTENDED		COMPASS PARENT BOARD		COMPASS QLD BOARD		COMPASS NZ BOARD		ARC COMMITTEE		ASERC COMMITTEE		GOVERNANCE & REMUNERATION COMMITTEE		INTERNAL REVIEW COMMITTEE	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Kwesi Addo	27	29	7	7	5	5	8	9	*	*	2	3	5	5	0**	0**
Greg Budworth	35	36	6	7	5	5	9	9	5	5	5	5	5	5	0**	0**
Paul Hughes	21	22	7	7	5	5	*	*	5	5	*	*	4	5	*	*
Paul Johnson	41	41	7	7	5	5	9	9	5	5	5	5	3	3	7	7
Barry Martin	26	27	7	7	4	5	*	*	*	*	3	3	5	5	7	7
Caroline McMillen	19	19	7	7	5	5	*	*	2	2	5	5	*	*	*	*
Michael Page	18	19	7	7	4	5	*	*	5	5	*	*	2	2	*	*
Jennifer Roberts	19	19	7	7	5	5	*	*	*	*	2	2	5	5	*	*
Susan Williams	28	29	7	7	5	5	*	*	5	5	5	5	*	*	6	7
Anthony Quirk	9	9	*	*	*	*	9	9	*	*	*	*	*	*	*	*

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

** Note that Greg Budworth and Kwesi Addo are members of the internal review committee but only required to attend meetings if required to achieve quorum

Effective 1 January 2020

ARC: Caroline McMillen appointed

ASERC: Kwesi Addo and Barry Martin removed
Jenny Roberts appointed

GOV & REM: Paul Johnson removed
Michael Page appointed

REMUNERATION REPORT

The directors are pleased to present your Compass Housing Services Co Ltd's 2020 remuneration report which sets out remuneration information for the company's non-executive directors.

Details of remuneration

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

TOTAL REMUNERATION FOR 2019 – 20 INCLUDING SUPERANNUATION	
BOARD	\$'000
Kwesi Addo	108
Susan Williams	65
Paul Johnson	52
Barry Martin	57
Paul Hughes	61
Michael Page	59
Jennifer Roberts	56
Caroline McMillen	55
TOTAL	513

INSURANCE OF OFFICERS

During the financial year, Compass Housing Services Co Ltd paid a premium of \$29,119 (2019: \$27,560) 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 thousand dollars.

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.



KWESI ADDO
DIRECTOR

Newcastle
28 October 2020



SUSAN WILLIAMS
DIRECTOR

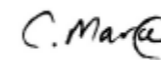
AUDITOR'S INDEPENDENCE DECLARATION



Auditor's Independence Declaration

As lead auditor for the audit of Compass Housing Services Co Ltd for the year ended 30 June 2020, 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 Ltd and the entities it controlled during the period.



Caroline Mara
Partner
PricewaterhouseCoopers

Newcastle
28 October 2020

PricewaterhouseCoopers, ABN 52 780 433 757
Level 3, 45 Watt Street, PO Box 798, NEWCASTLE NSW 2300
T: +61 2 4925 1100, F: +61 2 4925 1199, www.pwc.com.au

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DISCUSSION AND ANALYSIS

For the year ended 30 June 2020

Income Statement

The company has made a profit of \$15,575 thousand for the year ended 30 June 2020. This is a decrease of 10% from the year ended 30 June 2019 profit of \$17,241 thousand after figures being restated for prior year adjustments.

The following analysis is noted on the result for the 2020 financial year:

- Revenue from services has increased by 34% due to growth in tenancies.
- Other income increased by 19% due to increased management fee income.
- The fair value adjustment to investment property decreased by 6% after prior year adjustments to the 2019 comparative.
- Tenancy and management expenses have increased by 44% due to the increase in depreciation which is calculated on the new accounting treatment for operating leases (AASB 16).
- Administration expenses have increased by 8%
- Finance expenses have increased by 122% due to the initial finance charges associated with the change of financiers.

Balance Sheet

Assets

Total assets increased by \$80,965 thousand, this increase was mainly attributable to the following:

- Cash at bank decreased by \$5,113 thousand. See further details below under Cash Flow Statement heading.
- Investment Properties increased by \$17,115 thousand largely due to the fair value of increment following the 2020 revaluations.
- Right of use assets of \$62,441 thousand included due to the new treatment for leases in accordance with AASB16.
- An increase in Property, Plant and Equipment of \$7,708 thousand. This is mainly attributable to assets under construction and operating leases now being included as an asset.

Liabilities

Total Liabilities increased by \$65,390 thousand. This increase was a result of:

- Adoption of the new accounting standard - AASB 16 Leases increased liabilities by \$63,376 thousand.
- Trade payables increased by \$935 thousand.

Equity

The equity of the Group increased by \$15,575 thousand as a result of the profit during the year.

Cash Flow Statement

Cash at bank decreased by \$5,113 thousand due primarily to payments from financing activities of \$7,896 thousand, as well as an increase in net cash flow from operations of \$12,547 thousand and cash outflow from investing activities of \$9,764 thousand.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2020

	Note	Consolidated entity	
		2020 \$'000	2019 * \$'000
REVENUE FROM CONTINUING OPERATIONS	2	80,168	59,691
Other income		11,111	9,340
Fair value adjustment to investment property		16,377	17,449
Tenancy and property management expenses		(60,011)	(41,686)
Administration expenses		(27,959)	(25,994)
Finance expenses		(3,908)	(1,762)
Share of net profit/(loss) of joint ventures accounted for using the equity method		(203)	203
Profit for the year		15,575	17,241
Other comprehensive income		-	-
Total comprehensive income for the year		15,575	17,241

* See note 3 for details regarding the restatements as a result of an error.

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

for the year ended 30 June 2020

	Consolidated entity	
	2020 \$'000	2019 * \$'000
ASSETS		
Current assets		
Cash and cash equivalents	33,154	38,267
Trade and other receivables	8,463	9,603
Financial assets at amortised cost	6	5
Other current assets	1,444	1,547
Total current assets	43,067	49,422
Non-current assets		
Financial assets at amortised cost	770	804
Property, plant and equipment	9,027	1,319
Right-of-use assets	62,441	-
Investment properties	409,371	392,256
Investments accounted for using the equity method	-	203
Intangible assets	1,003	1,083
Other non-current assets	4,140	3,767
Total non-current assets	486,752	399,432
TOTAL ASSETS	529,819	448,854
LIABILITIES		
Current liabilities		
Trade and other payables	16,085	13,702
Lease liabilities	8,173	-
Provisions	999	831
Deferred income	2,029	2,736
Total current liabilities	27,292	17,269
Non-current liabilities		
Borrowings	62,939	62,764
Lease liabilities	55,203	-
Provisions	129	140
Total non-current liabilities	118,271	62,904
TOTAL LIABILITIES	145,563	80,173
NET ASSETS	384,256	368,681
EQUITY		
Other reserves	115,089	115,089
Retained earnings	269,167	253,592
Total equity	384,256	368,681

* See note 3 for details regarding the restatements as a result of an error.

The above consolidated consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2020

	Asset revaluation reserve \$'000	Vested capital assets reserve \$'000	Vested surplus reserve \$'000	Restated retained earnings* \$'000	Restated total equity \$'000
Balance at 1 July 2018	75	110,101	4,913	236,351	351,440
Restated profit for the period	-	-	-	17,241	17,241
Total comprehensive income for the year	-	-	-	17,241	17,241
Balance at 30 June 2019	75	110,101	4,913	253,592	368,681
Balance at 1 July 2019	75	110,101	4,913	253,592	368,681
Restated profit for the period	-	-	-	15,575	15,575
Total comprehensive income for the year	-	-	-	15,575	15,575
Balance at 30 June 2020	75	110,101	4,913	269,167	384,256

* See note 3 for details regarding the restatements as a result of an error.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2020

	Consolidated entity	
	2020 \$'000	2019 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	78,060	55,329
Payments to suppliers and employees	(74,987)	(59,676)
Interest income	310	388
Interest and borrowing costs paid	(4,086)	(3,517)
Receipt from grants	13,250	12,046
Net cash inflow from operating activities	12,547	4,570
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets	(199)	(4,170)
Payments for property, plant and equipment	(7,893)	(1,099)
Payments for intangibles	(583)	(577)
Proceeds from sale of property, plant and equipment	-	5
Payments for investment properties	(1,123)	(1)
Proceeds from financial assets	34	11,739
Net cash inflow (outflow) from investing activities	(9,764)	5,897
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal repayment of lease liabilities	(7,896)	-
Proceeds from borrowings	-	60,323
Repayment of borrowings	-	(41,586)
Net cash inflow from financing activities	(7,896)	18,737
Net increase in cash and cash equivalents	(5,113)	29,204
Cash and cash equivalents at the beginning of the financial year	38,267	9,063
Cash and cash equivalents at the end of the financial year	33,154	38,267
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Acquisition of right-of-use-assets	8,751	-

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1 - Summary of significant accounting policies

Basis of preparation

The concise financial statements have been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039 'Concise Financial Reports'. The concise financial statements are an extract from the full financial statements. The concise financial statements and specific disclosures included in the concise financial statements have been derived from the full financial statements of Compass Housing Services Co Ltd.

All amounts are presented in Australian dollars.

New and amended standards adopted by the group

The group has applied the following standards and amendments for first time in their annual reporting period commencing 1 July 2019:

- AASB 15 Revenue from Contracts with Customers
- AASB 15 Revenue
- AASB 1058 Income of Not-for-Profit Entities

The group had to change its accounting policies as a result of adopting AASB 16. The group elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 1 July 2019. This is disclosed in note 16 of the consolidated financial statements. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 - Revenue

The Group derives the following types of revenue:

	Consolidated entity	
	2020 \$'000	2019 \$'000
FROM CONTINUING OPERATIONS		
Tenant revenue	66,211	46,437
Grant revenue	13,957	13,254
	80,168	59,691
DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS BASED ON TIMING OF REVENUE RECOGNITION		
At a point in time	1,623	811
Over time	66,710	46,777
Excluded from scope of AASB 15	11,835	12,103
	80,168	59,691

3 - Critical estimates, judgements and errors**Prior year restatements****Fair value adjustment to investment property**

Management identified when reviewing the properties that were valued this year, that not all properties that had a valuation completed by external valuer in 2019 were booked in the accounts at 30 June 2019. As a result, the fair value gain in the 30 June 2019 statement of financial performance was understated by \$8,209,274. There was also a reclassification of land of \$550,000 to the investment properties that was recorded as property, plant and equipment in the previous year.

Financing cost related to borrowings

Costs associated with entering into financial arrangements were fully expensed in the accounts as at 30 June 2019 rather than being amortised over the life of the borrowings in accordance with effective interest rate method.

As a result, the financing cost and borrowings in the 30 June 2019 consolidated statement of comprehensive income and consolidated balance sheet were overstated by \$1,755,000.

	(Previously Reported)		(Restated)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	30 JUNE 2019 \$'000	INCREASE/ (DECREASE) \$'000	30 JUNE 2019 \$'000
Finance expenses	3,517	(1,755)	1,762
Fair value adjustment to investment property	9,240	8,209	17,449
Profit for the year	7,277	9,964	17,241
Total comprehensive income for the year	7,277	9,964	17,241

	(Previously Reported)		(Restated)
CONSOLIDATED BALANCE SHEET	30 JUNE 2019 \$'000	INCREASE/ (DECREASE) \$'000	30 JUNE 2019 \$'000
Investment properties	383,497	8,759	392,256
Total non-current assets	391,223	8,209	399,432
Total assets	440,645	8,209	448,854
Borrowings	64,519	(1,755)	62,764
Total non-current liabilities	64,659	(1,755)	62,904
Total liabilities	81,928	(1,755)	80,173
Net assets	358,717	9,964	368,681
Retained earnings	243,628	9,964	253,592
Total equity	358,717	9,964	368,681

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	(Previously Reported)	INCREASE/ (DECREASE) \$'000	(Restated)
	30 JUNE 2019 \$'000		30 JUNE 2019 \$'000
Retained earnings	243,628	9,964	253,592
Total equity	358,717	9,964	368,681

4 - Events occurring after the reporting period

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community and the economy. Following the COVID-19 outbreak, the group has continued its business operations. The situation is unprecedented and management continues to consider the potential implications of COVID-19, which may include disruptions to the provision of services, availability of employees and changes in customer demand. However, as at the date these financial statements were authorised, the group was not aware of any material adverse effects on the financial statements or future results as a result of the COVID-19.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected the group's operations, results or state of affairs, or may do so in future years.

DIRECTORS' DECLARATION

The directors declare that:

- in the directors' opinion, the attached financial statements and notes thereto comply with Accounting Standard AASB 1039 'Concise Financial Reports'; and
- the attached financial statements and notes thereto have been derived from the full financial report of the Group.

Signed in accordance with a resolution of the directors.



KWESI ADDO
DIRECTOR



SUSAN WILLIAMS
DIRECTOR

Newcastle
28 October 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS HOUSING SERVICES CO LTD



Independent auditor's report

To the members of Compass Housing Services Co Ltd

Report on the concise financial report

Our opinion

In our opinion, the accompanying concise financial report, including the discussion and analysis, of Compass Housing Services Co Ltd (the Company) and its controlled entities (together, the Group) for the year ended 30 June 2020 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports*.

What we have audited

The Group concise financial report derived from the financial report of the Group for the year ended 30 June 2020 comprises:

- the consolidated balance sheet as at 30 June 2020
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the related notes
- the discussion and analysis
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the concise financial report* section of our report.

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

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant

PricewaterhouseCoopers, ABN 52 780 433 757
Level 3, 45 Watt Street, PO Box 798, NEWCASTLE NSW 2300
T: +61 2 4925 1100, F: +61 2 4925 1199, www.pwc.com.au

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to our audit of the concise financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Concise financial report

The concise financial report does not contain all the disclosures required by the Australian Accounting Standards in the preparation of the financial report. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the financial report and the auditor's report thereon. The concise financial report and the financial report do not reflect the effects of events that occurred subsequent to the date of our report on the financial report.

The financial report and our report thereon

We expressed an unmodified audit opinion on the financial report in our report dated 26 October 2020.

Responsibilities of the directors for the concise financial report

The directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the concise financial report.

Auditor's responsibilities for the audit of the concise financial report

Our responsibility is to express an opinion on whether the concise financial report, complies in all material respects, with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complied with AASB 1039 *Concise Financial Reports* based on our procedures which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers

PricewaterhouseCoopers

C. Mara

Caroline Mara
Partner

Newcastle
28 October 2020





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