



**Link  
Wentworth**  
Providing homes, building futures.



# Summary Financial Statements

**For the year ended 30 June 2023**



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# Directors' Report

The Directors present their report, together with the financial statements of the Company for the year ended 30 June 2023.

## Directors

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The Directors of the Company who held office during or since the end of the financial year are:

**Michael Allen, PSM**  
Chair

**Nirmal Hansra**  
Deputy Chair

**Aimee Lindfield**

**Andrew Sweeney**

**Belinda Bentley**

**Brodie Druett**

**Dr. Dianne Jackson**

**Ken Gilbert**

**Kerry Robinson, OAM**

**Mark McEnallay**

**Simon Maughan Wright**

## Company Secretary

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**Djordje (George) Bogdanovic**

## Information on Directors

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

### Michael Allen PSM

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#### Qualifications

Graduate Diploma in Urban Estate Management, Member Australian Institute of Company Directors, Fellow Institute of Public Administration Australia, Life Member Australasian Housing Institute

#### Occupation

Board Chair  
Non-Executive Director

#### Special responsibilities

Chair, Link Wentworth Housing Limited

### Aimee Lindfield

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#### Qualifications

Bachelor of Business; Graduate Member of the Australian Institute of Company Directors (GAICD); Graduate Diploma of Chartered Accounting (GradDipCA)

#### Occupation

Finance Transformation and Digital Director - Enterprise and Global Markets

#### Special responsibilities

Member, Audit Risk, and Improvement Committee

### Andrew Sweeney

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#### Qualifications

Built Environment and Architecture Degrees; Registered Architect; Licenced Real Estate Agent (QLD, NSW).

#### Occupation

Property Investment Executive

#### Special responsibilities

Member, Assets and Development Committee

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**Belinda Bentley****Qualifications**

BSc BA (UNSW), MProDev (UTS), GAICD, NSW Real Estate Licence (Class 1)

**Occupation**

Director, 9Springs

**Special responsibilities**

Member, Assets and Development Committee, Member, People & Culture Committee

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**Brodie Druett****Qualifications**

Graduate Certificate in Housing Management and Policy; Member of the Australasian Housing Institute (AHI) and Australian Institute of Company Directors (MAICD)

**Occupation**

Non-Executive Director

**Special responsibilities**

Member, Assets and Development Committee  
Member, People and Culture Committee

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**Dr. Dianne Jackson****Qualifications**

Doctor of Philosophy – Education/Social Science; Bachelor of Social Science (Hons First Class); Bachelor of Teaching; Member of the Australian Institute of Company Directors (MAICD)

**Occupation**

Chief Executive Officer and Adjunct Professor

**Special responsibilities**

Member, People and Culture Committee

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**Ken Gilbert****Qualifications**

Bachelor of Social Work; Bachelor of Business; Graduate Member of the Australian Institute of Company Directors (GAICD)

**Occupation**

Independent Management Consultant

**Special responsibilities**

Chair, People and Culture Committee

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**Kerry Robinson, OAM****Qualifications**

Justice of the Peace; Bachelor of Town Planning (Hons), UNSW; Ass. Dip. Valuation, Sydney CAE; FAICD.

**Occupation**

Chief Executive Officer

**Special responsibilities**

Member, Audit, Risk and Improvement Committee

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**Mark McEnallay****Qualifications**

B.Com, FCPA, FAICD, FGIA.

**Occupation**

Consultant and Company Director

**Special responsibilities**

Member, Audit, Risk and Improvement Committee

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**Nirmal Hansra****Qualifications**

MComm, FAICD, FGIA, FCAANZ, FCPA

**Occupation**

Deputy Chair and Non-Executive Director

**Special responsibilities**

Chair, Audit, Risk and Improvement Committee

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**Simon Maughan Wright****Qualifications**

Law & Grad Dip, Labour Law (Syd Uni), MBA (AGSM/UNSW), Post Grad Certificate in Digital Leadership (AGSM/UNSW), FAICD, NSW Real Estate Licence.

**Occupation**

Principal, ABSA Corporate Advisory, Sydney

**Special responsibilities**

Chair, Asset and Development Committee  
Board Real Estate Licence holder

## Meetings of Directors

During the financial year, 7 meetings of Directors and 19 meetings of Board Committees were held.

Attendances by each Director during the year were as follows:

	Board Meetings		Board Committee Meetings							
			People and Culture		Assets and Development (ADC)		Audit Risk and Improvement (ARIC)		Combined ARIC and ADC	
	E	A	E	A	E	A	E	A	E	A
Michael Allen, PSM	7	7	-	1	-	1	-	-	2	2
Aimee Lindfield	7	7	-	-	-	1	5	5	2	2
Andrew Sweeney	7	7	-	-	5	5	-	-	2	2
Belinda Bentley	7	6	5	5	5	5	-	-	2	1
Brodie Druett	7	6	5	5	5	5	-	-	2	2
Dianne Jackson	7	4	5	3	-	1	-	-	1	1
Ken Gilbert	7	6	5	5	-	1	-	-	1	1
Kerry Robinson, OAM	7	5	-	-	-	-	5	4	2	2
Mark McEnallay	7	7	-	-	-	-	5	5	2	2
Nirmal Hansra	7	7	-	-	-	-	5	4	2	2
Simon Maughan Wright	7	7	-	-	5	4	-	-	2	2

E: Number of meetings Director eligible to attend

A: Number of meetings Director attended

-: Not a member of the relevant Committee

### Principal activities

The principal activities of Link Wentworth Housing Limited ("Link Wentworth") during the financial year were the provision of community housing to low and moderate income earners, homelessness services and specialist disability accommodation in New South Wales.

The Company has maintained its registration as a Tier 1 Community Housing Provider under the National Regulatory System for Community Housing. As the one of the largest and fastest growing Community Housing Providers in Australia we serve nearly 10,000 clients and at 30 June 2023 the Company had a property portfolio of 6,392

homes under management (FY22: 6,472).

### Operating results

The Company generated revenue of \$120.7 million and a net surplus of \$21.1 million for the year. This surplus will be used to further the Company's objective of providing social and affordable housing to those in need. Revenue increased by \$9.0 million from last year due mainly to higher grants and increased rental income. Operating expenses increased by \$11.7 million owing primarily to higher maintenance costs, property, and employee expenses.

To maintain the quality of our property portfolio and enhance tenant experience, the Company

invested \$17.3 million (2022: \$11.5 million) in property maintenance and \$4.31 million (2022: \$3.9 million) on property asset improvements.

The Company's owned property portfolio was revalued and recorded a net fair value gain for the year of \$16.7 million (2022: \$16.3 million). The leased property portfolio Right of Use asset under AASB16 reflected a net fair value loss of \$17.3 million (2022: \$17.9 million loss).

Net assets increased to \$296.5 million from \$275.3 million last financial year. This increase is primarily from higher investment properties and concession assets values. At balance date, the Company had a strong balance sheet with \$52.6 million

in cash and term deposits with no borrowings, positioning it well for future growth opportunities.

### Short and long-term objectives and strategy

The short-term objectives are creating a customer-centric leading culture across the organisation, empowering employees to make decisions and become future leaders and have clear priorities on property maintenance that ensure we provide safe and healthy homes to our customers.

The main longer-term objective is growth. Positioning Link Wentworth for quality social and affordable development opportunities and be regarded as a leading Community Housing Provider with a diversified service offering for our customers and clear capacity for continued growth and a sustainable future.

### Investment properties

Investment properties comprise owned property and leased property that is held to earn rental income or for capital appreciation, or both. Investment properties are carried at fair value. Changes to fair value are recorded in the statement of profit or loss and other comprehensive income as other income. Most of the investment properties are restricted for use as social or affordable housing and whilst they can be sold, restrictions often require any sale proceeds to be utilised on further social and affordable housing.

During the financial year, the Company carried out valuations on owned properties. Following the valuations, investment properties increased in value by \$16.7 million across the portfolios (FY22: \$16.3 million gain).

### Performance measures

The Company measures its own performance using both quantitative and qualitative indicators. The indicators are used by Directors to assess the financial sustainability, the performance of the Company and whether the Company's objectives are being achieved. These include portfolio growth, tenant satisfaction and staff engagement surveys as well as operating surplus and cash flow, tenant arrears, vacancies and voids and asset maintenance standards. These results are reviewed by management and the Board of Directors regularly.

### Member's guarantee

The Company is limited by a guarantee of the members. The limits of the guarantee are provided in Note 27 of the full Financial Report.

### Events after the end of the reporting period

No matter or circumstance has arisen since reporting date that has significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporation 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.

### Indemnifying Directors, Officers, or Auditors

Deeds of Indemnity have been entered into between the Company and Directors and Officers that indemnify them from financial losses that may occur arising from the performance of their duties. No indemnities have been given during or since the end of the financial year for any person who is or has been an auditor of the Company. Directors' and Officers' insurance premiums are paid by the Company. The policy prohibits the disclosure of amounts paid.

### Rounding of amounts

Amounts in this report have been rounded off to the nearest thousand dollars.

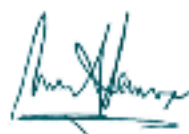
Signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors,



**Michael Allen, PSM**

Director and Chair of the Board



**Nirmal Hansra**

Director

Date: 29 September 2023

# Discussion & Analysis of the Summary Financial Statements

## **Basis of Preparation of the Summary Financial Statements**

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The Summary Financial Statements are an extract from the full financial statements for the year ended 30 June 2023. The financial statements and disclosures in the Summary Financial Statements have been derived from the 2023 financial report of Link Wentworth Housing Limited. A copy of the full financial statements and auditors' report will be sent to any member, free of charge, upon request. The discussion and analysis are provided to assist members in understanding the Summary Financial Statements. The financial statements are presented in Australian Dollars which is the Company's functional and presentational currency.

## **Adoption of New Accounting Standards**

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The Company has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

## **Statement of Profit or Loss and Other Comprehensive Income**

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Total revenue and other income increased by \$9.0 million (8%) to \$120.7 million (2022: \$111.7 million) and it includes a property valuation gain of \$16.7 million. Total expenditure increased by \$11.7 million (13%) to \$99.5 million (2022: \$87.8 million) and it includes a fair value loss of \$17.3 million on leased properties. The Company generated a net surplus of \$21.1 million which will be used to further the Company's long-term objective of providing housing to those in need.

## **Statement of Financial Position**

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Total assets increased by \$30.2 million to \$448.5 million (2022: \$418.2 million) representing an increase of 7%. Total liabilities increased by \$9.0 million to \$151.9 million (2022: \$142.9 million). The Company's cash, financial assets, and the value of its owned property portfolio total \$305.4 million with no borrowings as of 30 June 2023. Net assets increased to \$296.5 million. The Company is well positioned for its future growth in providing increased social and affordable housing.



# Statement of profit or loss and other comprehensive income

For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Revenue and other income</b>			
Revenue from contracts with customers and other revenue	2	101,843	95,103
Interest revenue calculated using the effective interest rate method		1,450	142
Other income	3	17,401	16,415
		<b>120,694</b>	<b>111,660</b>
<b>Expenses</b>			
Property expenses		(19,709)	(18,626)
Employee benefits expenses		(24,965)	(23,599)
Maintenance expenses		(17,326)	(11,520)
Office expenses		(5,443)	(4,783)
Depreciation and amortisation expenses		(1,888)	(2,018)
Depreciation and amortisation of concession assets		(5,147)	(4,598)
Financing costs		(6,102)	(4,505)
Fair value loss on right of use asset classified as investment property	4	(17,318)	(17,895)
Other expenses		(1,650)	(300)
		<b>(99,548)</b>	<b>(87,844)</b>
<b>Surplus before income tax expense</b>		<b>21,146</b>	<b>23,816</b>
Income tax expense		-	-
<b>Surplus after income tax expense</b>		<b>21,146</b>	<b>23,816</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>21,146</b>	<b>23,816</b>

The accompanying notes form part of these summary financial statements.

# Statement of financial position

As at 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		15,448	32,213
Other financial assets		37,201	19,473
Trade and other receivables		6,741	4,865
Other assets		2,350	1,572
<b>Total current assets</b>		<b>61,740</b>	<b>58,123</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		5,490	6,282
Investment properties	4	344,435	325,860
Concession assets		30,321	21,361
Intangibles		415	886
Other financial assets		5,171	4,772
Other assets		878	937
<b>Total Non-Current Assets</b>		<b>386,710</b>	<b>360,098</b>
<b>Total Assets</b>		<b>448,450</b>	<b>418,221</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		4,548	4,856
Provisions		2,839	2,465
Financial liabilities		3,089	2,758
Lease liabilities	5	18,718	19,100
Other liabilities		24,738	23,961
<b>Total Current Liabilities</b>		<b>53,932</b>	<b>53,140</b>
<b>Non-Current Liabilities</b>			
Provisions		499	541
Financial liabilities		15,581	8,804
Lease liabilities	5	81,955	80,399
<b>Total Non-Current Liabilities</b>		<b>98,035</b>	<b>89,744</b>
<b>Total Liabilities</b>		<b>151,967</b>	<b>142,884</b>
<b>Net Assets</b>		<b>296,483</b>	<b>275,337</b>
<b>Equity</b>			
Reserves		1,331	1,218
Contributed equity		86,199	86,199
Retained surpluses		208,953	187,920
<b>Total Equity</b>		<b>296,483</b>	<b>275,337</b>

The accompanying notes form part of these summary financial statements.

## Statement of changes in equity

For the year ended 30 June 2023

	Retained Surpluses \$'000	Property Reserve \$'000	Contributed Equity \$'000	Total \$'000
<b>Balance at 1 July 2021</b>	164,207	1,115	86,199	251,521
Surplus for the year	23,816	-	-	23,816
Transfers to and (from) reserves	(103)	103	-	-
<b>Balance at 30 June 2022</b>	<b>187,920</b>	<b>1,218</b>	<b>86,199</b>	<b>275,337</b>
Surplus for the year	21,146	-	-	21,146
Transfers to and (from) reserves	(113)	113	-	-
<b>Balance at 30 June 2023</b>	<b>208,953</b>	<b>1,331</b>	<b>86,199</b>	<b>296,483</b>

The accompanying notes form part of these summary financial statements.

# Statement of cash flows

For the year ended 30 June 2023

	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>		
Rent and other receipts	67,686	68,479
Government subsidies and grants received	36,013	41,217
Sundry receipts	325	434
Interest received	1,258	133
Payments to suppliers and employees	(71,818)	(60,382)
Interest and other finance costs paid	(6,102)	(4,505)
<b>Net cash provided by operating activities</b>	<b>27,362</b>	<b>45,376</b>
<b>Cash flows from investing activities</b>		
Transfers (to)/from term deposits	(17,728)	1,036
Payment for property, plant and equipment	(63)	(68)
Payment for software development costs	-	(58)
Transfers (to)/from financial assets	-	2,031
Payment for concession assets	(4,107)	(3,760)
Payments for investment property	(717)	(369)
Improvements and additions to investment properties	(235)	(263)
<b>Net cash used in investing activities</b>	<b>(22,851)</b>	<b>(1,451)</b>
<b>Cash flows from financing activities</b>		
Repayment of financial liabilities	(2,892)	(3,381)
Repayment of lease liabilities	(18,384)	(19,011)
<b>Net cash used in financing activities</b>	<b>(21,276)</b>	<b>(22,392)</b>
Net increase in cash and cash equivalents held	(16,765)	21,533
Cash and cash equivalents at the beginning of the financial year	32,213	10,680
<b>Cash and cash equivalents at the end of the financial year</b>	<b>15,448</b>	<b>32,213</b>

The accompanying notes form part of these summary financial statements.

# Notes to the Financial Statements

For the year ended 30 June 2023

## Note 1: Basis of preparation of the Summary Financial Statements

The Summary Financial Statements have been prepared from the audited financial statements for the year ended 30 June 2023. The audited financial statements for the year ended 30 June 2023 are available on request from Link Wentworth Housing Limited. The financial statements are presented in Australian Dollars which is the Company's functional and presentational currency.

The financial statements, specific disclosures and other information included in the Summary Financial Statements are derived from and are consistent with the full financial statements of Link Wentworth Housing Limited. The Summary Financial Statements cannot be expected to provide a detailed understanding of the financial performance, financial position and financing and investing activities of Link Wentworth Housing Limited as the full financial report.

The accounting policies have been consistently applied to Link Wentworth Housing Limited and are consistent with those of the preceding financial year in their entirety.

## Note 2: Revenue from contracts with customers and other revenue

	2023 \$'000	2022 \$'000
<b>Revenue from contracts with customers</b>		
Fee for service income	3,307	2,808
Subsidies and grants	31,372	27,671
	<u>34,679</u>	<u>30,479</u>
<b>Other revenue</b>		
Rent received	63,809	61,893
Tenant reimbursements	1,844	1,901
Other reimbursements	1,511	830
	<u>67,164</u>	<u>64,624</u>
<b>Total revenue from contracts with customers and other revenue</b>	<u>101,843</u>	<u>95,103</u>

## Note 3: Other Income

Gain on revaluation of investment properties	16,677	16,345
Realised and unrealised gain/ (loss) on financial assets measured at fair value through profit or loss	398	(367)
Sundry income	326	437
	<u>17,401</u>	<u>16,415</u>

<b>Note 4: Investment Properties</b>	<b>2023 \$'000</b>	<b>2022 \$'000</b>
Investment property – owned property	247,538	230,626
Investment property – leased property	96,897	95,234
	<b>344,435</b>	<b>325,860</b>

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

<b>Opening balance</b>	<b>325,860</b>	310,853
Revaluation movements - leased property	(17,318)	(17,895)
Revaluation movements - owned property	16,677	16,345
Changes in leased property holdings	18,980	16,412
Capitalised development expenditure	235	262
Adjustment to Investment property	-	(117)
<b>Closing balance</b>	<b>344,435</b>	<b>325,860</b>

**Income from subleasing right-of-use assets**

Within one year	9,517	9,936
Later than one year but not later than five years	37,668	39,393
Greater than five years	19,877	20,720
	<b>67,062</b>	<b>70,049</b>

**Note 5: Lease liabilities**

**Current**

Lease liabilities	<b>18,718</b>	19,100
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**Non-Current**

Lease liabilities	<b>81,955</b>	80,399
Reconciliations		

**Opening Balance**

Remeasurement of lease liability	19,075	17,078
Additions	483	-
Interest	5,032	3,972
Repayments	(23,416)	(22,983)
<b>Closing balance</b>	<b>100,673</b>	<b>99,499</b>

**Maturity analysis of future lease payments**

Not later than 1 year	22,529	22,488
Later than 1 year and not later than 5 years	89,949	87,950
Later than 5 years	16,177	7,378
	<b>128,655</b>	<b>117,816</b>

# Directors' Declaration

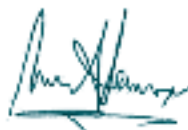
For the year ended 30 June 2023

The Directors of the Company declare that the summary financial statements of Link Wentworth Housing Limited for the financial year ended 30 June 2023, as set out on pages 7 to 12 are an extract from the full financial statements for the year ended 30 June 2023 and have been derived from and are consistent with the full financial statements of Link Wentworth Housing Limited. This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by -



**Michael Allen, PSM**

Director and Chair of the Board



**Nirmal Hansra**

Director

Date: 29 September 2023

# Independent Audit Report

For the year ended 30 June 2023



Pitcher Partners Sydney Partnership

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Sydney NSW 2000

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e. [sydneypartners@pitcher.com.au](mailto:sydneypartners@pitcher.com.au)

**Independent Auditor's Report  
To The Members of Link Wentworth Housing Ltd  
ACN 003 084 928**

**Report on the Audit of the Summary Financial Statements**

**Opinion**

The summary financial statements of Link Wentworth Housing Ltd ("the Company"), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, are derived from the audited financial report of the Company for the year ended 30 June 2023.

In our opinion, the summary financial statements are consistent, in all material respects, with the audited financial report, on the basis described in Note 1.

**Summary Financial Statements**

The summary financial report does not contain all the disclosures required by Australian Accounting Standards applied in preparation of the audited financial report of the Company. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report of the Company and the auditor's report thereon.

**The Audited Financial Report and Our Report Thereon**

We expressed an unmodified audit opinion on the audited financial report in our report dated 29 September 2023.

**Responsibilities of Directors' for the Summary Financial Statements**

The Directors are responsible for the preparation of the summary financial statements on the basis described in Note 1 to the audited financial report, to the extent applicable to the summary financial report.

**Auditor's Responsibility**

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard *ASA 810 Engagements to Report on Summary Financial Statements*.

**S S Wallace**  
Partner

29 September 2023

**Pitcher Partners**  
Sydney

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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**Link  
Wentworth**

# Providing homes, building futures.

## **Chatswood**

Level 10, 67 Albert Avenue,  
Chatswood NSW 2067

## **Katoomba**

Level 2, 98 Bathurst St,  
Katoomba NSW 2780

## **Lithgow**

42 Main Street,  
Lithgow NSW 2790

## **Penrith**

Borec House, Suite 1002, Level 1,  
29–57 Station Street,  
Penrith NSW 2750

## **West Ryde**

Level 2, 3–5 Anthony Road,  
West Ryde NSW 2114

## **Windsor**

409A George Street,  
South Windsor NSW 2756

## **Contact during office hours**

### **Chatswood Hub**

**P** 13 14 21

PO Box 5124  
Chatswood West NSW 2067

### **Penrith Hub**

**P** 13 14 21

PO Box 4303,  
Penrith Westfield NSW 2750

**E** [enquiries@linkwentworth.org.au](mailto:enquiries@linkwentworth.org.au)

**[linkwentworth.org.au](http://linkwentworth.org.au)**