Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

THE ILLAWARRA COMMUNITY HOUSING TRUST
TRADING AS THE HOUSING TRUST

ABN: 18 739 426 566

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

CONTENTS

DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION	8
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	9
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF CHANGES IN EQUITY	11
STATEMENT OF CASH FLOWS	12
NOTES TO THE FINANCIAL STATEMENTS	13
DIRECTORS DECLARATION	25
INDEPENDENT AUDIT REPORT	26

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

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ABN: 18 739 426 566
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2026

The Directors present their report, together with the financial statements, on The Illawarra Community Housing Trust Limited ('the Company') for the year ended 30 June 2026.

Directors
The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Roy Rogers
Haydn Calderwood
Pamela Ameglio
Lesley Bull
Catherine Ellis
Anna Kovarik
Clayton McDowell
Lucas Kriss (Joined 7 January 2026)

Company Secretary
Miranda Serkinic is the Company Secretary, and was in position for the entire financial year

Principal activities
The principal activity of the Company during the course of the financial year was the provision of housing services to people in the Wollongong, Shellharbour and Kiama local government areas. No significant change in the nature of these activities occurred during the year.

Operating results
The deficit of the entity for the financial year was $101,455 (2025: $19,063,376). No income tax expense was provided for as the entity is endorsed as a tax exempt charitable entity.

Strategy and objectives
The strategic plan for 2025 to 2028 focuses on four key strategies and reflects the overall vision of “a decent home for everyone”.
The strategies are:

1. Advocate critically and independently to influence the housing market;
2. Partner to support our customers;
3. Be providers of innovative and sustainable rental housing; and
4. Leverage and grow as a social enterprise.

Performance measures
The Company measures its performance through the service, quantity and quality of homes it provides to customers and operates as a fully compliant Tier 1 Community Housing Provider under the National Regulatory System for Community Housing. During the year, the Company maintained customer satisfaction levels above industry benchmarks, completed the Warruya development and continued to progress its development pipeline. The Company's contribution continued to be recognised through its leadership, advocacy and partnerships across the community housing sector. At year end, the Company managed a portfolio of 1,190 homes

Review of operations
The Company reported a small operating loss for the year. During the year, the Company completed the Warruya development, which is currently recorded at cost. Upon receipt of an independent valuation, the property will be reclassified and measured at fair value as an investment property. Notwithstanding the operating result, the Company maintained a sound financial position and a strong balance sheet throughout the year.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Significant Changes in State of Affairs
There have been no other matter or circumstances arisen since 30 June 2026 that have significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Events after the reporting date
No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Company's operations, results of operations, or state of affairs in future financial years

Future Developments

The Company expects to continue its plans for sustainable growth to deliver its core purpose through a variety of approaches consistent with its core business. The Company has one project progressing towards State Significant Development Application

Environmental Issues
The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends
The Company is limited by guarantee and as such has no shares. No dividend payment is allowed under the Company's constitution, which states that no part of the income or property of the Company "may be paid or transferred, directly or indirectly, to any member whether by way of dividend, bonus or otherwise".

Environmental Issues
The Directors believe the company has complied with all significant environmental regulations under a law of the Commonwealth or of a state or territory.

Information on Directors

Name:	**Roy Rogers**
Title:	Chair
Qualifications:	BSc Eng (merit Civil Eng.), Master of Management (MBA), MIEAust, CP(Eng), MAICD
Experience and expertise:	Roy Rogers has significant experience in Construction, Marketing, Executive Management and Leadership. His experience has come from working with a variety of companies including BHP, EMAIL Group and The Flagstaff Group holding various positions from Construction Manager to General Manager and CEO. Roy's strengths are in developing strategies that lead business performance and growth, manage organisational change and developing organisational culture that improves personal growth and business performance. Roy takes an active role in the business and the community and has a strong history of involvement across the region. This includes his former role on the Business Chamber Regional Advisory Committee, mentoring for the Leadership Illawarra program, and being a foundation supporter of the Illawarra CEO Sleepout. In 2016 Roy was the recipient of the Illawarra Business Chambers' Leader of the Year Award.
Special responsibilities:	Member Director, Member Property Committee, Chair Property Committee (ceased 31 December 2025), Member People, Culture and Communities

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

Information on Directors (continued)

Name:	**Haydn Calderwood**
Title:	Deputy Chair
Qualifications:	Master of Business Law, GAICD, AGIA
Experience and expertise:	Haydn Calderwood is an experienced executive and non-executive director with expertise in finance, governance, risk management, and business strategy. He holds a Master of Business Law, is a Graduate of the Australian Institute of Company Directors and an Associate of the Governance Institute of Australia. Haydn is a Managing Director at Westpac, where he leads the Business and Consumer Financial Markets business across Australia and New Zealand. Haydn has more than a decade of board and committee experience across the corporate, community housing and not-for-profit sectors, including as a non-executive director of subsidiaries of an ASX-listed banking group. He previously served on the boards and committees of Tenants Victoria, Westpac Direct Equity Investments and Westpac Investment Vehicle No 2, and the Finance and Risk committee of Unison Housing.
Special responsibilities:	Member Director, Chair Finance, Risk and Audit Committee Member.
Name:	**Pamela Ameglio**
Title:	Director
Qualifications:	GAICD, FTSE, MSc. Exploration Geology, INSEAD Advanced Management Programme (AMP)
Experience and expertise:	Pamela is an Executive and Non-Executive Director in Australasia and Africa with more than 10 years' experience in public and private sector corporations and Not for Profits in the mineral resources, mining technology, nuclear medicine and nuclear research and nuclear waste sectors. She is currently an independent director of Infini Resources (ASX:I88), a director of Exige Australia, on the Science Advisory Board of Museum Australia, Sydney and was appointed to ARPANSA's Radiation Health and Safety Advisory committee. Pamela is a past Group Executive at ANSTO and Board member of Australian Nuclear Medicine (ANM) in Sydney. Pamela has a strong background in major construction projects and is passionate about supporting Housing Trust to achieve their goals.
Special responsibilities:	Member Director, Chair People, Culture and Communities Committee (ceased 31 December 2025) Member Finance Risk and Audit Committee (commenced 1 January 2026)
Name:	**Lucas Kriss**
Title:	Director
Qualifications:	BCom, FCPA, GAICD
Experience and expertise:	Lucas Kriss was appointed as a Casual Director on 7 January 2026. Lucas has extensive experience in senior commercial roles, combining a strategic mindset with a strong commitment to governance and risk management. Lucas has been integral in the success of several major capital investment projects and is an advocate for innovative transformation within organisations. Lucas holds a Bachelor of Commerce (UOW), he is a Fellow of CPA Australia (FCPA) and a Member of the Australian Institute of Company Directors (AICD). Lucas is currently the Business Manager of the National Product, Processing and Solutions Hub for BlueScope Distribution. Prior to his current position, Lucas held the position of the National Finance Manager for BlueScope Distribution, overseeing operations across 32 sites in Australia and supporting the launch of a sales office in Indonesia. Lucas is a graduate of the Australian Institute of Company Directors and has contributed to the professional community by serving on the Illawarra Branch Committee of CPA Australia. Lucas is passionate about improving the quality of life in our local community
Special responsibilities:	Member Director, Member Finance Risk and Audit Committee

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

Information on Directors (continued)

Name:	**Lesley Bull**
Title:	Director
Qualifications:	BTP(Hons), MEL, MPIA, MAICD
Experience and expertise:	Lesley is a town planner with over 30 years' experience in urban development across a broad range of planning services relating to complex residential, employment and special use projects. She built her professional career providing strategic input into critical decision making as a trusted advisor to some of Australia's biggest national private sector clients and multiple agencies within the NSW State government. During her technical professional career Lesley was the Project Director directly responsible for the delivery of planning services on some of the largest urban development projects in NSW. She holds the executive position of National Service Line Lead at Colliers Urban Planning and is responsible in that role for overseeing the company's service capability offering, delivering operational excellence, and building a diverse, inclusive, and high performing team through organisational development and operational design. Lesley has an Honours Degree in Town Planning from the University of New South Wales, a Master of Environmental Law from the University of Sydney and is a certified Organisational Coach (IECL). She is a graduate of the Australian Institute of Company Directors. Lesley is passionate about sharing her skills and knowledge to help improve our communities and make a difference to the lives of others
Special responsibilities:	Member Director, Member Property Committee, Chair Property Committee (commenced 1 January 2026), Member People, Culture and Communities Committee

Name:	**Catherine Ellis**
Title:	Director
Qualifications:	GAICD, Master of Arts, Bachelor of Business, Bachelor of Arts
Experience and expertise:	Catherine Ellis is an accomplished senior executive leader. She has over 20 years' experience across the public, corporate and consulting sectors with extensive experience leading large-scale service delivery, enterprise functions and organisational transformation in public sector and highly regulated environments. Catherine works as the Executive Director, Enterprise Risk and Enablement at Service NSW and she is a member of the Service NSW Executive Leadership Team. Catherine is a Graduate of the Australian Institute of Company Directors and holds a Bachelor of Business and a Master of Arts.
Special responsibilities:	Member Director, Member Finance, Risk and Audit Committee Member.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

Information on Directors (continued)

Name:	**Anna Kovarik**
Title:	Director
Qualifications:	GAICD, Executive MBA (Aus), Masters Information Technology (UK), BA(Hons) Systems Management (UK)
Experience and expertise:	Anna is an experienced legal and governance professional who was appointed to the Housing Trust Board on 16 February 2024 as an independent Non-Executive Director and Member of The People, Culture and Communities Committee. Anna has a legal and risk background with over 20 years' experience and has practiced law in the UK and at Allens law firm in Sydney. In 2018, Anna joined Centuria Capital as the Group Chief Risk Officer and Company Secretary. She has worked with ASX-listed and unlisted boards, predominantly within the listed property and financial services sectors. In her current role at Centuria, Anna is responsible for legal, risk management, regulatory compliance, insurance, and governance activities across the Group. Anna is a member of the Centuria Senior Executive Committee, the Non-Financial Risk Committee and the ESG Management Committee.
Special responsibilities:	Member Director, Member Property Committee (commenced 1 January 2026), Member People, Culture and Communities Committee, Chair People, Culture and Communities Committee (commenced 1 January 2026)
Name:	**Clayton McDowell**
Title:	Director
Qualifications:	PhD., MEngPrac, BEng(Hons), MIEAust
Experience and expertise:	Clayton has experience spanning across a range of industries including research and development, sustainable facilities management, sustainable buildings, modular construction and heavy manufacturing. Clayton holds PhD in Sustainable Buildings with his research topic focusing on the energy and thermal performance of residential buildings for low-income elderly households. Clayton is internationally recognised through the Desert Rose project where he lead Team-UOW Australia-Dubai, a multidisciplinary group of staff, students, and industry partners to design and build a modular dementia friendly net-zero energy house as part of the Solar Decathlon Middle East 2018 competition. He is currently the Associate Director Sustainability for the University of Wollongong where he is leading their carbon neutral journey. Clayton is passionate about improving sustainability and quality of life especially for vulnerable communities.
Special responsibilities:	Member Director, Member Property Committee

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

THE ILLAWARRA COMMUNITY HOUSING TRUST
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ABN: 18 739 426 566
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each Director were:

	DIRECTORS' MEETINGS		FINANCE RISK & AUDIT COMMITTEE		PEOPLE, CULTURE & COMMUNITIES COMMITTEE		PROPERTY COMMITTEE	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Directors								
Roy Rogers	7	6	2	2	1	1	3	2
Haydn Calderwood	7	6	4	4	0	0	0	0
Pamela Ameglio	7	7	2	2	1	1	0	0
Lesley Bull	7	4	0	0	2	1	3	3
Anna Kovarik	7	6	0	0	2	2	2	1
Catherine Ellis	7	6	4	4	0	0	0	0
Clayton McDowell	7	7	0	0	0	0	3	3
Lucas Kriss	3	3	1	1	0	0	0	0

Details of Membership

The entity is incorporated under the *Corporations Act 2001* and is a Company Limited by Guarantee. The constitution states that each member undertakes to contribute an amount not exceeding $20 to the property of the Company if the company is wound up at a time when that person is a member, or within one year of the time that person ceased to be a member. This contribution is to assist in meeting the obligations of the entity at that time.

There were 16 members at 30 June 2026 (2025: 18 members). At 30 June 2026 the maximum amount that members of the Company are liable to contribute if the company is wound up is $800 (2025 $360).

Indemnifying Officers or Auditor

The Company has indemnified the Directors and Executives of the Company in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial year, the Company paid a premium in respect of a policy to insure the Directors and Executives of the Company against a liability to the extent permitted by the *Corporations Act 2001.* The insurance policy prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or who has been an officer or auditor of the entity.

Proceedings on behalf of the company

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

Auditors independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report

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

On behalf of Directors

Signed by:
Roy Rogers
B66018AD8575468...
Roy Rogers
Director

Signed by:
Haydn Calderwood
ED15554A81524B5...
Haydn Calderwood
Director

Dated: 02 October 2026

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of The Illawarra Community Housing Trust Limited:

As the lead audit partner for the audit of the financial report of The Illawarra Community Housing Trust Limited, I declare that, to the best of my knowledge and beliefs, during the year ended 30 June 2026 there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

Signed by:
65B19B01F75744B...
Ben Fock
Registered Company Auditor
Wollongong
Dated: 02 October 2026

hlb.com.au
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THE ILLAWARRA COMMUNITY HOUSING TRUST
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026	2025
		$	$
Revenue			
Revenue from customers	2	23,972,311	25,078,114
Other income	2	300,151	920,276
Total revenue		**24,272,462**	**25,998,390**
Expenses			
Tenancy and property related expenses		(13,103,282)	(12,866,136)
Employee related expenses		(5,222,171)	(5,237,050)
Office and administration expenses		(1,564,726)	(1,380,963)
Depreciation and amortisation expenses	3	(820,807)	(929,573)
Fair Value adjustment on investment properties	8	-	(21,150,021)
Finance costs		(3,662,931)	(3,498,023)
Total expenses		**(24,373,917)**	**(45,061,766)**
(Deficit)/surplus for the year	16	(101,455)	(19,063,376)
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the members of the Company		(101,455)	(19,063,376)

The accompanying notes form part of these financial statements

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THE ILLAWARRA COMMUNITY HOUSING TRUST
TRADING AS THE HOUSING TRUST
ABN: 18 739 426 566
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2026	2025
ASSETS		**$**	**$**
CURRENT ASSETS			
Cash and cash equivalents	4	4,022,199	4,080,946
Trade and other receivables	5	1,314,830	2,141,537
Non Current Assets Held for Sale	6	-	7,300,000
Other assets	7	1,148,498	1,165,240
TOTAL CURRENT ASSETS		**6,485,527**	**14,687,723**
NON-CURRENT ASSETS			
Other assets	7	22,635	-
Investment properties	8	267,608,345	255,876,898
Property, plant and equipment	9	168,201	216,808
Right-of-use-assets	10	2,844,627	3,221,316
TOTAL NON-CURRENT ASSETS		**270,643,808**	**259,315,022**
TOTAL ASSETS		**277,129,335**	**274,002,745**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	1,307,352	2,597,357
Lease liabilities	13	720,002	663,052
Employee benefits	14	479,152	340,905
Other liabilities	15	815,776	809,939
TOTAL CURRENT LIABILITIES		**3,322,282**	**4,411,253**
NON-CURRENT LIABILITIES			
Borrowings	12	65,700,000	61,000,001
Lease liabilities	13	2,357,431	2,694,806
Employee benefits	14	148,310	193,918
TOTAL NON-CURRENT LIABILITIES		**68,205,741**	**63,888,725**
TOTAL LIABILITIES		**71,528,023**	**68,299,978**
NET ASSETS		**205,601,312**	**205,702,767**
EQUITY			
Retained earnings	16	205,601,312	205,702,767
TOTAL EQUITY		**205,601,312**	**205,702,767**

The accompanying notes form part of these financial statements

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

THE ILLAWARRA COMMUNITY HOUSING TRUST
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Retained Earnings $	Total $
Balance at 1 July 2024	224,766,143	224,766,143
Surplus/(deficit) for the year	(19,063,376)	(19,063,376)
Other comprehensive income for the year	-	-
Total other comprehensive income for the year	-	-
Balance at 30 June 2025	205,702,767	205,702,767
Balance at 1 July 2025	205,702,767	205,702,767
(Deficit)/surplus for the year	(101,455)	(101,455)
Other comprehensive income for the year	-	-
Total other comprehensive income for the year	-	-
Balance at 30 June 2026	205,601,312	205,601,312

The accompanying notes form part of these financial statements

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THE ILLAWARRA COMMUNITY HOUSING TRUST
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026	2025
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		20,934,464	18,281,272
Receipts from government grants		3,914,186	5,505,623
Payments to suppliers & employees		(21,093,438)	(19,206,773)
Interest received		256,356	250,068
Interest paid		(3,662,931)	(3,498,023)
Net cash generated from operating activities	21	348,637	1,332,167
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant & equipment	9	-	(42,839)
Net Proceeds from / (Payment) for investments		7,300,000	-
Payments for investment property	8	(11,731,447)	(11,681,750)
Net cash used in investing activities		(4,431,447)	(11,724,589)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of borrowings	12	5,000,000	6,600,000
Repayment of borrowings	12	(300,000)	(1,000,000)
Repayment of lease liabilities		(675,937)	(992,275)
Net cash generated from financing activities		4,024,063	4,607,725
NET (DECREASE)/INCREASE IN CASH HELD		(58,747)	(5,784,697)
Cash at beginning of the year		4,080,946	9,865,643
CASH AT THE END OF THE YEAR	4	4,022,199	4,080,946

The accompanying notes form part of these financial statements

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

THE ILLAWARRA COMMUNITY HOUSING TRUST
TRADING AS THE HOUSING TRUST
ABN: 18 739 426 566
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied unless otherwise stated.

These financial statements are for The Illawarra Community Housing Trust Limited ('the Company') as an individual entity in Australia. These financial statements are presented in Australian dollars, which is the Company's functional and presentation currency. The Illawarra Community Housing Trust Limited is a not-for-profit unlisted public Company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on the date that the Directors' report was signed. The Directors' have the power to amend and reissue the financial statements.

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The accounting policies that are material to the Company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

The address of the Company's registered office and principal place of business is Level 7, 5 Bridge Street, Coniston NSW 2500.

New or amended Accounting Standards and Interpretations adopted
The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations and the *Corporations Act 2001,* as appropriate for not-for-profit oriented entities.

The financial statements, except the cash flow information, have been prepared on an accrual basis and are based on historical costs modified, where applicable, by the measurement of fair value of selected non-current assets and financial liabilities.

The amounts presented in the financial statements have been rounded to the nearest dollar.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed further down in note 1.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the Company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Cash and cash equivalents

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

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.
The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Property, plant and equipment
Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Plant and Equipment

Plant and equipment are measured on a cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation
The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held ready for use. Land and the land component of any class of property, plant and equipment is not depreciated.
The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Period	Depreciation basis
Leasehold improvements	5-10 Years	Straight line
Plant and Equipment	3-10 Years	Straight line
Motor Vehicles	8 Years	Straight line

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.
Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Company to further its objectives (commonly known as peppercorn/concessionary leases), the Company has adopted the temporary relief under AASB 2018-8 and measures the right-of-use assets at cost on initial recognition.

The Company has a 20 year concessionary lease ending 22 April 2041 with New South Wales Land and Housing Corporation for the exclusive use of multiple properties for community housing to enable it to further its objectives. The Company may not use this space for any other purpose during the lease term without prior consent. The lease payments are $1 per annum. The Company is dependent on the leases to further its objectives in this area. Without these concessionary leases, it would be unlikely for the Company to service this area due to high market rates in this area.

Leases

At the inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less from the date of inception) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Lease payments included in the measurement of the lease liability are as follows:
- Fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 to 45 days of recognition.

Contract liabilities

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits
Short-term employee benefit

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefit
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Comparative figures
Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year. When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

Critical accounting estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets
The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Employee benefits provision

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, however, these amounts must be classified as current liabilities as the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Reimbursement Right Asset
The Reimbursement Right Asset recognises the right by the company to claim reimbursements from the Community Services Industry Portable Long Service Leave Scheme effective 1 July 2025. As the amount and timing of the reimbursement matches the amount and timing of the related employee benefit, the fair value of the reimbursement right asset equates to the present value of the related employee benefit excluding oncosts.

	2026	2025
NOTE 2. REVENUE	**$**	**$**
Revenue from contracts with customers		
Rental income	20,024,929	19,348,178
Government grants and funding income	3,678,261	5,025,700
Government grants - NRAS	236,025	670,765
Other tenant and property related income	33,096	33,471
Total revenue from customers	23,972,311	25,078,114

The Company operates in one geographical location being Australia

Other Income		
Gain/(Loss) on sale of assets	-	626,731
Insurance recoveries	43,795	43,477
Interest income	256,356	250,068
Total other income	300,151	920,276

NOTE 3. EXPENSES		
Depreciation and amortisation expenses		
- Property plant & equipment	48,607	48,981
- Right of use assets	772,200	880,591
Interest expense on lease liabilities	220,809	233,165
Superannuation	532,140	510,331
Fees paid to or owed to auditor of the entity - Mr Ben Fock (HLB Mann Judd)	31,000	29,990
Short-term and low-value assets lease payments	5,748,410	6,074,824

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

	2026 $	2025 $
NOTE 4. CASH AND CASH EQUIVALENTS		
Cash at bank	4,022,199	4,080,946
NOTE 5. TRADE AND OTHER RECEIVABLES		
Trade and other receivables	915,088	930,151
Less: Allowance for expected credit losses	(96,446)	(86,559)
NRAS receivables	82,928	852,155
Other debtors	413,260	445,790
	1,314,830	2,141,537
NOTE 6. Non Current Assets Held for Sale		
Land	-	7,300,000

The parcel of land that was held for sale in the prior year was disposed off during the current year

NOTE 7. OTHER ASSETS		
Current		
Prepayment	778,661	782,948
Headlease bonds	351,324	382,292
Reimbursement Right Asset	18,513	-
	1,148,498	1,165,240
Non-Current		
Reimbursement Right Asset	22,635	-
	22,635	-
NOTE 8. INVESTMENT PROPERTIES		
Investment Properties - at independent valuation	267,203,723	247,919,871
Investment property (work in progress) - at cost	404,622	7,957,027
	267,608,345	255,876,898

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

Opening fair value	255,876,898	272,645,169
Additions	11,731,447	11,681,750
Disposals	-	-
Transfer to non current asset held for sale	-	(7,300,000)
Revaluation (decrements)/increments	-	(21,150,021)
Closing fair value	267,608,345	255,876,898

The properties are held by the Company to provide social housing at below market rental rates to members of the community on medium to low income. The properties have been classified as investment properties in accordance with the requirements of Australian Accounting Standards.

Measurement of Fair Value
The fair value model is applied to all investment properties. The fair value of investment properties at 30 June 2026 has been arrived at on the basis of valuations complete, consideration of the impairment applied in FY2025 against current market conditions

NOTE 9. PROPERTY, PLANT & EQUIPMENT		
Building		
Leasehold Improvements at cost	373,828	373,828
Less: accumulated depreciation	(262,898)	(225,515)
	110,930	148,313

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 9. PROPERTY, PLANT & EQUIPMENT (continued)	2026 $	2025 $
Plant & Equipment		
Plant & equipment at cost	266,012	266,012
Less: accumulated depreciation	(230,032)	(222,211)
	35,980	43,801
Motor Vehicles		
Motor vehicles at cost	71,115	71,115
Less: accumulated depreciation	(49,824)	(46,421)
	21,291	24,694
Total Property, Plant & Equipment	168,201	216,808

Reconciliations of the written down values at the beginning and end of the current financial year are set out as below:

	Leasehold Improvements	Plant & equipment	Motor vehicles	Total
Balance at 1 July 2025	148,313	43,801	24,694	216,808
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation	(37,383)	(7,821)	(3,403)	(48,607)
Balance at 30 June 2026	**110,930**	**35,980**	**21,291**	**168,201**

NOTE 10. RIGHT OF USE ASSETS

Property leases	3,695,810	3,878,781
Less: Accumulated depreciation	(1,329,625)	(982,550)
	2,366,185	2,896,231
Motor vehicles	318,375	129,705
Less: Accumulated depreciation	(45,816)	(90,292)
	272,559	39,413
Office equipment	318,964	318,964
Less: Accumulated depreciation	(113,081)	(33,292)
	205,883	285,672
	2,844,627	**3,221,316**

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Property Leases	Motor Vehicles	Office Equipment	Total
Balance at 1 July 2025	2,896,231	39,413	285,672	3,221,316
Additions	116,250	279,261	-	395,511
Disposals (net)	-	-	-	-
Depreciation expense	(646,296)	(46,115)	(79,789)	(772,200)
Balance at 30 June 2026	**2,366,185**	**272,559**	**205,883**	**2,844,627**

NOTE 11. TRADE AND OTHER PAYABLES

CURRENT		
Trade & other payables	856,400	2,003,077
Accrued expense	439,521	578,141
Tenant bonds held	11,431	16,139
	1,307,352	2,597,357

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

	2026	2025
NOTE 12. BORROWINGS (continued)	**$**	**$**
NON CURRENT		
Bank Loan	65,700,000	61,000,001

Bank loans are secured by way of mortgage over 30 Properties owned by The Housing Trust. The Company breached the Interest Cover Ratio covenant associated with its borrowing facility as at 30 June 2026. The Interest Cover Ratio was 1.2 times compared with the required minimum of 1.5 times.

The Commonwealth Bank of Australia has confirmed that it will not exercise its rights in respect of this breach for the 2026 financial reporting period and has indicated its ongoing support of the Company

The entity has entered into interest rate derivative agreements with Commonwealth Bank of Australia to manage exposure to interest rate fluctuations on its variable-rate borrowings. Under the terms of the derivatives, the entity pays a fixed rate of interest and receives a floating rate based on AUD-BBSW bid.

The derivatives currently in place are settled monthly, with the payments exchanged on the 30th of each month and continuing through until the time the derivatives terminate. During the financial year, the entity settled all outstanding interest rate derivative contracts with its banking counterparty.

As at 30 June 2026, no settlements for derivative financial instruments remain outstanding, and no fair value is recognised in the statement of financial position. The net gain on settlement of the derivatives amounted to $99,042, which has been recognized in profit or loss, in accordance with the entity's accounting policy for derivative financial instruments.

NOTE 13. LEASE LIABILITIES		
CURRENT		
Lease liability	720,002	663,052
NON CURRENT		
Lease Liability	2,357,431	2,694,806
NOTE 14. EMPLOYEE BENEFITS		
CURRENT		
Annual leave	231,489	238,285
Long service leave	247,663	102,620
	479,152	340,905
NON CURRENT		
Long service leave	148,310	193,918

Reconciliation of the long service leave balances at the beginning and end of the current financial year are set out below:

	Long Service Leave
Balance at 1 July 2025	296,538
Additional provision raised	99,435
Leave taken	-
Balance at 30 June 2026	395,973

NOTE 15.CONTRACT LIABILITIES		
Rent received in advance	807,454	801,517
Grants received in advance	8,322	8,422
	815,776	809,939
NOTE 16. EQUITY		
Retained earnings at the beginning of the financial year	205,702,767	224,766,143
(Deficit) /surplus for the year	(101,455)	(19,063,376)
Retained earnings at the end of the financial year	205,601,312	205,702,767

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 17. KEY MANAGEMENT PERSONNEL DISCLOSURES

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) is considered Key Management Personnel.

The aggregate compensation made to Directors and other members of key management personnel of the Company is set out below:

	2026	2025
	$	$
Aggregate Compensation	932,187	921,257

NOTE 18. CONTINGENT LIABILITIES

A Bank Guarantee of $53,625 (2025: $53,625) has been provided to cover the rental bond for the Company's office at Suite 7A, Level 7, 5 Bridge Street, Coniston NSW 2500.

NOTE 19. ECONOMIC DEPENDENCY

The financial statements have been prepared on a going concern basis. In the event the government contracts and funding were to cease, the Company would have to significantly restructure its operations to meet its commitments. At the date of this report, the Directors have no reason to believe the contracts and funding will cease to continue.

NOTE 20. MEMBERS GUARANTEE

The Illawarra Community Housing Trust Limited is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $20 each towards meeting any outstanding and obligations of the entity. At 30 June 2026, there were 18 members (2025: 18 members).

The maximum amount that members of the Company are liable to contribute if the Company is wound up is $360 (2025: $360).

NOTE 21. CASH FLOW INFORMATION

Reconciliation of profit/(loss) for the year to net cash flows from operating activities

Profit/(Loss) after income tax	(101,455)	(19,063,376)
Non cash flows:		
Depreciation and amortisation	820,807	929,573
Revaluation increment of investment properties	-	21,150,021
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	826,707	(384,708)
(Increase)/decrease in other assets	(5,893)	38,518
Increase/(decrease) in trade and other payables	(1,290,005)	201,667
Increase/(decrease) in provisions	92,639	37,191
Increase/(decrease) in other liabilities	5,837	(1,576,719)
Net cash provided by/(used in) operating activities	**348,637**	**1,332,167**

NOTE 22. RELATED PARTY TRANSACTIONS

Key management personnel

Disclosures relating to key management personnel are set out in note 17.

Transactions with related parties

The following transactions occurred with related parties:

Payment for goods and services and Receivable from and payable to related parties :

There were no trade payables from or trade receivables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

NOTE 23. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Company's operations, results of operations, or the Company's state of affairs in future financial years

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

THE ILLAWARRA COMMUNITY HOUSING TRUST
TRADING AS THE HOUSING TRUST
ABN: 18 739 426 566
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2026

In the Directors' opinion:

- The financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures Requirements, the *Australian Charities and Not-For-Profits Commission Act 2012* , the *Australian Charities and Not-For-Profits Commission Regulation 2022* and other mandatory professional reporting requirements;

- The financial statements and notes give a true and fair view of the Company's financial position at 30 June 2026 and of it's financial performance for the financial year ended on that date; and

- There are reasonable grounds to believe that the Company will be able to pay it's debts as and when they become due and payable.

Signed in accordance with a resolution of Directors.

Signed by:
Roy Rogers
B66018AD8575468...
Roy Rogers
Director

Signed by:
Haydn Calderwood
ED15554A81524B5...
Haydn Calderwood
Director

Dated: 02 October 2026

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDIT REPORT

To the Members of The Illawarra Community Housing Trust

Opinion

I have audited the financial report of The Illawarra Community Housing Trust Limited ('the Company'), which comprises of the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the Directors' declaration for the Company.

In my opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial position for the year then ended; and
b) complying with Australian Accounting Standards - Simplified Disclosures requirements and the *Corporations Regulations 2001*.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company 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 to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Docusign Envelope ID: 1DACAC1F-3998-8923-829D-7E1DFB7DFC21

INDEPENDENT AUDIT REPORT

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relations and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Signed by:
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Ben Fock
Registered Company Auditor
Wollongong
Dated: 02 October 2026