Pacific Link Housing Limited

ABN 82 074 394 648

Financial Statements

For the Year Ended 30 June 2026

Pacific Link Housing Limited

ABN 82 074 394 648

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For the Year Ended 30 June 2026

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Pacific Link Housing Limited

ABN 82 074 394 648

Directors' Report
30 June 2026

The directors present their report, together with the financial statements of the Group, being Pacific Link Housing Limited and its controlled entities, for the financial year ended 30 June 2026.

Information on directors

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

Wal Edgell	Chairman
Qualifications	Banking and Property Executive
Years service	12 years
Special Responsibilities	Attends all committee meeting in ex-officio capacity, Director of Key2 Realty Pty Ltd
Peter Alward	Director - Retired 30 June 2026
Qualifications	Property Development Director, Licensed Real Estate Agent, MAICD
Years service	8 years
Special Responsibilities	Chair of Key2 Realty Pty Ltd, Member of Growth Committee
Leoni Baldwin	Director, Deputy Chair - Retired 20 November 2025
Qualifications	BA Ed PE; AMA Mediation, Member of the Australian Institute of Company Directors (MAICD)
Years service	13 years
Special Responsibilities	Member of Governance Committee
Stephen Brahams	Director
Qualifications	Property Development Director, Licensed Real Estate Agent, FAICD
Years service	17 years
Special Responsibilities	Director of Key2 Realty Pty Ltd, Chair of Growth Committee
Matthew Cochrane-Smith	Director
Qualifications	Advisor and strategist, Fellow of CPA Australia, GAICD
Years service	5 years
Special Responsibilities	Chair of Renew Projects Pty Ltd, Member of Finance, Risk and Audit Committee
Debra Laarkamp	Director - Appointed 24 February 2026
Qualifications	Non-executive Director, Master of Professional Practice in Education, GAICD
Years service	1 year
Special Responsibilities	Member of Governance Committee
David Risbey	Director - Appointed 24 February 2026
Qualifications	Property Development Director, GAICD, BBuild (Hons) & Cert IV WHS
Years service	1 year
Special Responsibilities	Member of Growth Committee

Directors' Report
30 June 2026

Information on directors (Cont'd)

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

Kristen Watts	Director, Deputy Chair from 20 November 2025
Qualifications	Non-executive Director, Chartered Accountant, Masters in Commerce, GAICD
Years service	6 years
Special Responsibilities	Director of Renew Projects Pty Ltd, Chair of Finance, Risk and Audit Committee
Sarah Winter	Director
Qualifications	BA LLB LLM GAICD
Years service	5 years
Special Responsibilities	Chair of Governance Committee, Member of Finance, Risk and Audit Committee

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Vision and Mission

Pacific Link Housing Limited aims to continue to achieve our Vision of *Thriving and inclusive communities that benefit everyone*, by delivering on our Mission *to provide safe, secure and affordable homes for those in need*.

The principal activities of the Group during the financial year were the development, provision and management of low-cost subsidised housing to clients on low incomes and property management services.

The Company has two 100% owned subsidiaries:

- Key2 Realty Pty Ltd - provides property management services to private landlords as a licensed real estate agency; and

- Renew Projects Pty Ltd - provides property renovation and maintenance services.

All surpluses remitted from the subsidiaries are applied towards the Group's objectives.

No significant change in the nature of these activities occurred during the year.

Strategy for achieving the objectives

The Group Strategic Plan outlines the following strategies:

- Provide more homes

  - Generate development and management opportunities.

  - Develop capital and financing strategies for long-term sustainability.

  - Grow access to finance through high-quality tenders and grants.

Strategy for achieving the objectives (Cont'd)

- Pursue purpose-led collaborations with partners.
- Build readiness and capacity.
- Optimise our charitable status and facilitate social enterprises.

- Value our people
  - Foster values-based, positive culture and work environment.
  - Empower our team to optimise performance, flexibility and mobility.
  - Nurture wellbeing and embed safety focus.
  - Support career progression, leadership and professional development.
- Improve tenant wellbeing
  - Listen to the views, concerns and encouragement from tenants, neighbours and support partners.
  - Deliver quality services, support and offer choice.
  - Maintain quality property condition with consideration to energy efficiency and comfort.
  - Offer programs to support social and economic participation.
  - Create inclusive engagement opportunities.
  - Use a systematic approach to measure and report on our impact.
- Achieve excellence and sustainability
  - Maintain financial discipline and manage risks effectively.
  - Drive operational quality, resilience and scalability.
  - Invest in technology and systems to support decision-making.
  - Ensure governance, risk, compliance and procurement best practice.
  - Maintain continuous improvement ethos.
  - Seek revenue diversification opportunities.
  - Seek to optimise positive environmental impacts.
- Focus on community impact
  - Focus on opportunities in our local footprint to consolidate our leadership position.

Directors' Report
30 June 2026

Strategy for achieving the objectives (Cont'd)

- Lead influence and evidence-based advocacy.

- Build our profile within our community broadly.

- Collaborate with our diverse network of government, social and private sector stakeholders.

Members' guarantee

Pacific Link Housing Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ 2, subject to the provisions of the Company's constitution.

At 30 June 2026 the collective liability of members was $ 86 (2025: $ 84).

Other items

There is a $785,000 (2025: $785,000) investment in subsidiaries on the statement of financial position for Pacific Link Housing Limited which is eliminated on consolidation. This is comprised of $585,000 investment in Key2 Realty Pty Ltd and $200,000 investment in Renew Projects Pty Ltd.

The Directors have determined there is an unrecognised asset that has been generated as a result of the creation of a rent roll within the subsidiary, Key2 Realty Pty Ltd. The market value of the rent roll is deemed to be $872,000 (2025: $715,000), which reflects significantly the business success and the Company's value. The method used to determine this estimated market value is the annualised income as at 30 June 2026 multiplied by a factor of 3x, discounted to reflect the social and affordable client base. According to Australian Accounting Standards, this intangible asset is not reflected in the financial statements.

Operating results

The statement of Profit or Loss and Other Comprehensive Income shows a comprehensive surplus of $ 12,261,427 (2025: $4,682,604).The Australian Accounting Standards require this to include one-off capital grants and gain from investment property revaluations. The Directors also monitor the underlying operational surplus that reflects the regular activities of the Group and trends in challenges to revenue and expenses. The table below shows the reconciliation of the total comprehensive surplus to the underlying operational surplus:

	2026	**2025**
	$	**$**
Total comprehensive surplus for the year as per Statement of Profit or Loss	**12,261,427**	4,682,604
Less:		
Capital grant income for property development or acquisition	**(12,000,000)**	-
(Gain)/Loss on investment property revaluation	**651,758**	(2,826,748)
Total underlying surplus	**913,185**	1,855,856

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

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Directors' Report
30 June 2026

Meetings of directors

During the financial year, 11 meetings of directors (not including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Peter Alward	11	11
Leoni Baldwin	4	4
Stephen Brahams	11	11
Matthew Cochrane-Smith	11	10
Wal Edgell	11	11
Kristen Watts	11	11
Sarah Winter	11	9
David Risbey	5	5
Debra Laarkamp	5	3

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2026 has been received and can be found on page 6 of the financial report.

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

Director: Kristen Watts ..... Director: .....

Dated 23 October 2026

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Auditors' Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Directors of Pacific Link Housing Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

(i) no contraventions of the auditor independence requirements as set out in Section 60-40 of the Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

PKF

PKF

KEVIN HELMERS
PARTNER

23 OCTOBER 2026
NEWCASTLE, NSW

PKF(NS) Audit & Assurance Limited Partnership is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

Pacific Link Housing Limited

ABN 82 074 394 648

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2026

	Note	2026 $	2025 $
Revenue	4	**17,099,205**	17,058,359
Other income	4	**17,485,146**	8,428,606
Finance income	5	**477,376**	277,327
		35,061,727	25,764,292
Employee benefits expense		**(6,671,322)**	(5,910,324)
Depreciation and amortisation expense		**(1,081,381)**	(1,123,630)
Training expenses		**(52,878)**	(51,126)
Audit, legal and consultancy expenses		**(946,818)**	(285,062)
Insurance expense		**(559,435)**	(532,665)
Property repairs and maintenance		**(2,019,212)**	(1,943,491)
Council and water rates		**(1,622,918)**	(1,511,120)
Rental expense		**(6,066,792)**	(6,764,838)
Adhoc repairs, maintenance and vehicle running expense		**(134,624)**	(114,870)
Other operating expenses		**(2,921,956)**	(2,452,126)
Finance expenses	5	**(647,954)**	(344,611)
Surplus before income tax		**12,336,437**	4,730,429
Income tax expense	2(b)	**(75,010)**	(47,825)
Surplus for the year		**12,261,427**	4,682,604
Total comprehensive surplus for the year		**12,261,427**	4,682,604

The accompanying notes form part of these financial statements.

Pacific Link Housing Limited

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Statement of Financial Position
As at 30 June 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	**7,456,620**	9,246,510
Trade and other receivables	9	**661,509**	911,349
Other assets		**369,637**	262,635
Financial assets	10	**12,122,958**	122,958
TOTAL CURRENT ASSETS		**20,610,724**	10,543,452
NON-CURRENT ASSETS			
Financial assets	10	**112,784**	-
Property, plant and equipment	12	**1,177,318**	917,863
Investment property	13	**79,644,315**	62,059,649
Right of use assets	11	**4,600,612**	2,058,430
TOTAL NON-CURRENT ASSETS		**85,535,029**	65,035,942
TOTAL ASSETS		**106,145,753**	75,579,394
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	**9,435,689**	9,030,042
Employee benefits	15	**665,869**	593,416
Current tax liabilities		**38,698**	46,096
Lease liabilities	11	**650,736**	645,566
TOTAL CURRENT LIABILITIES		**10,790,992**	10,315,120
NON-CURRENT LIABILITIES			
Lease liabilities	11	**4,365,387**	1,636,399
Financial liabilities	16	**25,718,933**	11,000,000
Employee benefits	15	**197,457**	176,318
Other liabilities		**390,000**	30,000
TOTAL NON-CURRENT LIABILITIES		**30,671,777**	12,842,717
TOTAL LIABILITIES		**41,462,769**	23,157,837
NET ASSETS		**64,682,984**	52,421,557
MEMBERS' FUNDS			
Retained earnings		**64,682,984**	52,421,557
TOTAL EQUITY		**64,682,984**	52,421,557

The accompanying notes form part of these financial statements.

Pacific Link Housing Limited

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Statement of Changes in Equity
For the Year Ended 30 June 2026

	Retained Earnings	Total
	$	$
Balance at 1 July 2025	**52,421,557**	**52,421,557**
Surplus for the year	**12,261,427**	**12,261,427**
Balance at 30 June 2026	**64,682,984**	**64,682,984**

	Retained Earnings	Total
	$	$
Balance at 1 July 2024	47,738,953	47,738,953
Surplus for the year	4,682,604	4,682,604
Balance at 30 June 2025	52,421,557	52,421,557

The accompanying notes form part of these financial statements.

Pacific Link Housing Limited

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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 tenants and other persons		**18,670,475**	18,614,231
Payments to suppliers and employees		**(22,124,869)**	(21,359,279)
Interest received		**477,376**	277,327
Receipts from government sources		**18,738,810**	8,790,320
Interest and other charges		**(647,954)**	(344,611)
Net cash provided by operating activities		**15,113,838**	5,977,988
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net payments for property, plant and equipment		**(582,841)**	(190,719)
Transfer to financial assets		**(12,112,784)**	(122,958)
Payment for investment properties		**(18,236,424)**	(532,403)
Net cash used in investing activities		**(30,932,049)**	(846,080)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		**14,718,933**	-
Payment of lease liabilities		**(690,612)**	(855,885)
Net cash provided by/ (used in) financing activities		**14,028,321**	(855,885)
Net (decrease)/increase in cash and cash equivalents held		**(1,789,890)**	4,276,023
Cash and cash equivalents at the beginning of the year		**9,246,510**	4,970,487
Cash and cash equivalents at the end of the financial year	8	**7,456,620**	9,246,510

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2026

The financial report covers Pacific Link Housing Limited and its controlled entities ('the Group'). Pacific Link Housing Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, except for the measurement at fair value of investment property.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Revenue and other income

The revenue recognition policies for the principal revenue streams of the Group are:

Service Concession Arrangements

The Group has entered into arrangements to provide community housing services on behalf of Government. The arrangements are for operating services only whereby the Group receives use of the housing infrastructure and also the right to charge users of the housing service in accordance with the terms of the arrangements. The revenue and costs in relation to the operating services are recognised as they are incurred.

Income from grants

Non-reciprocal grant income is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

2 Material Accounting Policy Information (Cont'd)

(a) Revenue and other income (Cont'd)

Donations

Donations and bequests are recognised as revenue when received.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Income Tax

Pacific Link Housing (the 'Company') is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The controlled entities, as disclosed in note 7, are for-profit entities and are required to pay income tax.

(c) Leases

At inception of a contract, the Group assesses whether a lease exists.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

2 Material Accounting Policy Information (Cont'd)

(c) Leases (Cont'd)

For leases that have a useful life of less than 12 months at inception, the Group has adopted the short-term exemption under AASB16 and records the payments as expenses.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Financial instruments

The Group's financial assets measured at amortised cost comprise cash and cash equivalents, deposits held in financial institutions and trade and other receivables in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and lease liabilities.

(f) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment

Plant and equipment are measured on a cost basis less depreciation and impairment losses.

2 Material Accounting Policy Information (Cont'd)

(f) Property, plant and equipment (Cont'd)

Plant and equipment (Cont'd)

The cost of fixed assets constructed by the Group includes the cost of materials, direct labour and borrowing costs. 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 items will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance is charged to the statement of profit or loss and other comprehensive income during the financial period in which it is incurred.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Leasehold improvements	9% - 20%
Furniture and office equipment	10% - 33%
Motor Vehicles	23%
Office Equipment	18.75% - 40%
Computer equipment	18.75% - 40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Investment property

Investment property is carried at fair value, determined annually by independent valuers or Directors valuations pursuant to *AASB 140 Investment Property*. Changes to fair value are recorded in the statement of profit or loss and other comprehensive income as other income/expenses.

(i) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

2 Material Accounting Policy Information (Cont'd)

(i) Employee benefits (Cont'd)

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - Fair value of investment properties

Investment property land and buildings are included in the financial statements at fair value. Fair value has been estimated by the directors and management with reference where possible to external valuations, market appraisals, recent comparable sales, date of purchase and capitalisation rate valuations.

Key estimates - Leases

Some of the leases held by the Group include options to extend the lease for up to twice the non-cancellable lease term. The directors and management have considered the likelihood of exercising the options based on the current stage of lease life-cycle and other available leasable spaces. Where it has been deemed to be likely to exercise the extension option, the right-of-use assets and lease liabilities have been recorded at their new useful lives.

Notes to the Financial Statements
For the Year Ended 30 June 2026

4 Revenue and Other Income

	2026	2025
	$	$
Service concession revenue - at a point in time	**17,099,205**	17,058,359
- Fair value investment gain/(loss)	**(651,758)**	2,826,748
- Grants income	**12,042,110**	58,323
- Other income	**892,150**	215,460
- Government grants	**5,202,644**	5,328,075
	17,485,146	8,428,606

5 Finance Income and Expenses

Finance income		
Interest income	**477,376**	277,327
Finance expenses		
Interest on lease liabilities	**89,637**	88,242
Finance expenses	**558,317**	256,369
Total finance expenses	**647,954**	344,611

6 Auditors' Remuneration

Remuneration of the auditor PKF, for:		
- Auditing the financial report	**35,690**	34,650

7 Interests in Subsidiaries

Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2026	Percentage Owned (%)* 2025
Subsidiaries:			
Key2 Realty Pty Ltd	Australia	**100**	100
Renew Projects Pty Ltd	Australia	**100**	100

*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

8 Cash and Cash Equivalents

Cash on hand	**640**	640
Cash at bank	**7,455,980**	9,245,870
	7,456,620	9,246,510

Notes to the Financial Statements
For the Year Ended 30 June 2026

9 Trade and Other Receivables

	2026	2025
	$	$
Trade receivables	**1,338,586**	1,546,764
Expected credit loss	**(677,077)**	(635,415)
	661,509	911,349

Expected credit loss

The Group applies the simplified approach to expected credit losses, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2026 is determined as follow and the expected credit losses incorporate forward looking information.

Balance at beginning of the year	**635,415**	1,032,936
Charged/(recovered) for the year	**41,662**	(397,521)
Balance at end of the year	**677,077**	635,415

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

10 Financial Assets

Current	**12,122,958**	122,958
Non-current	**112,784**	-

At 30 June 2026, the Group had $12,235,742 in term deposits.

11 Leases

The Group as a lessee

The Group has leases over a range of assets including buildings and office equipment.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

Buildings

The Group leases buildings for their corporate offices and long-term residential tenancy, the leases are generally between 2 - 12 years and some of the leases include a renewal option to allow the Group to renew for up to twice the

11 Leases (Cont'd)
non-cancellable lease term.

Some of the leases contain an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.

Office equipment

The Group leases a photocopier. The lease is for 5 years and the lease payments are fixed during the lease term.

Right-of-use assets

	Properties	Office Equipment	Total
	$	$	$
Year ended 30 June 2026			
Opening balance	**2,053,041**	**5,389**	**2,058,430**
Additions	**1,320,426**	**-**	**1,320,426**
Depreciation	**(809,509)**	**(2,506)**	**(812,015)**
Disposals	**-**	**-**	**-**
Adjustments for CPI increase	**2,033,771**	**-**	**2,033,771**
Balance at end of year	**4,597,729**	**2,883**	**4,600,612**

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	$	$	$	$	$
2026					
Lease liabilities	**802,023**	**2,729,022**	**2,252,946**	**5,783,991**	**5,016,123**

Notes to the Financial Statements
For the Year Ended 30 June 2026

12 Property, plant and equipment

	2026	2025
	$	$
Leasehold improvements - at cost	**655,552**	356,374
Accumulated depreciation	**(151,513)**	(116,651)
	504,039	239,723
Furniture and Fittings - at cost	**234,902**	370,363
Accumulated depreciation	**(85,822)**	(260,962)
	149,080	109,401
Motor vehicles - at cost	**738,743**	646,165
Accumulated depreciation	**(387,548)**	(235,975)
	351,195	410,190
Office and computer equipment - at cost	**623,438**	598,590
Accumulated depreciation	**(450,434)**	(440,041)
	173,004	158,549
Total property, plant and equipment	**1,177,318**	917,863

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Leasehold improvements	Furniture and fittings	Motor Vehicles	Office and computer equipment	Total
	$	$	$	$	$
Year ended 30 June 2026					
Balance at the beginning of year	**239,723**	**109,401**	**410,190**	**158,549**	**917,863**
Additions	**299,178**	**67,832**	**92,578**	**69,233**	**528,821**
Depreciation expense	**(34,862)**	**(28,153)**	**(151,573)**	**(54,778)**	**(269,366)**
Balance at the end of the year	**504,039**	**149,080**	**351,195**	**173,004**	**1,177,318**

13 Investment Properties

	2026	2025
	$	$
Balance at beginning of year	**62,059,649**	58,689,692
Acquisitions	**18,236,424**	543,209
Fair value gain/(loss)	**(651,758)**	2,826,748
Balance at end of year	**79,644,315**	62,059,649

13 Investment Properties (Cont'd)

The Group measures investment properties at fair value. The investment properties are revalued annually on a rotation basis by an independent valuer. Valuations are based on the prevalent prices in an active market for similar properties at the same location and condition, subject to similar leases and take into consideration occupancy rates and returns on investment. In 2026, a sample of 15 units were selected for independent valuation. Additionally, a Directors' valuation was completed to align some properties to the value assigned to them by Housing Australia. This resulted in an overall decrease of $651,758 (2025: increase of $2,826,748) in fair value of investments.

14 Trade and Other Payables

	2026 $	2025 $
Trade payables	**1,774,138**	1,184,520
Rent in advance	**851,512**	781,828
Grants in advance	**6,810,039**	7,063,694
	9,435,689	9,030,042

15 Employee Benefits

CURRENT		
Annual leave	**489,271**	390,680
Long service leave	**176,598**	202,736
	665,869	593,416
NON-CURRENT		
Long service leave	**197,457**	176,318

16 Financial liabilities

Borrowings from Housing Australia	**25,718,933**	11,000,000

Summary of borrowings

Housing Australia (previously 'National Housing Finance and Investment Corporation') is a lender established and guaranteed by the Commonwealth Government.

Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

Notes to the Financial Statements
For the Year Ended 30 June 2026

17 Financial Risk Management

	2026 $	2025 $
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**7,456,620**	9,246,510
Trade and other receivables	**661,509**	911,349
Financial assets	**12,235,742**	122,958
Total financial assets	**20,353,871**	10,280,817
Financial liabilities		
Held at amortised cost		
Lease liabilities	**5,016,123**	2,281,965
Trade and other payables	**9,435,689**	9,030,042
Financial liabilities	**25,718,933**	11,000,000
Total financial liabilities	**40,170,745**	22,312,007

18 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Group is $2,078,245 (2025: $ 1,994,364).

19 Related Parties

The Group's main related parties are as follows:

Key management personnel - refer to Note 18.

Subsidiaries - refer to Note 7.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

No other transactions occurred with related parties.

20 Contingencies

In the opinion of those charged with governance, the Group did not have any contingencies at 30 June 2026 (30 June 2025: None).

21 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Notes to the Financial Statements
For the Year Ended 30 June 2026

22 Parent entity

The following information has been extracted from the books and records of the parent, Pacific Link Housing Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Pacific Link Housing Limited has been prepared on the same basis as the financial statements except as disclosed below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of the parent entity.

	2026	2025
	$	$
Statement of Financial Position		
Assets		
CURRENT ASSETS		
Cash and cash equivalents	**6,884,727**	9,105,946
Trade and other receivables	**652,408**	897,250
Financial assets	**12,122,958**	122,958
Other assets	**329,634**	238,036
Total current assets	**19,989,727**	10,364,190
NON-CURRENT ASSETS		
Investments in subsidiaries	**785,000**	785,000
Financial assets	**112,784**	-
Property, plant and equipment	**972,855**	711,162
Investment property	**79,644,315**	62,059,649
Right-of-use assets	**4,600,612**	2,058,430
Total non-current assets	**86,115,566**	65,614,241
Total assets	**106,105,293**	75,978,431
Liabilities		
CURRENT LIABILITIES		
Trade and other payables	**9,188,103**	8,991,955
Employee benefits	**619,046**	554,681
Lease liabilities	**650,736**	645,566
Total current liabilities	**10,457,885**	10,192,202
NON-CURRENT LIABILITIES		
Lease liabilities	**4,365,387**	1,636,399
Financial liabilities	**25,718,933**	11,000,000
Employee benefits	**197,457**	176,318
Other liabilities	**390,000**	30,000
Total non-current liabilities	**30,671,777**	12,842,717
Total liabilities	**41,129,662**	23,034,919
NET ASSETS	**64,975,631**	52,943,512
Equity		

Notes to the Financial Statements
For the Year Ended 30 June 2026

22 Parent entity (Cont'd)

	2026	2025
	$	$
Retained earnings	**64,975,631**	52,943,512
Total equity	**64,975,631**	52,943,512
Statement of Profit or Loss and Other Comprehensive Income		
Revenue	**16,762,983**	16,697,083
Other income	**16,787,564**	8,405,002
Interest income	**475,375**	276,272
	34,025,922	25,378,357
Employee benefits expense	**(5,756,183)**	(5,195,131)
Depreciation and amortisation expense	**(1,009,115)**	(1,077,802)
Training expenses	**(40,784)**	(48,087)
Audit, legal and consultancy expenses	**(1,058,739)**	(275,552)
Insurance expense	**(546,726)**	(525,426)
Property, repairs and maintenance	**(2,879,467)**	(3,004,506)
Council and water rates	**(1,622,918)**	(1,511,120)
Rental expense	**(6,066,792)**	(6,764,838)
Adhoc repairs, maintenance and vehicle running exp	**(74,247)**	(69,638)
Other operating expenses	**(2,291,416)**	(1,903,914)
Finance costs	**(647,416)**	(344,055)
Total surplus for the year	**12,032,119**	4,658,288
Income tax expense	**-**	-
Total comprehensive income	**12,032,119**	4,658,288

Notes to the Financial Statements
For the Year Ended 30 June 2026

22 Parent entity (Cont'd)

	2026	2025
	$	$
Statement of Cash Flows		
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from tenants and other persons	**15,202,946**	15,067,206
Payments to suppliers and employees	**(19,226,236)**	(17,798,504)
Interest received	**475,375**	276,272
Receipts from government sources	**18,738,810**	8,790,320
Interest and other charges	**(647,416)**	(344,055)
Net cash provided by operating activities	**14,543,479**	5,991,239
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	**(443,812)**	(153,532)
Payment for investment properties	**(18,236,424)**	(532,403)
Transfer to term deposits	**(12,112,784)**	(122,958)
Net cash used in investing activities	**(30,793,020)**	(808,893)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	**(690,611)**	(855,886)
Proceeds from borrowings	**14,718,933**	-
Net cash from/(used in) financing activities	**14,028,322**	(855,886)
Net (decrease)/increase in cash and cash equivalents held	**(2,221,219)**	4,326,460
Cash and cash equivalents at the beginning of the year	**9,105,946**	4,779,485
Cash and cash equivalents at the end of the financial year	**6,884,727**	9,105,945

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2026 (30 June 2025: None).

23 Statutory Information

The registered office and principal place of business of the company is:
Pacific Link Housing Limited
Suite G02 280-290 Mann Street
Gosford NSW 2250

Pacific Link Housing Limited

ABN 82 074 394 648

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 24:

    a. comply with the *Australian Charities and Not-for-profit Commission Act 2012,* the Australian Accounting Standards - Simplified Disclosures, *Australian Charities and Not-for-profits Commission Regulation Act 2013* and other mandatory professional reporting requirements; and

    b. give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the Company and consolidated group.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director Kristen Watts ..... Director .....

Dated 23 October 2026

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PACIFIC LINK HOUSING LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pacific Link Housing Limited (the Company), which comprises the statement of financial position as at 30 June 2026, 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, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion the financial report of Pacific Link Housing Limited, has been prepared in accordance with *Division 60 of the Australian Charities and Not-for-profits Commission Act 2012*, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
b) complying with Australian Accounting Standards – Simplified Disclosure Requirements and *Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

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

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

Independence

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standard) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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Other Information (cont'd)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of 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 – Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the Company's ability 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 has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 our 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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.

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We 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 we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

PKF

KEVIN HELMERS
PARTNER

23 OCTOBER 2026
NEWCASTLE, NSW