

Financial Report 2026

Bridge Housing Limited
A.C.N. 135 570 955
FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2026

Acknowledgement of Country

We acknowledge Aboriginal people as the traditional owners of the land, and pay our respects to elders past and present.

Always was. Always will be. Aboriginal Land.



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Directors Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Bridge Housing Limited (referred to hereafter as the "Company" or "Bridge Housing" or parent entity) and the entities it controlled at the end of, or during, the year ended the 30 June 2026.

Directors

Information on Directors

The names of directors who held office at any time during, or since the end of the year are set out below together with the information on each director's qualifications and special responsibilities. Non-executive directors receive remuneration in accordance with a special resolution that was passed at the 2025 AGM.

Name	Qualification	Occupation	Committee/s	Years
Jill Hannaford	BappSc (AppEcG) (Hons 1), MUrb&RegPlg	Company Director	Chair: People, Innovation and Customer	9
Liz Forsyth	BSW, IPAA	Founder and Company Director	People, Innovation and Customer	6
Stephen Bull	BCom, BPsyc (Hons), CA, MAICD, MInstD	Company Director	Investment and Development; Finance, Risk and Audit	6
Karen Cooper	Dip Bus, Dip Training & Assessment, MBA, AICD, AHRI, ACM	Company Director	People, Innovation and Customer; Finance, Risk and Audit	5
Vivienne Yu	BA Ecs., MRE, MBA, GAICD and FCPA	Company Director	Chair: Finance, Risk and Audit	4
Tina Tang	BArch, GAICD, Cert Appl. Finance (SIA)	Company Director	Chair: Investment and Development	3
Jacqueline Christie	B Ec/ LLB (Hons)	Business Executive	Investment and Development	3
Matthew Knight	LLB/ LLM, CA ICAEW, Dip. Social Leadership	Business Executive	Finance, Risk and Audit	3
Graham Monk (Resigned 19 November 2025)	BComm (Hons), FCPA	Consultant and Company Director	Finance, Risk and Audit	9

Meetings of Directors

During the financial year, ten Board meetings of directors were held in addition to subcommittee meetings shown below.

Key developments during the year included a review of Bridge Housing's Board Charter, Board Governance Principles, and the PICC, IDC and FRAC Charters. The revised charters were published in October 2025. A number of Directors also participated in the Boards of wholly owned subsidiaries of the Company.

Attendance by each director during the 2025-26 year in their capacity as a board or subcommittee member was as follows:

Name	**Appt. date**	**Board** (includes out of session meetings)	**People, Innovation & Customer**	**Investment & Development** (includes out of session meetings)	**Finance Risk and Audit**
Graham Monk	2016	3 / 4	-	-	2 / 2
Jill Hannaford	2018	8 / 10	4 / 6	-	-
Liz Forsyth	2020	8 / 10	6 / 6	-	-
Stephen Bull	2020	10 / 10	-	7 / 7	3 / 4
Karen Cooper	2021	10 / 10	6 / 6	-	3 / 4
Vivienne Yu	2022	10 / 10	-	-	6 / 6
Tina Tang	2023	10 / 10	-	7 / 7	-
Jacqueline Christie	2023	9 / 10	-	7 / 7	-
Matthew Knight	2023	10 / 10	-	-	6 / 6

x / x [Meetings attended] **/** [Meetings eligible to attend]

- Not a member of the committee

Chair of Committee



Company Secretary

Laura Duesbury was Company Secretary for the financial year and continues in office at the date of this report.

Chief Executive Officer

Ms Laurie Leigh was Chief Executive Officer for the financial year and continues in the role at the date of this report.

Corporate Information

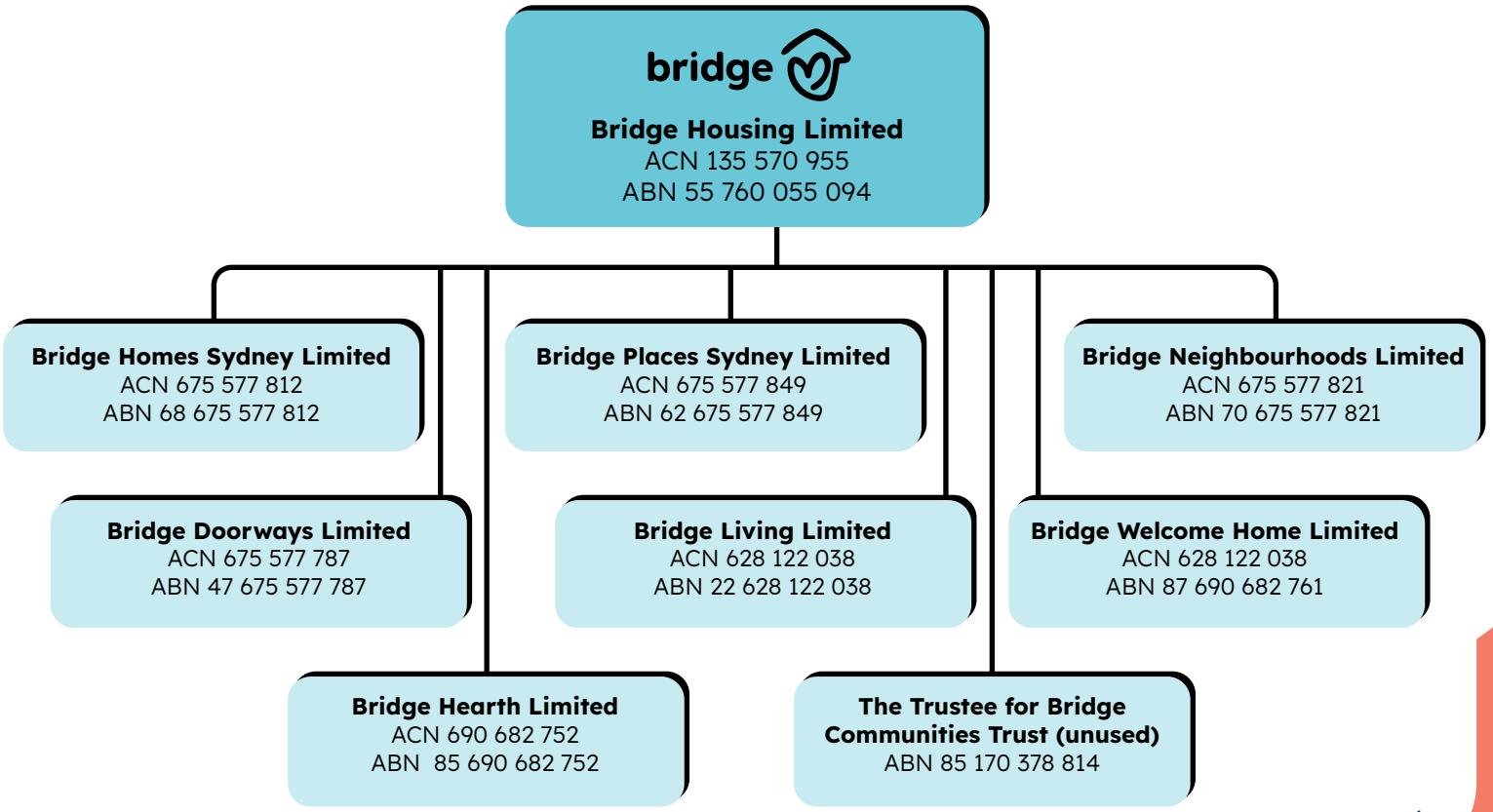
The Company is a 'not for profit' entity, registered as a company limited by guarantee. It does not issue shares to its members. Under its Constitution, it does not have the capacity to issue dividends to its members. Any surplus on winding up will be distributed to an organisation which has similar objects as dictated by the Constitution.

It is registered as a charity with the Australian Charities and Not-for-profits Commission (ACNC) ABN 55760055094. As a Public Benevolent Institution, it is endorsed to access the following tax concessions; GST Concession and is FBT and Income Tax Exempt. It is also endorsed as a Deductible Gift Recipient (DGR) covered by Item 1 of the table in section 30-15 of the Income Tax Assessment Act 1997.

If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $1 each towards any outstanding obligations of the Company.

Group Structure

The Company and its operating subsidiaries, each of which is wholly owned, are registered with the ACNC and as Community Housing Providers. The non-operating entities shown in the group structure diagram below have been created to facilitate the delivery of new projects.



Short and long term objectives of the entity

The Company's Mission is to change peoples lives now and into the future through more homes and quality services.

Strategy for achieving those objectives

Our Strategy 'A Plan for Purposeful Growth 2025-30' articulates our ambition to leverage available government funding to grow in a way that deepens our impact.

People & Communities

Our tenants can access the choices, freedom and opportunity that stable housing enable

Homes & Places

Increase the supply of long term safe and sustainable social and affordable housing in greater Sydney

Sustainable Business

A sustainable and efficient organisation backed by engaged people, strong systems and good governance

Systems Change

Influence change that makes a difference for generations to come by ensuring everyone has a stable home

Our Strategy is implemented through detailed annual business plans that provide a clear roadmap of projects and initiatives that support progress towards our ambition. The 2025-26 Business Plan was approved by the board in June 2025 and included four key strategic projects, which will continue into future years.

- Customer strategy – Deliver consistent, responsive and locally tailored services that improve resident outcomes
- Grow our pipeline – secure funding for and successfully deliver new social and affordable housing projects
- Digital transformation – develop a strategy and roadmap to guide the transformation of our digital systems
- Gearing up for growth – develop a roadmap to manage our organisational growth

Business Plan 2025-26 delivered the first year of Strategic Plan 2025 -30 a Plan for Purposeful Growth. Business Plan 2026-27 to deliver the 2nd year of the Strategic Plan was approved by the board in June 2026.

Principal activities

The principal activity of the Company in the course of the financial year was the provision of social and affordable housing to the local community. There was no significant change in the nature of this activity during the financial year.

How the company's activities assisted in achieving the company's objectives

The cash flows of the Company will continue to be employed to improve lives through the provision of affordable homes and quality services for low to moderate income households.

How the company measures its performance

The Company measures its performance against the outcomes embedded in the Strategy and through the delivery of the annual business plan. Our performance for 2025-26 is reporting in the 2026 Impact Report.

Operating Results

The Group accounting surplus in 2026 was $55,424,692 (2025: $1,803,798) whilst the underlying Parent operating surplus in 2026 was $4,365,563 (2025: $5,356,067).

Our underlying operating result remains strong. Movements from the Group's accounting surplus to the Parent's underlying operating surplus is reconciled below but the major movements are mainly a result of recognition of a loss generated from lease accounting of $492,677 (2025: $1,751,396), interest on loans of $1,895,702 (2025: $1,766,758) and depreciation of $6,395,302 (2025: $5,597,458) offset by receipt of Capital Grants of $61,500,508 (2025: $5,000,000).

There was a fair value adjustment of $10,005,075 from the revaluation of our property portfolio. There was no income tax expense as the Company is tax exempt.

A reconciliation from Group accounting surplus to the underlying Bridge Housing (parent entity) operating surplus is shown below.

	2026 $	2025 $
Accounting Surplus (as per statement of Profit and Loss)	55,424,692	1,803,798
Less:		
Grant revenue for property acquisition	(61,500,508)	(5,000,000)
Interest income	(1,455,807)	(734,596)
Other income	(11,094)	(16,181)
Plus:		
Interest expenses on loans (excluding interest on lease liabilities)	1,895,702	1,766,758
Interest expense on consessional loans	82,838	-
Depreciation & amortisation (excluding amortisation on right of use assets)	6,395,302	5,597,458
Net loss per AASB16	492,677	1,751,396
Other expense	2,827,605	187,434
Consolodated Underlying Operating Surplus	**4,151,407**	**5,356,067**
Plus: Defecit from controlled entities	214,156	-
Bridge Housing (Parent Entity) Underlying Operating Surplus	**4,365,563**	**5,356,067**

We delivered another strong profit result to support future growth whilst continuing to invest in

our tenants, people, systems and homes. During the financial year we built upon previous years investment with increased investment in maintenance amounting to $15.8 million.

We continued to improve the business and business outcomes through a range of initiatives identified in our 2025-26 Business Plan. The outcomes of these are reported in our 2026 Impact Report, however the key initiatives and achievements for 2025-26 include:

- Developed a customer strategy
- Continue to deliver our new social and affordable housing projects
- Lodged bids for additional social and affordable housing projects
- Opened a 75 unit social housing project in Glebe
- Delivered the Haymarket Centre, a supported housing model in partnership with the Haymarket Foundation
- Implemented our Innovate Reconciliation Action Plan
- Established the Gearing up for Growth program
- Developed our Digital Transformation roadmap and commenced a system replacement project
- Implemented a Group Governance Structure
- Launched 'A Bridge to Support' partnership framework to support tenant outcomes
- Implemented our ESG Action Plan, including an independent audit of our carbon accounting
- Built leadership capability through a program for emerging and established leaders

In addition to the four key strategic projects outlined above, our focus for 2026-27 includes:

- Continue to deliver our pipeline projects
- A strategic workforce plan to underpin our growth and change
- A long term growth strategy and plan
- State and federal election advocacy
- Develop our Stretch Reconciliation Action Plan
- Progress the replacement of our core housing and finance systems
- Implement a new performance management system

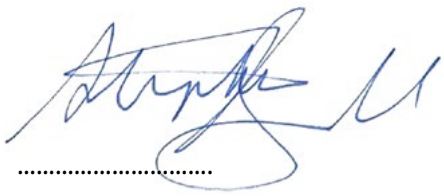


Subsequent events

There are no matters that have occurred since the end of the financial year that will affect or may affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

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

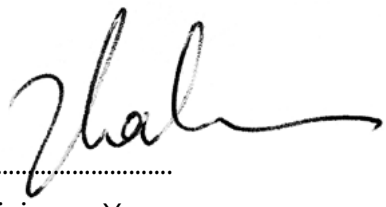
On behalf of directors:



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Stephen Bull

Chairman



.....

Vivienne Yu

Director

Dated this 26th day of October 2026

Consolidated statement of **Profit or Loss and Other Comprehensive Income**

For the year ended 30 June 2026

	Notes	2026 $	2025 $
Revenue	2	77,537,801	75,063,005
Other income	3	65,409,918	8,019,951
Tenancy and property management expenses	4	(46,997,625)	(48,316,573)
Administration expenses	4	(6,746,403)	(5,584,864)
Employee benefits	4	(17,907,086)	(15,324,075)
Depreciation expenses		(6,222,378)	(5,504,745)
Finance costs	4	(6,824,638)	(6,548,901)
Other project costs	4	(2,824,897)	-
Surplus before income tax expense		**55,424,692**	**1,803,798**
Income tax expense	1(a)	-	-
Surplus after income tax expense for the year attributable to the members of Bridge Housing Limited		**55,424,692**	**1,803,798**
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of land and buildings	8	10,005,075	21,955,570
Other comprehensive income for the year, net of tax		10,005,075	21,955,570
Total Comprehensive income for the year attributable to the members of Bridge Housing Limited		**65,429,767**	**23,759,368**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of **Financial Position**

As at 30 June 2026

	Notes	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	6	14,624,040	9,183,651
Other financial assets	9	31,666,351	9,080,120
Trade and other receivables	7	13,903,886	8,795,696
Total current assets		60,194,277	27,059,467
Non-current assets			
Property, plant and equipment	8	438,750,612	420,874,171
Other financial assets	9	32,554,211	710,128
Right of use asset	10	112,597,627	112,845,567
Total non-current assets		583,902,450	534,429,866
Total assets		**644,096,727**	**561,489,333**
Liabilities			
Current liabilities			
Trade and other payables	12	3,391,706	4,374,613
Other liabilities	13	6,967,341	7,941,702
Employee benefits	14	2,063,433	1,694,296
Lease liability	11	22,566,386	22,318,218
Total current liabilities		34,988,866	36,328,829
Non-current liabilities			
Employee benefits	14	306,821	267,042
Other liabilities	13	15,692,309	-
Borrowings	15	83,852,568	81,063,635
Lease liability	11	95,949,162	95,952,593
Total non-current liabilities		195,800,860	177,283,270
Total liabilities		**230,789,726**	**213,612,099**
Net assets		**413,307,001**	**347,877,234**
Equity			
Reserves	16	229,190,691	219,185,616
Accumulated surpluses		184,116,310	128,691,618
Total equity		**413,307,001**	**347,877,234**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of **Cash Flows**

For the year ended 30 June 2026

	Notes	2026 $	2025 $
Cash flows from operating activities			
Cash receipts from customers (inclusive of GST)		48,660,861	51,314,668
Cash paid to suppliers and employees (inclusive of GST)		(58,746,013)	(48,537,122)
Grants received (inclusive of GST)		89,642,334	30,782,518
Interest and other finance costs paid		(1,852,999)	(1,765,177)
Interest expenses on leases		(4,846,098)	(4,782,143)
Interest received		1,420,910	701,063
Net cash from operating activities		74,278,995	27,713,808
Cash flows from investing activities			
Purchase of property, plant and equipment		(23,911,228)	(15,166,305)
Payments for other development assets		(21, 455,249)	-
Deposit payments for property		(621,773)	-
Transfers from/(to) term deposits		(22,586,231)	(5,580,120)
Net cash (used in) investing activities		(68,574,481)	(20,746,425)
Cash flows from financing activities			
Repayment of lease liabilities		(18,540,028)	(17,956,652)
Proceeds from borrowing		18,275,903	5,300,000
Net cash used in financing activities		(264,125)	(12,656,652)
Net increase/(decrease) in cash and cash equivalents		5,440,389	(5,689,269)
Cash and cash equivalents at the beginning of the year		9,183,651	14,872,920
Cash and cash equivalents at the end of the year	6	14,624,040	9,183,651

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

Consolidated statement of **Changes in Equity**

For the year ended 30 June 2026

	Accumulated surpluses $	Reserves $	Total equity $
Balance at **1 July 2024**	126,887,820	197,230,046	324,117,866
Surplus after income tax expense for the year	1,803,798	-	1,803,798
Revaluation	-	21,955,570	21,955,570
Total comprehensive income for the year	1,803,798	21,955,570	23,759,368
Balance at **30 June 2025**	128,691,618	219,185,616	347,877,234
Surplus after income tax expense for the year	55,424,692	-	55,424,692
Revaluation	-	10,005,075	10,005,075
Total comprehensive income for the year	55,424,692	10,005,075	65,429,767
Balance at **30 June 2026**	184,116,310	229,190,691	413,307,001

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



Notes to the
Consolidated Financial Statements

For the year ended 30 June 2026

Note 1: Summary of significant accounting policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012, as appropriate for not-for-profit oriented entities.

The financial report was authorised for issue by the directors on the 26 October 2026. The directors have the power to amend and reissue the financial statements.

The financial report has also been prepared on a historical cost basis, except for land and buildings deemed to be at fair value.

The financial report is presented in Australian dollars, which is Bridge Housing Limited's functional and presentation currency. Bridge Housing Limited is a not-for-profit unlisted public company limited by guarantee and it is incorporated and domiciled in Australia. The financial report presents the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 21.

Principal of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bridge Housing Limited ('company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Bridge Housing Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Significant accounting policies

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

(a) Income tax

As the Company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

(b) Critical accounting estimates and judgements

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Company.

Note 1: Summary of significant accounting policies (Continued)

(b) Critical accounting estimates and judgements (continued)

Allowance for expected credit losses

The Company measures loss allowances for trade receivables at an amount equal to lifetime expected credit losses. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due unless a payment arrangement has been entered into with the Company.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk. Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Land and building valuations

Critical estimates are made by the Directors in respect to the fair value of the land and buildings. The fair value of the land and buildings are reviewed regularly by the Directors with reference to independent third party valuations. This external valuation has been prepared in accordance with established valuation methodologies and Australian Accounting Standards using the fair value model.

Estimation of useful lives of assets

The directors determine the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could be revised. The depreciation charge will increase where the useful lives are less than previously estimated lives, or where obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Capitalisation of refurbishment costs for capital owned properties

Refurbishment costs for capital properties expected to derive economic benefit from assets beyond the current year are capitalised. The capitalised cost is recognised and depreciated on a straight line basis over the useful lives of the asset.

Note 1: Summary of significant accounting policies (Continued)

(b) Critical accounting estimates and judgements (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 economic 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. As the Company adopted a portfolio approach, the lease term has been determined based on a historical analysis of property usage from the portfolio as well as expected future strategic trends.

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 entity 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.

Housing Australia funding and concession arrangements

The Group is party to funding and financing arrangements with Housing Australia in connection with the development and operation of social and affordable housing projects. These arrangements may include availability payments, senior debt facilities, concessional loans and associated project delivery, operating, reporting and security obligations.

Management exercised judgement in determining the appropriate accounting treatment for the rights and obligations arising from these arrangements, including the timing of revenue recognition, the classification of funding received and the identification of performance obligations. Management concluded that availability payments received under these arrangements do not represent tenant rental income and are recognised in accordance with the substance of the underlying contractual arrangements and by reference to the Group's satisfaction of the relevant availability and operating obligations.

Note 1: Summary of significant accounting policies (Continued)

(b) Critical accounting estimates and judgements (continued)

Initial fair value of concessional loans

The Group has received interest-free concessional loans from Housing Australia. These loans are initially measured at fair value by discounting the contractual cash flows using a market-equivalent borrowing rate.

Significant judgement is required in determining the appropriate discount rate, as there is generally no directly observable market rate for a loan with identical terms and conditions.

In determining the market-equivalent rate, management considered factors including loan term, repayment profile, security arrangements, credit risk, comparable financing arrangements and prevailing market conditions at the date of initial recognition.

The difference between the contractual amount of a concessional loan and its initial fair value is recognised as a concessional funding benefit. Following initial recognition, the loans are measured at amortised cost using the effective interest method, with the initial discount unwound as finance costs over the term of the loan.

Fair value measurement hierarchy

The Company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Note 2. Revenue

	2026 $	2025 $
Rental revenue	50,104,310	48,169,394
Non-rental revenue	982,951	1,103,077
Project revenue	1,531,537	1,000,128
Government grants	22,580,129	22,352,676
Private rental assistance - revenue	2,338,874	2,437,730
	77,537,801	75,063,005

Rental revenue is recognised on a straight-line basis over the length of the lease term.

Revenue for services in accordance with contracts with customers is recognised over time as the performance obligations are satisfied which occurs when the services are delivered or transferred to the customer. When the Company's programs and arrangements are not accounted for as contracts with customers, the Company accounts for the arrangement as a grant or contribution. For grants and contributions of property, the Company recognises the asset when title transfers or vests, or when a lease of the property commences. The asset provided by the grantor is recognised at fair value and the Company recognises any related amount at the same time as follows:

- A contractual obligation to repay any of the contributed funds that the Company cannot avoid is recognised initially and subsequently accounted for as a financial liability.
- An obligation to make lease payments is recognised and subsequently accounted for as a lease liability.
- A transfer of funds to enable the Company to procure new housing supply that will be recognised as property by the Company is recognised as a liability and subsequently recognised as income when the property is acquired.
- Any residual is immediately recognised as other income.

Service concession arrangements are accounted for as contracts with customers and revenue is recognised when the services are delivered or transferred to the customer or beneficiaries. Revenue is presented net of any payments that are made by the Company to the customer, including payments that are structured as lease payments. For contracts considered to be service concession agreements the company does not recognise the property or the right to use the property associated with these agreements. The company considers contracts with government to manage social housing dwellings as service concession agreements.

Note 3. Other income

	2026 $	2025 $
Fees received-services	1,728,452	1,297,776
Gain on lease termination	714,057	970,721
Interest income	1,455,807	734,596
Sundry income	-	677
Insurance compensation income	11,094	16,181
Grant income	22,400,000	5,000,000
Capital Grant income	4,536,463	-
Developer Contributions from the City of Sydney	34,564,045	-
	65,409,918	8,019,951

Insurance compensation income

Insurance compensation income is recognised as income in the periods when they are earned. It represents the recovery from the insurer of costs incurred as a result of property damage.

Gain on lease termination

Gain on lease termination is recognised as income in the periods when the leases of the properties are terminated.

Rendering of services

Income from fees received for services is recognised over time when the services are delivered or transferred to the customer.

Interest

Revenue is recognised as interest accrues using the effective interest method.

Sundry Income

Sundry income is recognised as revenue when money is received and any obligations are met.

Grant and Capital Grant Income

Grant Income is recognised as revenue when the entity obtains control of the grant and satisfies any applicable conditions or performance obligations attached to the funding.

Capital Grant Income is a financial contribution provided specifically to cover costs associated with project related non-current asset operating costs and recognised when performance obligations are met.

The Group treats these grants as income rather than revenue because they are funding contributions, not amounts earned from the entity's ordinary business activities, which clearly distinguishes funding support from core operating earnings.

Developer Contributions from the City of Sydney

Developer Contributions are recognised when the Group has an unconditional right to receive the funding.

Note 4. Expenses

	2026 $	2025 $
Tenancy and property management expenses		
Rent paid	2,639,700	3,596,080
Amortisation expenses – right of use assets	19,142,560	20,079,646
Expected credit losses	276,603	329,133
Insurances	1,491,001	1,197,721
Rates and utility charges	6,140,594	6,120,557
Repairs and maintenance	15,854,272	14,808,212
Private rental assistance - expenses	1,452,895	2,185,224
	46,997,625	48,316,573
Administration expenses		
Amortisation expenses – right of use assets	604,201	599,124
Office expenses	3,575,718	2,527,844
Consultant fees	956,655	756,197
Audit and accounting fees	176,448	151,596
Amortisation of loan arrangement fees	122,501	42,289
Amortisation of SHMT contract assets	50,423	50,423
Other expenses	1,043,214	1,242,060
Directors fees	120,000	-
Legal fees	97,243	215,331
	6,746,403	5,584,864
Employee benefits		
Employee benefits	15,983,790	13,823,632
Superannuation expenses	1,923,296	1,500,443
	17,907,086	15,324,075
Finance costs (interest expenses)		
Interest expense on loans	1,895,702	1,766,758
Interest expense on lease liabilities	4,846,098	4,782,143
Interest expense on consessional loan	82,838	-
	6,824,638	6,548,901
Other project costs		
Other project property expenses	2,824,897	-
	2,824,897	-

Note 5. Auditor's remuneration

During the financial year the following fees were paid or payable for services provided by the auditor (BDO Audit Pty Ltd) of the Company:

	2026 $	2025 $
Audit of the financial statements	125,000	86,300
Other services	93,192	41,138
	218,192	127,438

Note 6. Cash and cash equivalents

	2026 $	2025 $
Cash at bank and on hand	10,624,040	6,133,651
Cash on deposit	4,000,000	3,050,000
	14,624,040	9,183,651

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



Note 7. Trade and other receivables

	2026 $	2025 $
Trade receivables	1,290,083	1,444,077
Property bonds	1,412,009	1,454,149
Government grants receivable	3,225,611	3,059,242
Sundry receivables	8,543,710	3,288,862
	14,471,413	9,246,330
Less: allowance for expected credit losses	(567,527)	(450,634)
	13,903,886	8,795,696

The Company has recognised an allowance of expected credit losses of $276,603 (2025: $329,133) in the profit or loss in respect of receivables for the year ended 30 June 2026.

Movements in the allowance for expected credit losses are as follows:

	2026 $	2025 $
Opening balance	450,634	326,342
Additional provisions recognised	276,603	329,133
Receivables written off during the year as uncollectable	(159,710)	(204,841)
Closing balance	567,527	450,634

Customers with balances past due (greater than 90 days) but without provision for impairment amount to $nil as at 30 June 2026 (2025: Nil). Total provision of $567,527 (2025 $450,634) represents a provision for all ex-tenant debt as well as all receivables over 90 days.

Note 8. Property, plant and equipment

	2026 $	2025 $
Furniture and fittings		
At cost	89,035	54,301
Less: Accumulated depreciation	(51,124)	(43,281)
	37,911	11,020
Motor vehicle		
At cost	30,167	150,035
Less: Accumulated depreciation	(145)	(150,035)
	30,022	0
Computer equipment		
At cost	2,086,639	1,928,312
Less: Accumulated depreciation	(1,354,882)	(989,617)
	731,757	938,695
Office equipment		
At cost	98,660	133,746
Less: Accumulated depreciation	(33,490)	(108,267)
	65,170	25,479
Other plant & equipment		
At cost	986,302	-
Less: Accumulated depreciation	(4,109)	-
	982,193	-
Land and buildings		
At fair value	434,792,202	408,226,499
	434,792,202	408,226,499
Leasehold improvements		
At cost	1,311,382	1,121,493
Less: Accumulated depreciation	(1,111,585)	(1,068,167)
	199,797	53,326
Work in Progress		
At cost	1,911,560	11,619,152
	1,911,560	11,619,152
Total property, plant and equipment	**438,750,612**	**420,874,171**

Note 8. Property, plant and equipment (Continued)

Movements in carrying amounts

Movements in the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year is set out below:

	Furniture & fittings $	Motor vehicle $	Computer equip-ment $	Office equip-ment $	Land & buildings $	Other plant & equip-ment &	Leasehold improve-ments $	Work in progress (WIP) $	Total $
Balance at 1 July 2024	20,799	-	667,311	15,175	381,249,129	-	85,551	7,237,626	389,275,591
Additions	-	-	679,382	20,328	10,038,549	-	43,553	4,381,526	15,163,338
Disposals at Costs	-	-	(229,489)	(2,309)	-	-	-	-	(231,798)
Accumulated Depreciation Disposed	-	-	213,907	2,309	-	-	-	-	216,216
Depreciation	(9,779)	-	(392,416)	(10,024)	(5,016,749)	-	(75,778)	-	(5,504,746)
Revaluation	-	-	-	-	21,955,570	-	-	-	21,955,570
Balance at 30 June 2025	11,020	-	938,695	25,479	408,226,499	-	53,326	11,619,152	420,874,171
Transfer to other assets	-	-	-	-	-	-	-	(10,439,257)	(10,439,257)
Transfers	-	-	-	-	187,803	-	-	(187,803)	-
Additions	34,734	30,167	201,627	56,738	22,114,075	986,302	189,890	919,468	24,533,001
Disposals at Costs	-	-	(43,300)	(91,824)	-	-	-	-	(135,124)
Accumulated Depreciation Disposed	-	-	43,300	91,824	-	-	-	-	135,124
Depreciation	(7,843)	(145)	(408,565)	(17,047)	(5,741,250)	(4,109)	(43,419)		(6,222,378)
Revaluation	-	-	-	-	10,005,075	-	-	-	10,005,075
Balance at 30 June 2026	37,911	30,022	731,757	65,170	434,792,202	982,193	199,797	1,911,560	438,750,612

Note 8. Property, plant and equipment (Continued)

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Where the property is vested to the Company or is acquired with an intention to hold the property as a long-term asset for the provision of social or affordable housing, the asset is treated as property, plant and equipment.

Assets acquired at no cost, or for nominal consideration, are initially recognised at fair value as at the date of acquisition. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Subsequent to recognition, the properties are carried at the fair value at the balance sheet date.

Critical estimates are made by the Directors in respect to the fair values of the land and buildings. The fair value of the land and buildings are reviewed regularly by the Directors with reference to independent third-party valuations which are performed at least every 3 years.

Although some of the properties have restrictive covenants (social housing covenants) on the title, they have been valued on a vacant possession basis at market value. Where properties are within a complex, the valuations are performed as having separate strata title after deducting the costs to obtain individual strata. That is, it is assumed that the properties in the whole block can be sold separately.

As at 30 June 2026, all properties were valued based on having a separate strata title based on the independent third party valuer assumption that the properties within the relevant complex were able to have a separate strata title.

On this basis, the directors assessed the fair value of land and buildings at 30 June 2026 to be $434,792,202 (2025: $408,226,499). The revaluation increase of $10,005,075 (2025 increase: $21,955,570) has been recognised against the asset revaluation reserve. (Refer Note 16).

The most recent valuation was completed as at 30 June 2026 by an independent assessment on thirty one percent of the portfolio. The independent valuer also estimated values of the non valued properties by applying indexed movements in property value by type and location since the last formal valuation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Note 8. Property, plant and equipment (Continued)

Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset class. Thereafter the decrements are taken to profit or loss. As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

• Buildings	50 years
• Furniture and fittings	5 years
• Leasehold improvements	2-7 years
• Motor vehicles	5 years
• Computer equipment and software	1-5 years
• Office equipment	2-5 years

Leasehold improvements are amortised over the shorter period of useful life or remaining lease term.



Note 9. Other assets

	2026 $	2025 $
Current		
Cash on term deposits	31,666,351	9,080,120
	31,666,351	9,080,120
Non-current		
Contract asset- capitalised fulfilment costs	1,008,466	1,008,466
Less: Accumulated depreciation	(348,761)	(298,338)
Other non-current assets - development	21,629,003	-
Other non-current assets - deposit	10,265,503	-
	32,554,211	710,128

Cash on term deposits are term deposits which are invested in the bank for the period longer than three months.

Capitalised fulfilment costs are stated at historical costs less amortisation and impairment. These are the fulfilment costs of the SHMTP contract which have been capitalised under AASB15. Amortisation is calculated on a straight-line basis over the remaining length of the contract.

Other non-current assets

Development costs & property deposits are classified as non-current assets as they relate to long-term housing development projects & property acquisitions that are not expected to be completed or realised within 12 months of the reporting date. Accordingly, the balances are not considered current assets and are appropriately presented as non-current assets.

Note 10. Right of use assets

	Right of use assets - Properties $	Right of use assets - Office total $	Right of use assets - Equipment $	Total $
Right of use assets				
Balance as at 30 June 2024	110,360,213	3,058,794	31,475	113,450,482
Additions	24,849,094	6,949	55,657	24,911,700
De-recognition of terminated leases	(17,706,477)	-	(14,357)	(17,720,834)
Amortisation	(20,079,646)	(578,344)	(20,780)	(20,678,770)
Effect of modification to lease term	12,882,989	-	-	12,882,989
Balance as at 30 June 2025	110,306,173	2,487,399	51,995	112,845,567
Additions	13,067,202	9,734	32,003	13,108,939
De-recognition of terminated leases	(12,575,813)	-	(11,671)	(12,587,484)
Amortisation	(19,142,560)	(580,998)	(23,203)	(19,746,761)
Effect of modification to lease term	18,977,366	-	-	18,977,366
Balance as at 30 June 2026	110,632,368	1,916,135	49,124	112,597,627

Recognition and measurement

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 re-measurement 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.

Note 11. Lease liabilities

	2026 $	2025 $
Current		
Lease liabilities	22,566,386	22,318,218
	22,566,386	22,318,218
Non-current		
Lease liabilities	95,949,162	95,952,593
	95,949,162	95,952,593
Balance at the beginning of year	118,270,811	117,124,329
Addition of new properties	13,108,939	24,911,699
De-recognition of terminated properties	(13,301,542)	(18,691,555)
Rent payment	(23,386,125)	(22,738,795)
Interest expense	4,846,098	4,782,143
Balance at the end of the year	99,538,181	105,387,821
Reassessment of the lease length	18,977,367	12,882,990
Balance at the end of the year	118,515,548	118,270,811

Note 12. Trade and other payables

	2026 $	2025 $
Trade payables	-	700,015
Accrued expenses	3,236,057	3,427,189
Other payables	155,649	247,409
	3,391,706	4,374,613

Trade and other payables represent liabilities for goods and services provided to the Company prior to year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms. The carrying amount of the creditors and payables is deemed to reflect fair value.

Note 13. Other liabilities

	2026 $	2025 $
Current		
Deferred revenue-Grant subsidy	444,926	152,686
Deferred revenue-Grant for projects	2,609,991	4,408,839
Deferred income	3,912,424	3,380,177
	6,967,341	7,941,702
Non-current		
Deferred concessional loan benefit	15,692,309	-
	15,692,309	-

	Deferred revenue-Grant subsidy $	Deferred revenue-Grant for projects $	Deferred income $	Total $
Balance at 30 June 2024	628,739	3,812,189	3,578,440	8,019,368
Payment received in advance	16,005,992	7,730,603	2,405,000	26,141,595
Transfer to revenue-performance obligation satisfied in the year	(16,482,045)	(7,133,953)	(2,603,263)	(26,219,261)
Balance at 30 June 2025	152,686	4,408,839	3,380,177	7,941,702
Payment received in advance	16,623,482	40,095,833	2,775,325	59,494,640
Transfer to revenue-performance obligation satisfied in the year	(16,331,242)	(41,894,681)	(2,243,078)	(60,469,001)
Balance at 30 June 2026	444,926	2,609,991	3,912,424	6,967,341

Deferred grant income

Grant income is deferred until the Company satisfies performance obligations which occurs when the services are delivered or transferred to the customer.

Deferred income

Deferred income is rental revenue received but not yet earned.

Note 14. Employee benefits

	2026 $	2025 $
Current		
Annual leave	1,440,730	1,110,308
Long service leave	622,703	583,988
	2,063,433	1,694,296
Non-current		
Long service leave	306,821	267,042
	306,821	267,042

Long service leave, once 5 years' service is reached, can either be taken as leave or paid on termination of employment for employees employed as at 30 June 2025. This liability is shown as a current liability although it is not expected that this full amount will be paid within the next 12 months.

Amounts not expected to be settled within the next 12 months

The current liability for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Company does not have an unconditional right to defer settlement. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next twelve months.

	2026 $	2025 $
Employee benefits obligation expected to be settled after twelve months	349,933	253,140
	349,933	253,140

Note 15. Borrowings

	2026 $	2025 $
Non-current		
Borrowings - BHL Corporate	81,300,000	81,300,000
Borrowings - SPV projects	18,643,768	-
Less: Loan arrangement fees	(16,174,038)	(236,365)
Less: Finance Interest Expense	82,838	-
	83,852,568	81,063,635

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.

Corporate facility

The Company maintained its corporate debt facility with Housing Australia (HA) formerly the National Housing Finance and Investment Corporation (NHFIC) of $81,300,000 (2025: $81,300,000) to fund various acquisitions and developments.

Concessional loans

The increase in borrowings is attributable to the concessional loans received from Housing Australia to support HAFF projects totalling $18,643,768 (2025: Nil)

Concessional loan funding benefit

Concessional loans received by the Group are initially recognised at fair value. Fair value is determined using a market-equivalent borrowing rate for a loan with similar terms and conditions.

The difference between the contractual amount of the loan and its fair value represents a concessional funding benefit. To the extent that the benefit is received to further the Group's social and affordable housing objectives and no related liability is required to be recognised, the benefit is recognised as income on acquisition or over the construction period.

Following initial recognition, concessional loans are measured at amortised cost using the effective interest method, with finance costs recognised over the term of the loan.

Line of credit

The Company has access to a $25,000,000 line of credit as at 30 June 2026 (2025: Nil). No loan is required to be paid until 23 May 2030. The borrowing is secured by registered first mortgages over the properties owned by the Bridge Housing.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset (nil 2026). All other finance costs are expensed in the period in which they are incurred, including interest on long-term and short-term borrowings.

Note 16. Reserves

Movement on reserves in the year are as follows:

	At the start of the year $	Revaluation of land and buildings $	At the end of the year $
Asset revaluation	219,185,616	10,005,075	229,190,691
	219,185,616	10,005,075	229,190,691

The asset revaluation reserve is used to recognise increments and decrements in the fair value of land and buildings in accordance with note 8.

Critical estimates are made by the Directors in respect to the fair value of the land and buildings. The fair value of the land and buildings are reviewed regularly by the Directors with reference to independent third party valuations. As a result, the land and buildings were revalued upwards by $10,005,075 (2025 upgrade: $21,955,570).

Note 17. Cash flow information

	2026 $	2025 $
Reconciliation of surplus to net cash flow from operating activities		
Surplus for the year	55,424,692	1,803,798
Depreciation	6,272,801	5,555,169
Amortisation	122,501	42,289
Amortisation – right of use asset	19,746,762	20,678,770
Finance costs	82,838	-
Gain on lease termination	(714,057)	(970,721)
Changes in assets and liabilities		
(Increase) in trade and other receivables	(5,108,190)	(435,884)
Increase/(decrease) in trade creditors and other payables	(982,907)	778,925
Increase in provisions and employee benefits	408,916	339,129
Decrease in other liabilities	(974,361)	(77,667)
Net cash flow from operating activities	74,278,995	27,713,808

Note 18. Contingent liabilities

As at 30 June 2026 the Company had provided a security deposit guarantee of $385,557 for the office level 9, 59 Goulburn St, Sydney premises (2025: $385,557) and $60,622 for the office level 1, 660-664 Pittwater Rd, Brookvale premises (2025: $60,622).

In addition the Company had provided a bank guarantee for $500,000 as security under the PDA to deliver the development at Elizabeth St Redfern (2025: Nil).

The Company had no other contingent liabilities as at 30 June 2026 or 30 June 2025.

Note 19: Commitments

Capital commitments

Bridge Homes

As at 30 June 2026 there is a capital commitment $108,058,263 for the purchase of 174 properties at 5 McLeod Road, Merrylands which is expected to be settled in December 2027 (2025: $Nil).

Bridge Places

As at 30 June 2026 there is a capital commitment $86,986,305 for the purchase of 143 properties at 60 Pelican Road, Schofields which is expected to be settled in September 2028 (2025: $Nil).

Bridge Neighbourhoods

Under the D+C contract with Icon Co and the PDD with Homes NSW, the Company has committed to deliver the 144-unit Maroubra development. The remaining preliminary-cost budget to Financial Close is approximately $2.9 million, with the total project cost to be finalised at the D+C re-pricing and Financial Close.

Bridge Doorways

Under the D+C contract with Icon Co and the PDD with Homes NSW, the Company has committed to deliver the 126-unit Mascot development. The preliminary-cost budget to Financial Close is approximately $3.9 million, with the total project cost to be finalised at the D+C re-pricing and Financial Close.

Note 20. Related party transactions

Key management personnel

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

	2026 $	2025 $
Short term employee benefits	2,218,341	1,938,478
Post-employment benefit	223,156	199,994
	2,441,497	2,138,472

Note 21: Parent entity and interest in subsidiaries

Bridge Housing Limited is the parent entity. It is a not-for-profit unlisted public company limited by guarantee and it is incorporated and domiciled in Australia

Subsidiaries

Bridge Housing has established a number of Special Purpose Vehicle subsidiaries. A number of these still remained dormant during the year as noted below:

Name of Subsidiary	2026	2025
Bridge Living Limited (Dormant)	100%	100%
Bridge Places Sydney Limited (Active)	100%	100%
Bridge Neighbourhoods Limited (Active)	100%	100%
Bridge Homes Sydney Limited (Active)	100%	100%
Bridge Communities Trust Limited (Dormant)	100%	100%
Bridge Doorways Limited (Active)	100%	100%
Bridge Hearth Limited (Dormant)	100%	100%
Bridge Welcome Home Limited (Dormant)	100%	100%

Transactions with related parties

There were no transactions with related parties during the current or previous financial year.

Receivable from and payable to related parties

There were no trade receivables from, or trade payables 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.

Note 21: Parent entity and interest in subsidiaries (continued)

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	2026 $	2025 $
Parent		
Surplus after income tax	54,315,291	1,803,798
Gain on the revaluation of land and buildings	10,005,075	21,955,570
Total comprehensive income	**64,320,366**	**23,759,368**

Statement of financial position

	2026 $	2025 $
Parent		
Total current assets	63,939,109	27,059,467
Total Non-Current Assets	562,447,201	534,429,866
Total Assets	626,386,310	561,489,333
Total current liabilities	37,114,456	36,328,829
Total non-current liabilities	177,074,254	177,283,270
Total liabilities	**214,188,710**	**213,612,099**
Net assets	**412,197,600**	**347,877,234**
Equity		
Reserves	229,190,691	219,185,616
Accumulated surpluses	183,006,909	128,691,618
Total equity	**412,197,600**	**347,877,234**

The accounting policies of the parent entity are consistent with those adopted by the Group. The parent entity had no material contingent liabilities, contingent assets or commitments as at 30 June 2026 other than those disclosed in these financial statements. The parent entity has the ability to meet its obligations as and when they fall due.

Note 22. Fair value measurement

Fair value hierarchy

The following tables detail the Company's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

30 June 2025	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Land and buildings	-	-	408,226,499	408,226,499
Total assets	-	-	408,226,499	408,226,499

30 June 2026	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Land and buildings	-	-	434,792,202	434,792,202
Total assets	-	-	434,792,202	434,792,202

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 3

Land and buildings have been valued based on similar assets, location and market conditions.

The unobservable inputs applied in the valuation methods used included direct market sale prices comparison, rental market data, rental levels, rental demands and other unobservable inputs.

Note 22. Fair value measurement (Continued)

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	Land and buildings $
Balance at 30 June 2025	408,226,499
Additions/Disposal /transfers from construction in progress	22,301,878
Depreciation	(5,741,250)
Revaluation increment	10,005,075
Balance at 30 June 2026	434,792,202

Note 23: Events after reporting period

There are no matters that have have occurred since the end of the financial year that will affect or may affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Note 24. Financial risk management

(a) General objectives, policies and processes

In common with all other businesses the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Company's financial instruments consist of cash and cash equivalents, trade receivables, trade payables and borrowings.

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and its overall objective is to set polices that seek to reduce risk as far as possible without unduly affecting the ability of the Company to achieve its aims and each year the Board reviews the strategic risks and the risk management plan. Further details regarding these policies are set out below, in notes (b), (c) and (d).

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Company incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Company.

There is no concentration of credit risk with respect to current receivables.

The maximum exposure to credit risk at balance sheet date is the carrying value of these assets, net of any provision for impairment, as disclosed below:

	2026 $	2025 $
Cash	14,624,040	9,183,651
Trade and other receivables	13,903,886	8,795,696
Term deposits	31,666,351	9,080,120
	60,194,277	27,059,467

(c) Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulties raising funds to meet commitments associated with financial instruments.

The Company is not significantly exposed to this risk, as it has $14,624,040 (2025: $9,183,651) of cash and cash equivalents to meet these obligations as they fall due.

The Company manages liquidity risk by monitoring cash flows and ensuring it has sufficient cash reserves and available borrowings to be able to pay debts as and when they become due and payable.

Note 24. Financial risk management (Continued)

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

2026	Less than 12 months $	Between 1-3 years $	Over 3 years $	Total $
Non-derivative financial Liabilities				
Trade and other payables	3,391,706	-	-	3,391,706
Lease liabilities	22,566,386	60,811,109	35,138,053	118,515,548
Borrowings	-	-	83,852,568	83,852,568
	25,958,092	60,811,109	118,990,621	205,759,822

2025	Less than 12 months $	Between 1-3 years $	Over 3 years $	Total $
Non-derivative financial Liabilities				
Trade and other payables	4,374,613	-	-	4,374,613
Lease liabilities	22,318,218	41,354,333	54,598,260	118,270,811
Borrowings	-	-	81,063,635	81,063,635
	26,692,831	41,354,333	135,661,895	203,709,059

As at 30 June 2026, the Company has a debt agreement with Housing Australia (HA) formerly the National Housing Finance and Investment Corporation (NHFIC) for $81,300,000.

The parent entity holds concessional loan facilities obtained to support social & affordable housing initiatives. These loans bear interest at rates below those available under normal commercial terms. These loans are measured at amortised cost after initial recognition, with any fair value benefit arising on inception recognised in accordance with the parent entity's accounting policies.

(d) Market Risk

Market risk arises from the use of interest-bearing financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates.

Note 24. Financial risk management (Continued)

(d) Market risk (Continued)

The Company's exposure to interest rate risk is set out in the tables below:

2026	Floating interest rate $	Fixed interest <1year $	Fixed interest 1-3 year and over $	Non-interest bearing $	Total $
Financial Assets					
Cash	13,768,858	-	-	855,182	14,624,040
Term Deposit	-	30,586,231	1,080,120	-	31,666,351
Trade and other receivables	357,884	-	-	13,546,003	13,903,886
	14,126,741	30,586,231	1,080,120	14,401,185	60,194,277
Weighted average interest rate	3.21%				
Financial Liabilities					
Trade and other payables	-	-	-	3,391,706	3,391,706
Borrowings*	-	-	81,300,000	3,034,297	84,334,297
	-	-	81,300,000	6,426,003	87,726,003
Weighted average interest rate			2.29%		

2025	Floating interest rate $	Fixed interest <1year $	Fixed interest 1-3 year and over $	Non-interest bearing $	Total $
Financial Assets					
Cash	4,775,699	-	-	1,357,952	6,133,651
Term Deposit	-	11,050,000	1,080,120	-	12,130,120
Trade and other receivables	-	-	-	8,795,696	8,795,696
	4,775,699	11,050,000	1,080,120	10,153,648	27,059,467
Weighted average interest rate	2.68%	-	-	-	-
Financial Liabilities					
Trade and other payables	-	-	-	4,374,613	4,374,613
Borrowings*	-	-	81,300,000	-	81,300,000
	-	-	81,300,000	4,374,613	85,674,613
Weighted average interest rate	-	-	2.29%	-	-

**Borrowings are long term fixed interest bonds for 10 years and 12 years*

Note 24. Financial risk management (Continued)

(d) Market risk (Continued)

Sensitivity Analysis – Interest Rate Risk

The Company has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in the risk.

The effect on the result and equity as a result of changes in interest rate, with all other variables remaining constant, would be as follows:

2026	Profit/loss after tax		Equity	
	100bp higher $	100bp lower $	100bp higher $	100bp lower $
Effect of market interest rate movement	(53,000)	53,000	(53,000)	53,000

The above analysis assumes all other variables remain constant.

	Carrying Amount $	+1% Result $	-1% Result $
2026			
Cash and term deposits	46,290,391	462,904	(462,904)
2025			
Cash and term deposits	18,263,771	182,638	(182,638)

Note 25: Economic dependency

The Company is economically dependent on the NSW State Government and the Federal Government for significant financial support in the form of subsidies and grants to assist in the delivery of affordable and social housing to the community.

Note 26: Company details

The current address of the registered office and principal place of business is:

Level 9 59 Goulburn St, Sydney, NSW 2000.

Note 27: Members' guarantee

The entity is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $1 each towards meeting any outstanding obligations of the entity.

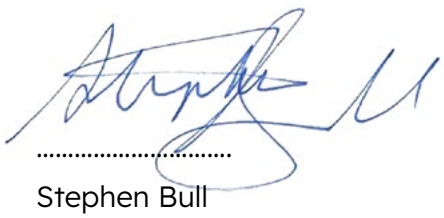


Directors' Declaration

The directors of the Company declare that:

1. The financial statements comprising the statement of financial position, statement of profit or loss and other comprehensive income, statement of cash flows, statement of changes in equity, and accompanying notes to the financial statements, are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* and
    a. comply with Australian Accounting Standards and the *Australian Charities and Not-for-Profit Commission* Regulations 2022; and
    b. give a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the year ended on that date;
2. In the directors opinion, there are reasonable grounds to believe that Bridge Housing Limited will be able to pay its debts as and when they fall due.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



.....

Stephen Bull

Chairman



.....

Vivienne Yu

Director

Dated this 26th day of October 2026

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INDEPENDENT AUDITOR'S REPORT

To the members of Bridge Housing Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Bridge Housing Limited (the registered entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the responsible entities' declaration.

In our opinion the accompanying financial report of Bridge Housing Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of financial reports in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, 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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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 on the other information obtained prior to the date of this auditor's report, 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 responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities are responsible for assessing the Group'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 responsible entities either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity'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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf
This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

Elysia Rothwell
Director

Sydney 26 October 2026

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DECLARATION OF INDEPENDENCE BY ELYSIA ROTHWELL TO THE DIRECTORS OF BRIDGE HOUSING LIMITED

I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of Bridge Housing Limited for the year ended 30 June 2026.

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

Elysia Rothwell
Director



BDO Audit Pty Ltd

Sydney

26 October 2026

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