

Unison Housing Limited and controlled entities

ABN: 73 076 581 112

Consolidated Financial report

For the year ended 30 June 2026

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UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

DIRECTORS' REPORT

The directors present their report together with the financial report of Unison Housing Limited, the "Company" and its controlled entities, the "Group", for the year ended 30 June 2026 and auditor's report thereon.

Directors' names

The names of the directors in office at any time during or since the end of the year are:

Lou Panaccio (Chair)

Barry Shepherd (Deputy Chair)

Daniel Carter (resigned 27 April 2026)

Yvonne Turner

Peter Weatherby

Bettina Sheeran

Alice Hanna

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

Company Secretary

Sheri Johnston was appointed to position of company secretary on 31 August 2021.

Results

The accompanying financial statements include the full year of operations of Unison Housing Limited and controlled entities ("the Unison Group").

Over the financial year, the Unison Group was able to meet all operating costs and pay the interest on its loan obligations.

The Unison Group achieved a total comprehensive surplus of \$14,044,543 (2025: \$2,277,852 deficit). In 2026, the Unison Group revenues were \$66,424,010 (2025: \$49,538,364). The increase in revenues is primarily due to the sale of the final low amenity rooming house within the portfolio in line with Unison's long term strategy, partially offset by funding for new programs and rental revenue.

The key measure used by management to assess the performance of the Unison Group is Underlying Earnings Before Interest, Tax, Depreciation and Amortisation and other specific items ("Underlying EBITDA"). Underlying EBITDA is used primarily because of the impact of depreciation, which is a significant non-cash expense, and capital grants, which are recorded as income upon satisfaction of performance conditions, whereas the cost of operating the properties will be incurred in the future. Underlying EBITDA is reconciled to the result in the consolidated statement of profit or loss and other comprehensive income below.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES**ABN: 73 076 581 112****DIRECTORS' REPORT****Results (Continued)**

	2026	2025
	\$	\$
Underlying EBITDA	2,441,846	2,290,653
Depreciation	(9,151,448)	(9,060,640)
Non-recurring expenses	(220,996)	(24,600)
Interest income	1,342,380	1,092,960
Borrowing costs	(1,268,823)	(1,268,848)
Capital grants	16,932,639	2,506,652
Profit on sale of fixed assets	-	4,313,495
Reverse impact of AASB 16: Leases standard	5,113	230,652
Gain on business/asset acquisition	3,323,946	1,696,351
Gain on fair value adjustment of the investments	871,031	392,857
Dividend and other portfolio income	99,471	108,320
Impairment of property held for sale	(330,616)	
Surplus	14,044,543	2,277,852

Underlying EBITDA has slightly improved compared to the prior year. The commencement of operations within Unison Consultancy Ltd contributed positively to earnings, following the establishment of its team and the securing of an initial portfolio of contracts. Several housing developments and capital works projects are now at various stages of completion, with the associated financial returns anticipated to be realised over the next three years.

During the year, the Group incurred non-recurring expenditure associated with the implementation of community engagement initiatives. The Company's property portfolio remained relatively stable throughout 2026, with strong performance across key operating metrics, including vacancy rates, rental arrears and operational efficiencies.

The Group continues to focus on collaboration, continuous improvement and sustainable growth across all areas of the business, including the addition of Wombat Housing Support Services Limited in May 2026. These initiatives are expected to strengthen operational performance and support improved EBITDA outcomes in future periods.

As at 30 June 2026 the Unison Group had net assets of \$284,913,119 (2025: \$270,868,576). The amount allocated to the Lifecycle Replacement Maintenance (LRM) Reserve on 30 June 2026 totaled \$8,205,294 (2025: \$7,127,147). The LRM Reserve represents monies quarantined for mid-term (3-15 years) future expenditure of replacing various elements of a building as each element reaches the end of its economic life. By upgrading and replacing these building elements the Unison group will ensure that the portfolio of properties continues to provide amenity to tenants and retain their value into the future.

In June 2021, the Unison Group refinanced its borrowings arrangement with the National Housing Finance and Investment Corporation (NHFIC) with a 10-year fixed interest loan facility.

In February 2026, the Company finalised the financing of its HAFF Round 1 project for 2-12 Marshall Street, Newtown VIC. Debt facilities include a 25-year interest free concessional loan with Housing Australia and a construction facility with the Treasury Corporation of Victoria (TCV) with interest set at the current RBA cash rate and capitalised.

On 4 March 2026, a forward settlement loan was entered into with TCV commencing 15 December 2026

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DIRECTORS' REPORT

Results (Continued)

with maturity in 15 years. This credit financier facility is timed to match the transition to operational readiness for Marshall Street.

Review of operations

During the current year the operations of the Unison Group were focused on the provision of affordable housing and homelessness assistance services to low income households and private rental management and owners corporation services.

As at 30 June 2026 the Unison Group managed 2,524 (2025: 2,556) units across Victoria and during the year provided homelessness assists of 3,324 (2025: 2,898).

Significant changes in state of affairs

There were no significant changes to the state of affairs in 2026, other than those disclosed separately in this financial report.

Company objectives

The Unison Group is focused on providing housing and housing related services to people on low income and particularly, those who are homeless or at risk of homelessness. The focus of the Unison Group remains centred on housing the vulnerable in our community and providing support and pathways from disadvantage.

Under the Unison Group's 2024-2027 Strategic Plan, the three key strategic goals are as follows:

1. Unison is an employer of choice, and our staff are valued and supported to collaborate, realise their potential and deliver positive outcomes.
2. We are known for excellence in service delivery and our renters are proud of their homes and are engaged in their communities.
3. Sustainably grow the organisation to support 6,000 dwellings.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Principal activities

To carry out the company's strategies and to achieve its short-term and long-term objectives, the Unison Group engaged in the following principal activities during the year:

- ownership and management of long-term affordable housing.
- provision of a range of services to assist homeless households including transitional housing and information and referral services.
- management of owners' corporation services.
- design and development of social and affordable housing projects.
- a social enterprise delivering grounds and cleaning works.
- development, project management and advisory services for social and affordable housing projects.
- provision of homelessness prevention, housing support, tenancy sustainment, transitional accommodation and related support services.

Company performance

As a registered housing organisation, Unison is required to meet the performance standards established by the Office of the Registrar of Housing Agencies and report annually on performance against these Standards.

The Unison Group also monitors its performance and legal obligations through an additional set of internal Key Performance Measures and compliance registers.

After balance date events

There has been no matter or circumstance, which has arisen since 30 June 2026 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2026, of the Group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2026, of the Group.

Likely developments

The Unison Group continues to review strategic opportunities to expand its operations and identify new developments.

Environmental regulation

The Unison Group's operations are not impacted by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Dividends paid, recommended and declared

The Company's Constitution precludes the payment of dividends.

Information on directors

Lou Panaccio	Appointed director April 2013 Appointed chair November 2024 Appointed director of Urban Communities Ltd November 2015
Qualifications	Chartered Accountant, Managing Director, and CEO - Business and Healthcare Services, Non-Executive Director and Chair of Private Companies in Finance, Healthcare, Medical, Biotechnology and Aged Care Sectors
Experience	Lou is a chartered accountant with strong management experience in business and healthcare services.
Special responsibilities	Finance, Audit and Risk Committee; Remuneration and Nominations Committee
Barry Shepherd	Appointed director May 2016 Appointed director of Urban Communities Ltd September 2009
Qualifications	Licensed Real Estate Agent, Project Marketing Diploma - American Home Builders Association, Previous Lecturer Melbourne University
Experience	Barry has over 40 years' experience in the property industry and is critical in guiding Unison's asset management and developments.
Special responsibilities	Development Committee; Finance, Audit and Risk Committee
Daniel Carter	Appointed director December 2018 Resigned 27 April 2026
Qualifications	Master of Business Administration, University of Melbourne, Bachelor of Geomatic Engineering (Honours) and Bachelor of Science (Geography) from the University of Melbourne
Experience	Daniel offers contemporary strategic planning and IT skills tailored to the social services sector.
Yvonne Turner	Appointed director December 2014
Qualifications	Bachelor of Commerce and Administration (Victoria University of Wellington, NZ), Master of Business Administration (Monash), Master of Marketing (Monash), Graduate Diploma, Australian Institute of Company Directors
Experience	Yvonne shares her board experience in healthcare and NFPs. Her expertise includes business management, strategic planning, and strategic marketing and in public sector, commercial and NFPs.
Special responsibilities	Finance, Audit and Risk Committee

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DIRECTORS' REPORT

Information on directors (Continued)

Peter Weatherby	Appointed director May 2021
Qualifications	Bachelor of Science (Urban Land Economics), Licensed Estate Agent, Associate of the Real Estate Institute of Victoria, Fellow of the Royal Institution of Chartered Surveyors, Member of the Australian Institute of Company Directors
Experience	Peter is passionate about the community housing sector and brings a solid real estate skillset, commercial acumen and a strong strategic focus to Unison.
Special responsibilities	Development Committee
Bettina Sheeran	Appointed director February 2023
Qualifications	Bachelor of Arts, Bachelor of Laws (Law/Criminology), Keele University, admitted in Victoria in 2005 Member of Property Council Australia and Urban Development Institute of Australia
Experience	Having worked as property lawyer for over 20 years, Bettina brings a finely tuned legal and commercial perspective as well as extensive industry knowledge to Unison.
Special responsibilities	Development Committee
Alice Hanna	Appointed director June 2024
Qualifications	Bachelor of Psychology (Honours), Organisational Coaching (Level 1), CertIV Human Resources management
Experience	Alice contributes a wealth of organisational capability experience through 20 years in Human Resources Management. Alice is the Founder and Head Coach at The Culture Beacon.
Special responsibilities	Development Committee, Remuneration and Nominations Committee

Meetings of directors

Directors	Director's Meetings		Development		Finance, Audit and Risk		Remuneration & Nominations	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Lou Panaccio	6	6	-	-	4	4	1	1
Barry Shepherd	6	6	5	5	4	4	-	-
Daniel Carter	4	4	-	-	-	-	-	-
Yvonne Turner	6	6	-	-	4	4	-	-
Peter Weatherby	6	6	5	3	-	-	-	-
Bettina Sheeran	6	5	5	5	-	-	-	-
Alice Hanna	6	6	5	5	-	-	1	1

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Indemnification of officers

Directors and Officers of Unison Housing Limited are covered by insurance provided by the Department of Human Services through the Victorian Managed Insurance Authority (VMIA). The cover indemnifies Directors and Officers for third party claims for wrongful acts including alleged or actual breach of duty, breach of trust, neglect, error, misstatement, misleading statement, omission, breach of warranty or authority or other act wrongfully committed. The cover is for the Board as a whole, including new Directors during the year and past Directors. Indemnity limits are \$20 million per any one claim.

Auditor's independence declaration

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

Proceedings on behalf of the Group

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

Signed on behalf of the Board of Directors.

Director: 

Lou Panaccio

Director: 

Barry Shepherd

Dated this 15th day of October 2026

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES
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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF UNISON HOUSING LIMITED

In accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Unison Housing Limited for the year ended 30 June 2026, there have been:

- no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.



M J HARRISON
Partner



PITCHER PARTNERS
Melbourne

Date: 16 October 2026

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
Revenue and other income			
Grant income	2	31,947,101	14,905,991
Interest and other revenue	2	2,509,732	1,460,028
Management income	2	2,102,178	1,983,633
Gain on business combination	3	3,323,946	-
Rental income		25,670,022	24,786,009
Profit from sale of property		-	4,313,495
Gain on fair value adjustment of the investment portfolio		871,031	392,857
Gain on asset acquisition		<u>-</u>	<u>1,696,351</u>
		<u>66,424,010</u>	<u>49,538,364</u>
Less: Operating expenses			
Bad and doubtful debts expense	4	(393,975)	(691,516)
Borrowing costs	4	(1,306,660)	(1,301,265)
Depreciation and amortisation expense	4	(9,151,448)	(9,060,640)
Employee benefits expense	4	(17,937,897)	(14,571,029)
Housing program expenses		(14,664,031)	(15,095,856)
Organisational operating expenses		(2,954,354)	(2,346,629)
Brokerage program expenses		(5,640,486)	(4,193,577)
Loss on fair value adjustment of asset held for sale		<u>(330,616)</u>	<u>-</u>
		<u>(52,379,467)</u>	<u>(47,260,512)</u>
Surplus		14,044,543	2,277,852
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive surplus		<u>14,044,543</u>	<u>2,277,852</u>

The accompanying notes form part of these financial statements.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	2026 \$	2025 \$
Current assets			
Cash and cash equivalents	6	25,742,552	30,624,398
Receivables	7	2,159,769	1,317,245
Other financial assets	8	8,205,882	7,126,551
Other assets	9	2,213,015	1,781,086
Assets classified as held for sale	10	<u>2,000,000</u>	<u>595,354</u>
Total current assets		<u>40,321,218</u>	<u>41,444,634</u>
Non-current assets			
Lease assets	11	246,825	401,573
Property, plant and equipment	12	<u>325,537,299</u>	<u>300,475,558</u>
Total non-current assets		<u>325,784,124</u>	<u>300,877,131</u>
Total assets		<u>366,105,342</u>	<u>342,321,765</u>
Current liabilities			
Payables	13	7,487,895	7,115,935
Lease liabilities	11	196,012	184,879
Borrowings	16	7,330,830	-
Provisions	14	2,908,259	2,092,838
Other liabilities	15	<u>8,738,136</u>	<u>8,528,690</u>
Total current liabilities		<u>26,661,132</u>	<u>17,922,342</u>
Non-current liabilities			
Lease liabilities	11	72,572	233,340
Borrowings	16	54,082,463	53,000,000
Provisions	14	<u>376,056</u>	<u>297,507</u>
Total non-current liabilities		<u>54,531,091</u>	<u>53,530,847</u>
Total liabilities		<u>81,192,223</u>	<u>71,453,189</u>
Net assets		<u>284,913,119</u>	<u>270,868,576</u>
Equity			
Reserves	17	8,205,294	7,127,147
Accumulated surplus	18	<u>276,707,825</u>	<u>263,741,429</u>
Total equity		<u>284,913,119</u>	<u>270,868,576</u>

The accompanying notes form part of these financial statements.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Contributed equity \$	Reserves \$	Accumulated Surplus \$	Total equity \$
Balance as at 1 July 2024	-	6,510,439	262,079,689	268,590,128
Surplus for the year	<u>-</u>	<u>-</u>	<u>2,277,852</u>	<u>2,277,852</u>
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>2,277,852</u>	<u>2,277,852</u>
Transfer to LRM Reserve	<u>-</u>	<u>616,708</u>	<u>(616,112)</u>	<u>596</u>
Total transactions with owners in their capacity as owners	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 30 June 2025	<u><u>-</u></u>	<u><u>7,127,147</u></u>	<u><u>263,741,429</u></u>	<u><u>270,868,576</u></u>
Balance as at 1 July 2025	-	7,127,147	263,741,429	270,868,576
Surplus for the year	<u>-</u>	<u>-</u>	<u>14,044,543</u>	<u>14,044,543</u>
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>14,044,543</u>	<u>14,044,543</u>
Transfer to LRM reserve	<u>-</u>	<u>1,078,147</u>	<u>(1,078,147)</u>	<u>-</u>
Balance as at 30 June 2026	<u><u>-</u></u>	<u><u>8,205,294</u></u>	<u><u>276,707,825</u></u>	<u><u>284,913,119</u></u>

By virtue of Unison Housing Limited being a company limited by guarantee, there is no contributed equity.

The accompanying notes form part of these financial statements.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
Cash flow from operating activities			
Receipts from clients and government		64,165,545	42,606,005
Payments to suppliers and employees		(49,115,774)	(37,568,899)
Interest received		1,342,380	1,092,958
Borrowing costs		<u>(1,306,660)</u>	<u>(1,301,265)</u>
Net cash provided by operating activities		<u>15,085,491</u>	<u>4,828,799</u>
Cash flow from investing activities			
Cash obtained from business activities		1,695,485	1,186,757
Proceeds from sale of properties		-	9,458,674
Payment for property, plant and equipment		(1,019,348)	(2,178,687)
Payment for work in progress		<u>(32,620,079)</u>	<u>(3,575,529)</u>
Net cash provided by / (used in) investing activities		<u>(31,943,942)</u>	<u>4,891,215</u>
Cash flow from financing activities			
Net proceeds from borrowings		12,161,248	-
Principal portion of lease payments, net of reimbursements		<u>(184,643)</u>	<u>(261,340)</u>
Net cash provided by / (used in) financing activities		<u>11,976,605</u>	<u>(261,340)</u>
Reconciliation of cash			
Cash at beginning of the financial year		30,624,398	21,165,724
Net increase / (decrease) in cash held		<u>(4,881,846)</u>	<u>9,458,674</u>
Cash at end of financial year	19(a)	<u><u>25,742,552</u></u>	<u><u>30,624,398</u></u>

The accompanying notes form part of these financial statements.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

NOTE 1: BASIS OF PREPARATION

General information

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial report covers Unison Housing Limited and its controlled entities. Unison Housing Limited is a Company limited by guarantee, incorporated and domiciled in Australia. Unison Housing Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors at the date of the Directors' report.

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the Group's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 23 to the financial statements.

Accounting policies

The following accounting policies have been applied in the preparation and presentation of the financial report.

(a) Revenue

The group derives revenue from grant income and rental income. Revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the group expects to be entitled in exchange for the goods or services.

Revenue from the provision of services

Revenue from the provision of services comprises revenue derived from the delivery of various Department of Health and Human Services programs, as well as consulting, project management and advisory services provided through MakeSpace. These services are provided under contractual arrangements that contain enforceable and sufficiently specific performance obligations. Revenue from the provision of services is recognised over time, as performance obligations are satisfied, based on either costs incurred or service hours performed, consistent with the manner in which services are provided.

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(b) Income from donations and grants

Capital grants

Capital grants received for the acquisition or construction of non-financial assets to identified specifications are initially recognised as a liability, and subsequently recognised as income as, or when, the asset is acquired or constructed.

All other capital grants (i.e., those received for purposes other than the acquisition or construction of non-financial assets to identified specifications) are recognised as income when the Group obtains control of the grant funding.

(c) Income tax

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

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, short-term deposits with an original maturity of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(e) Financial instruments

Receivables

Trade and other receivables are measured at amortised cost.

Investments in equity instruments

Investments in equity instruments that are not held for trading are measured at fair value. Gains or losses arising from changes in fair value are recognised in profit or loss.

Other financial assets

Other financial assets are measured at either amortised cost or fair value on the basis of the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

Payables

Payables are measured at amortised cost.

Borrowings

Borrowings are measured at amortised cost.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(e) Financial instruments (Continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses in respect of receivables from contracts with customers, contract assets and lease receivables on the basis of the lifetime expected credit losses of the financial asset, reflecting credit losses that are expected to result from default events over the life of the financial asset.

The Group recognises an allowance for expected credit losses for all other financial assets subject to impairment testing on the basis of:

- the lifetime expected credit losses of the financial asset, for those other receivables for which a significant increase in credit risk has been identified, reflecting credit losses that are expected to result from default events over the life of the financial asset; and
- the 12-month expected credit losses of the financial asset, for those other receivables for which no significant increase in credit risk has been identified, reflecting the portion of lifetime expected credit losses that are expected to result from default events within twelve months after the end of the reporting period.

The Group determines expected credit losses based on the Group's historical credit loss experience, adjusted for factors that are specific to the financial asset as well as current and future expected economic conditions relevant to the financial asset. When material, the time value of money is incorporated into the measurement of expected credit losses. There has been no change in the estimation techniques or significant assumptions made during the reporting period.

The gross carrying amount of a financial asset is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the Group has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the Group. Recoveries, if any, are recognised in profit or loss.

(f) Property, plant and equipment

Property

Freehold land and buildings are measured at cost, less accumulated depreciation and any accumulated impairment losses. The cost of properties contributed by the Government for nil consideration are initially recognised at market value at the date of acquisition.

Depreciation

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

Class of fixed asset	Depreciation rates	Depreciation basis
Buildings at cost	2.5%	Straight line
Plant and equipment at cost	2.5-40%	Straight line
Motor vehicles at cost	15%	Straight line

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(g) Impairment of non-financial assets

Goodwill, intangible assets not yet ready for use and intangible assets with indefinite useful lives are tested annually for impairment, or more frequently if events or circumstances indicate that the asset may be impaired.

All other non-financial assets, including property, plant and equipment, lease assets and other intangible assets, are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash inflows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash generating unit level. An impairment loss is recognised when the carrying amount of an asset or cash generating unit (to which the asset belongs) exceeds its recoverable amount.

(h) Leases

Lease assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, on a basis that is consistent with the expected pattern of consumption of the economic benefits embodied in the underlying asset.

Lease liabilities are measured at the present value of the remaining lease payments. Interest expense on lease liabilities is recognised in profit or loss. Variable lease payments not included in the measurement of lease liabilities are recognised as an expense in the period in which they are incurred.

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

Each lease is classified as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Operating leases

Property subject to operating leases is presented as investment property in the statement of financial position. Other assets subject to operating leases are presented as property, plant and equipment in the statement of financial position.

Lease payments from operating leases are recognised as income on either a straight-line basis or another systematic basis (if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished).

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(i) Employee benefits

Short-term employee benefits

Provisions for short-term employee benefits, including annual leave that are expected to be settled wholly within twelve months after the end of the reporting period, are measured at the (undiscounted) amount of the benefit expected to be paid.

Long-term employee benefits

Provisions for other long-term employee benefits, including long service leave and annual leave that are not expected to be settled wholly within twelve months after the end of the reporting period, are measured at the present value of the expected benefit to be paid in respect of the services provided by employees up to the reporting date.

(j) Borrowing costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of lease arrangements.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset, in which case the costs are capitalised until the asset is ready for its intended use or sale.

(k) Business combinations

When a business combination occurs, the identifiable assets acquired and liabilities assumed are initially recognised at their fair value at the acquisition date.

Equity interests in the acquired business that are not attributable, directly or indirectly, to the Group are presented as a non controlling interest. The non-controlling interest is initially recognised at an amount equal to the non-controlling interest's share in the recognised amounts of the acquired business's identifiable net assets.

Goodwill arising from a business combination, if any, is initially recognised at an amount equal to the excess of: (a) the aggregate of the consideration transferred, the amount of any non controlling interest, and the acquisition date fair value of any previously held equity interest in the acquired business; over (b) the net fair value of the identifiable assets acquired and liabilities assumed.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES
ABN: 73 076 581 112

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
NOTE 2: REVENUE AND OTHER INCOME			
Management Income			
Owners Corporation management fees		415,971	403,643
Property management fees		1,005,683	989,943
Cleaning and maintenance fees		<u>680,524</u>	<u>590,047</u>
		<u>2,102,178</u>	<u>1,983,633</u>
Grant Income			
Operating grants - operational		7,916,157	6,724,964
Operating grants - brokerage		6,266,597	5,003,340
Capital grants		16,932,639	2,506,652
Other grants		<u>831,708</u>	<u>671,035</u>
		<u>31,947,101</u>	<u>14,905,991</u>
Interest and other revenue			
Interest income - bank and investment portfolio		1,342,380	1,092,960
Other revenue		<u>1,167,352</u>	<u>367,068</u>
		<u>2,509,732</u>	<u>1,460,028</u>
Rental Income		<u>25,670,022</u>	<u>24,786,009</u>

Operating grants - brokerage relates to funding for the Housing Establishment Fund (HEF) and Private Rental Brokerage (PRB) Programs.

Capital grants directly supported the construction property developments at 2-12 Marshall Street, Newtown.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

NOTE 3: BUSINESS COMBINATION

On 18 May 2026, Unison Housing Ltd became the sole member of Wombat Housing Support Services Limited.

This combination was effected for nil purchase consideration.

Assets and liabilities acquired

Assets and liabilities controlled as a result of the business combination were:

	Recognised on acquisition at fair value \$
Assets and liabilities held at acquisition date:	
- Cash	1,695,485
- Land and buildings	2,620,000
- Property, plant and equipment	71,898
- Trade debtors	14,569
- Other assets	131,787
- Employee leave provisions	(439,409)
- Trade creditors	(188,982)
- Other liabilities	<u>(581,402)</u>
Net identifiable assets acquired	<u><u>3,323,946</u></u>

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 4: OPERATING SURPLUS			
Surplus has been determined after:			
Finance costs			
- Borrowing costs		1,268,823	1,268,848
- Lease interest expenses - commercial and motor vehicles		<u>37,837</u>	<u>32,417</u>
		1,306,660	1,301,265
Depreciation			
- property, plant and equipment		8,944,814	8,829,988
- lease assets		<u>206,634</u>	<u>230,652</u>
		9,151,448	9,060,640
Bad and doubtful debts		393,975	691,516
Building impairment expense		330,616	-
Employee benefits:			
- Superannuation contributions		1,654,597	1,378,363
- Other employee remuneration		<u>16,283,300</u>	<u>13,192,666</u>
		17,937,897	14,571,029

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

Total compensation paid or payable to key management personnel	<u>1,311,991</u>	<u>1,090,510</u>
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Directors of the Company are not paid fees or any other form of remuneration, as required by the Company Constitution.

NOTE 6: CASH AND CASH EQUIVALENTS

Cash on hand	5,190	4,596
Cash at bank	17,251,174	22,000,632
Cash at bank, held in trust	2,934,946	3,619,170
Cash at bank, held on deposit	<u>5,551,242</u>	<u>5,000,000</u>
	<u>25,742,552</u>	<u>30,624,398</u>

As at 30 June 2026, \$2,934,946 of the cash on hand is held in a bank account in trust for the 150 Brunswick Street maintenance fund (30 June 2025: \$3,619,170). The Group has a contractual obligation to use the cash for the purposes of funding the maintenance of 150 Brunswick Street, Fitzroy.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 7: RECEIVABLES			
CURRENT			
Trade debtors		1,520,347	1,484,129
Provision for doubtful debts		<u>(1,107,327)</u>	<u>(1,011,613)</u>
		413,020	472,516
Net GST receivable		840,937	-
Other receivables		<u>905,812</u>	<u>844,729</u>
		<u><u>2,159,769</u></u>	<u><u>1,317,245</u></u>

Receivables from contracts with customers

A receivable from a contract with a customer represents the group's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e., only the passage of time is required before payment of the consideration is due).

NOTE 8: OTHER FINANCIAL ASSETS

CURRENT			
Investment portfolio at fair value		<u>8,205,882</u>	<u>7,126,551</u>

NOTE 9: OTHER ASSETS

CURRENT			
Prepayments		1,279,889	947,251
Accrued income		133,126	833,835
Other current assets		<u>800,000</u>	<u>-</u>
		<u><u>2,213,015</u></u>	<u><u>1,781,086</u></u>

NOTE 10: ASSETS CLASSIFIED AS HELD FOR SALE

<i>Assets</i>			
Property held-for-sale		<u>2,000,000</u>	<u>-</u>

(a) Details of assets and liabilities classified as held for sale

At 30 June 2026, the property located at 345-349 Bell Street, Preston was held for sale. Accordingly, the asset has been classified as held for sale in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations. The property is measured at the lower of its carrying amount and fair value less costs to sell.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES
ABN: 73 076 581 112

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
NOTE 11: LEASE ASSETS AND LEASE LIABILITIES			
(a) Lease assets			
Commercial leases			
Lease of office property		623,485	623,485
Accumulated depreciation		<u>(490,787)</u>	<u>(385,735)</u>
		132,698	237,750
Motor vehicles			
Lease of motor vehicles		853,902	802,016
Accumulated depreciation		<u>(739,775)</u>	<u>(638,193)</u>
		<u>114,127</u>	<u>163,823</u>
Total carrying amount of lease assets		<u>246,825</u>	<u>401,573</u>
Reconciliations			
Reconciliation of the carry amount of lease assets at the beginning and end of the financial year:			
<i>Commercial leases</i>			
Opening carrying amount		237,750	56,369
Additions		-	298,572
Depreciation		<u>(105,052)</u>	<u>(117,191)</u>
Closing carrying amount		<u>132,698</u>	<u>237,750</u>
<i>Motor vehicles</i>			
Opening carrying amount		163,823	169,622
Additions		35,008	107,662
Depreciation		(101,582)	(113,461)
Adjustments		<u>16,878</u>	<u>-</u>
Closing carrying amount		<u>114,127</u>	<u>163,823</u>
(b) Lease liabilities			
CURRENT			
Motor vehicles		89,868	80,714
Commercial leases		<u>106,144</u>	<u>104,165</u>
		<u>196,012</u>	<u>184,879</u>
NON CURRENT			
Motor vehicles		34,722	89,345
Commercial leases		<u>37,850</u>	<u>143,995</u>
		<u>72,572</u>	<u>233,340</u>
Total carrying amount of lease liabilities		<u>268,584</u>	<u>418,219</u>

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 12: PROPERTY, PLANT AND EQUIPMENT			
Land and buildings			
At cost		394,295,624	390,192,812
Accumulated depreciation		<u>(105,584,345)</u>	<u>(96,703,189)</u>
		<u>288,711,279</u>	<u>293,489,623</u>
Plant and equipment			
Plant and equipment at cost		2,580,871	2,276,644
Accumulated depreciation		<u>(2,441,102)</u>	<u>(2,219,710)</u>
Total plant and equipment		139,769	56,934
Motor vehicles at cost		245,857	30,000
Accumulated depreciation		<u>(203,743)</u>	<u>(2,232)</u>
		42,114	27,768
Capital work in progress		<u>36,644,137</u>	<u>6,901,233</u>
Total property, plant and equipment		<u>325,537,299</u>	<u>300,475,558</u>

(a) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

<i>Land and buildings</i>			
Opening carrying amount		293,489,623	298,061,612
Additions		943,982	2,056,710
Disposals		(7,729)	-
Additions through business combination		2,620,000	-
Depreciation expense		(8,881,156)	(8,775,195)
Transfers from work in progress		2,877,175	2,741,850
Transfer to assets held for sale		<u>(2,330,616)</u>	<u>(595,354)</u>
Closing carrying amount		<u>288,711,279</u>	<u>293,489,623</u>
<i>Plant and equipment</i>			
Opening carrying amount		56,934	17,518
Additions		75,366	91,977
Additions through business combination		66,627	-
Depreciation expense		<u>(59,158)</u>	<u>(52,561)</u>
Closing carrying amount		<u>139,769</u>	<u>56,934</u>

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)			
(a) Reconciliations (Continued)			
<i>Motor vehicles</i>			
Opening carrying amount		27,768	-
Additions		-	30,000
Additions through business combination		18,846	-
Depreciation expense		<u>(4,500)</u>	<u>(2,232)</u>
Closing carrying amount		<u><u>42,114</u></u>	<u><u>27,768</u></u>
<i>Capital work in progress</i>			
Opening carrying amount		6,901,233	6,067,554
Additions		32,620,079	3,575,529
Transfers to property, plant and equipment		<u>(2,877,175)</u>	<u>(2,741,850)</u>
Closing carrying amount		<u><u>36,644,137</u></u>	<u><u>6,901,233</u></u>
<i>Total property, plant and equipment</i>			
Carrying amount at 1 July		300,475,558	304,146,684
Additions		33,639,427	5,754,216
Disposals		(7,729)	-
Additions through business combination		2,705,473	-
Depreciation expense		(8,944,814)	(8,829,988)
Transfer to assets held for sale		<u>(2,330,616)</u>	<u>(595,354)</u>
Carrying amount at 30 June		<u><u>325,537,299</u></u>	<u><u>300,475,558</u></u>

(b) Property, plant and equipment pledged as security

The Director of Housing has a registered interest in the title of several freehold land and buildings of Unison Housing Ltd. Unison Housing Ltd cannot dispose of, use as security for borrowings, or otherwise transact using its property holdings without the prior consent of the Director of Housing.

As at 30 June 2026, several properties had been pledged as security for the borrowing identified in Note 16.

(c) Contributions in property, plant and equipment (contingent liability)

The Commonwealth of Australia and the Director of Housing have made contributions in multiple land and buildings of Unison Housing Ltd. In the event that Unison is wound up, or in some instances if the asset is disposed of, Unison may be liable to repay a portion of the contribution to both the Director of Housing and the Commonwealth of Australia.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 13: PAYABLES			
CURRENT			
<i>Unsecured liabilities</i>			
Trade creditors		1,627,231	3,645,703
Other payables		1,845,917	613,289
Accrued expenses		<u>4,014,747</u>	<u>2,856,943</u>
		<u><u>7,487,895</u></u>	<u><u>7,115,935</u></u>
NOTE 14: PROVISIONS			
CURRENT			
Employee benefits		2,508,259	1,692,838
Repairs		<u>400,000</u>	<u>400,000</u>
		<u><u>2,908,259</u></u>	<u><u>2,092,838</u></u>
NON-CURRENT			
Employee benefits		<u><u>376,056</u></u>	<u><u>297,507</u></u>
NOTE 15: OTHER LIABILITIES			
CURRENT			
Deferred income		5,731,720	5,505,496
Maintenance funds		<u>3,006,416</u>	<u>3,023,194</u>
		<u><u>8,738,136</u></u>	<u><u>8,528,690</u></u>

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 16: BORROWINGS			
CURRENT			
<i>Secured liabilities</i>			
Bank loans		<u>7,330,830</u>	<u>-</u>
NON-CURRENT			
<i>Secured liabilities</i>			
Bank loans		<u>54,082,463</u>	<u>53,000,000</u>

(a) Assets pledged as security

The loans are secured in full by a registered mortgage debenture over several properties within the Company's property portfolio.

(b) Debt refinancing

In 2020, the company entered into a \$53 million Facility Agreement, General Security Agreement and Loan Common Terms with the National Housing Finance and Investment Corporation (NHFIC). The NHFIC finalised its 10 year fixed interest rate bond issuance on 15 June 2021 with a due date of 1 July 2031 and the company was required to fully draw down on the facility on this date.

During 2026, the Company entered into a \$15.674 million construction loan facility with Treasury Corporation of Victoria (TCV), secured over the property located at 2-12 Marshall Street, Newtown, Victoria. The facility is secured against the property, with interest capitalised during the construction phase.

On 4 March 2026, the Company entered into a forward settlement principal and interest credit foncier loan facility with Treasury Corporation of Victoria (TCV), commencing on 15 December 2026. The facility is intended to refinance the construction loan associated with the Marshall Street development upon its completion and transition to operations. The facility has a maturity date of 4 March 2041 and is repayable by quarterly principal and interest instalments.

On 26 February 2026, the Company entered into an interest-free loan agreement with Housing Australia for \$4.853 million. The loan has a term of 25 years. The loan has been recognised at its fair value on initial recognition, resulting in a carrying amount of \$1.105m.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 17: RESERVES			
LRM reserve	17(a)	<u>8,205,294</u>	<u>7,127,147</u>

(a) LRM reserve

The Lifecycle Replacement Maintenance (LRM) Reserve represents monies quarantined for mid term (3-15 years) future expenditure of replacing various elements of a building as each element reaches the end of its economic life. The Unison Group allocates funds to the LRM Reserve to ensure sufficient funds are set aside to meet future LRM costs and maintain the properties to an acceptable standard.

During the year \$1,078,147 (2025: \$616,708) was transferred to the LRM Reserve from accumulated surplus to quarantine monies for future building maintenance costs.

Movements in reserve

Opening balance	7,127,147	6,510,439
Transfers	<u>1,078,147</u>	<u>616,708</u>
Closing balance	<u>8,205,294</u>	<u>7,127,147</u>

NOTE 18: ACCUMULATED SURPLUS

Accumulated surplus at beginning of year	263,741,429	262,079,689
Net surplus	14,044,543	2,277,852
Transfers to LRM reserves	<u>(1,078,147)</u>	<u>(616,112)</u>
	<u>276,707,825</u>	<u>263,741,429</u>

NOTE 19: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash on hand	5,190	4,596
Cash at bank	17,251,174	22,000,632
Cash at bank, held in trust	2,934,946	3,619,170
Cash at bank, held on deposit	<u>5,551,242</u>	<u>5,000,000</u>
	<u>25,742,552</u>	<u>30,624,398</u>

NOTE 20: RELATED PARTY TRANSACTIONS

No transactions with related parties were entered into during the year ended 30 June 2026.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

NOTE 21: MEMBERS' GUARANTEE AND SUBSIDIARIES

Unison Housing Ltd

The parent entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the parent entity is wound up, the Constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstandings and obligations of the parent entity. At 30 June 2026, the number of members was 63 (5 organisational and 58 individual members (2025: 64)).

Unison Property Corporation Pty Ltd

The entity is incorporated under the Corporations Act 2001 and is a proprietary company limited by shares. If the entity is wound up, the Constitution states that any property remains after satisfaction of all its debts and liabilities, this property must be given or transferred only to:

- A Charitable Beneficiary – provided at the time of the winding-up, dissolution or revocation the Charitable Beneficiary is a Charity that has objects similar to those of Unison and is a Deductible Gift Recipient; or
- Otherwise – a company, fund, institution or authority: which is a Charity that has objects similar to those of Unison which is a Deductible Gift Recipient; and whose constitution prohibits distributions or payments to its members or former members.

Unison Development Co Ltd

The entity was registered with ASIC on 7 June 2023 as a public company limited by guarantee.

Unison Consultancy Ltd (trading as MakeSpace)

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that any property that remains after satisfaction of all its debts and liabilities, this property may only be give or transferred to:

- an entity with charitable objects similar to or inclusive of principal purpose
- whose construction prohibits distributions or payments to its members
- is a deductible gift recipient (DGR)

Wombat Housing Support Services Ltd

The entity is incorporated under the Corporations Act 2001 and is a company limited by gaurantee. If the entity is wound up the Constitution states that any property remaining after satisfaction of all its debts and liabilities must be given or transferred only to another not for profit body having similar purposes to the purpose of the company.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

	Note	2026	2025
		\$	\$
NOTE 22: REMUNERATION OF AUDITORS			
Remuneration of auditors for:			
<i>Pitcher Partners (Melbourne)</i>			
Audit and assurance services			
- Audit or review of the financial report		87,700	86,300
- Other assurance services		-	-
Other non-audit services		<u>2,800</u>	<u>11,200</u>
		<u>90,500</u>	<u>97,500</u>

NOTE 23: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the Group's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) Impairment of financial assets

The Group recognises an allowance for expected credit losses in relation to debt instruments, receivables from contracts with customers, contract assets and lease receivables. The measurement of expected credit losses reflects the Group's 'expected rate of loss', which is a product of the probability of default and the loss given default, and its 'exposure at default', which is typically the carrying amount of the relevant asset. Expected credit losses are measured as the difference between all contractual cash flows due and all contractual cash flows expected to be received based on the Group's exposure at default, discounted at the financial asset's original effective interest rate. The assessment of expected credit losses includes consideration of the Group's historical credit loss experience, adjusted for factors that are specific to the financial asset, as well as current and future expected economic conditions relevant to the financial asset.

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

NOTE 23: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Leases assets and lease liabilities

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. In order to measure a lease asset and corresponding lease liability, the Group is required to make a determination of the lease term. This determination includes an assessment of whether the Group is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease. In making this judgement, the Group considers all relevant facts and circumstances that create an economic incentive for the Group to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date of the lease until the exercise date of the option.

NOTE 24: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2026 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2026, of the Group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2026, of the Group.

NOTE 25: ENTITY DETAILS

The registered office of the Group is:

Unison Housing Limited - AUD 2026
117 Berkeley Street
Melbourne VIC 3000

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES

ABN: 73 076 581 112

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 9 - 30, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) giving a true and fair view of the financial position as at 30 June 2026 and performance for the year ended on that date of the Company.
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.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.



Director: _____

Lou Panaccio



Director: _____

Barry Shepherd

Dated this 15th day of October 2026

UNISON HOUSING LIMITED AND CONTROLLED ENTITIES
ABN: 73 076 581 112

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UNISON HOUSING LIMITED

Opinion

We have audited the financial report of Unison Housing Limited ("the company") 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, consolidated statement of changes in equity and consolidated 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 accompanying financial report of the Group, is 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 Group'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 Disclosures 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 the financial report 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

The directors are responsible for the other information. The other information comprises the information included in the Group'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.

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

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TO THE MEMBERS OF UNISON HOUSING LIMITED

Other Information (Continued)

information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Directors for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Group'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.

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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UNISON HOUSING LIMITED

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

- 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 Group'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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

Independence

We confirm that the independence declaration required by the ACNC Act, which has been given to the directors, would be in the same terms if given to the directors as at the time of this auditor's report.



M J HARRISON
Partner



PITCHER PARTNERS
Melbourne

Date 16 October 2026