COMMON EQUITY
CO-OPERATIVE
HOUSING

2025 Financial Statement

Common Equity NSW Ltd

ABN 39 861 993 468

Financial Report - 30 June 2025

Contents

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2025.

Directors

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

Lisa Danker - Chairperson
Elspeth Cameron - Vice Chairperson
Dennis Vaccher - Treasurer until December 2024
Lakshmi Venkatasubramanian (resigned April 2025)
Bruce Tosello
Robert Bakewell - Treasurer from December 2024
Magdalena Tausch
Annabelle Lewis (appointed August 2024)
Julie Scott (appointed February 2025)
Elizabeth Mackdacy (leave of absence commenced August 2024; resigned May 2025)
Laura Anthony (resigned August 2024)

Principal activities

The principal activities of Common Equity NSW Ltd during the financial year were to create, develop and support a viable and sustainable Co-operative Housing Sector within New South Wales.

No significant changes in the nature of the company’s activity occurred during the financial year.

Objectives

Short and long term objectives

The company's objectives are to develop and support a viable and sustainable Co-operative Housing Sector in New South Wales.

To this end, the company manages a total of 536 properties. The company owns 57 properties and leases 479 from NSW Land & Housing Corporation throughout NSW. Approximately twenty percent of the properties are currently directly managed and the rest are leased to 31 Co-operatives who are members of the company.

The terms of the leases with the individual co-operatives are that co-operatives pay to the company annually a rental calculated based on a percentage of their expected rental income and provide a percentage of their accumulated funds under certain conditions to the Building and Growth fund. The Building and Growth fund will contribute to ongoing sector growth projects and assist co-operatives with maintenance costs where required.

The income and property of the company must be applied solely towards the promotion of the aims and objectives of the company, as set out above, and no part therefore shall be paid or transferred to a member as dividend or bonus, other than amounts paid as remuneration for services rendered to the company by the member whilst carrying out normal activities in running the company.

Principal activities assisted in achieving the objectives

The principal activities assisted the company in achieving its objectives by:

- Providing social housing to those in need.
- Supporting and enhancing the co-operative housing sector.

Performance measures

The following measures are used within the company to monitor performance:

Growth ratios, viability ratios, profitability ratios and liquidity ratios. The Board monitors monthly expenditure against major maintenance and maintenance projects.

Company secretary

Nicholas John Sabel was appointed as the company secretary on 29 July 2019.

Information on directors

Name:	Lisa Danker
Title:	Technical Director - Chairperson
Qualifications:	Bachelor of Science (Architecture) and Master of Urban and Regional Planning, Graduate of the Australian Institute of Company Directors (GAICD)
Experience and expertise:	Lisa has 20 years experience in planning and property development. She has particular expertise in master-planning large communities, creating transit- oriented developments and building governance frameworks to manage complex projects. Lisa has a passion for creating memorable places, a city for everyone and believes that sustainability should be the foundation of everything we do.
Special responsibilities:	Member of People, Assets and Growth Committee

Name:	Dennis Vaccher
Title:	Treasurer (until Dec 2024)
Qualifications:	BCom (Accounting, Finance and Systems) (UNSW), Chartered Accountant, Graduate of the Australian Institute of Company Directors (GAICD)
Experience and expertise:	Dennis has 30 years' experience as a chartered accountant in internal and external audit, financial management, corporate governance and risk management.
Special responsibilities:	Chair of Compliance, Audit, Risk and Governance Committee

Name:	Elspeth Cameron
Title:	Member Director – Deputy Chairperson
Experience and expertise:	Elspeth has been a member of Palace Women's Housing Co-op since 2013, which has inspired a deep commitment to the co-operative model of housing. She is an active member of the NSW State Emergency Service and regularly travels throughout the state to assist communities impacted by natural disasters and extreme weather events. She firmly believes this contribution would not have been possible but for the benefit of safe, secure housing, delivered through the empowering co-operative model. Elspeth brings to the Board the voice of lived tenant experience of the difference the co-operative housing model can make to the lives of its residents.
Special responsibilities:	Chair of People, Assets and growth Committee

Name:	Lakshmi Venkatasubramanian (Resigned April 2025)
Title:	Member Director
Experience and expertise:	Lakshmi has been an active member of Emoh Ruo since 2015, attending meetings regularly and CENSW forums and sector meetings. This experience provided her with the foundational knowledge about co-operative housing visions and goals and motivated Lakshmi to become a Member Director. She is a teacher by profession. Lakshmi is particularly interested in the opportunity that being a Member Director will bring to further engage with the Co-op life, visions and goals of affordable housing for people in need.
Special responsibilities:	Member of People, Assets and Growth Committee

Name:	Bruce Tosello
Title:	Technical Director
Qualifications:	Bachelor of Design, Master of Business Administration, Graduate of the Australian Institute of Company Directors (GAICD)
Experience and expertise:	For 25-years Bruce created strategies, developed businesses and held senior leadership roles in consumer goods, building products and financial services sectors. He then moved to the for-purpose sector in 2015 and leads client engagement, commercial management and strategy development for a disability sector provider. Bruce is passionate about listening to and learning from clients and customers, while supporting for-purpose organisations to live their values and be strategic and commercially astute.
Special responsibilities:	Member of People, Assets and Growth Committee Committee

Name:	Robert Bakewell
Title:	Technical Director - Treasurer
Qualifications:	Bachelor of Commerce, Chartered Accountant
Experience and expertise:	ASX listed company CFO with extensive international experience across a range of industries and geographies. Robert is a highly skilled professional in all aspects of financial management and control including balance sheet and capital management, treasury, liquidity management and equity raising. Broad experience in Investor Relations and key stakeholder engagement including all levels of Government.
Special responsibilities:	Member of Compliance, Audit, Risk and Governance Committee

Name:	Magdalena Tausch
Title:	Member Director
Qualifications:	Bachelor of Arts and Diploma in Graphic Design and Photography
Experience and expertise:	Magdalena has a long history of 'giving back' from her father's influence when she was a child in Romania to her current life living at Alpha House Artists Co-op. She currently runs her own graphic design, photography and consultancy business in Sydney. Magda is very active in the co-op and broader community, having organised community forums and co-founding YEmpower, a nonprofit organisation whose purpose it is to empower the next generation.
Special responsibilities:	Member of Compliance, Audit, Risk and Governance Committee

Name:	Annabelle Lewis
Title:	Technical Director
Qualifications:	PhD Candidate Transdisciplinary Innovation, Graduate Diploma Behavioural Economics, BA (Hons) Accounting, Finance & Economics, FCA (Fellow Chartered Accountant); Graduate of the Australian Institute of Company Directors (GAICD).
Experience and expertise:	Annabelle combines 25+ years' strategic, risk management and governance experience with robust research to help create positive impact through both practice and academia. As a practitioner, Annabelle provides consulting services to organisations aligned to her purpose and has served on the board of a Youth charity. As an academic, Annabelle's areas of interest are behaviour change, creative problem-solving and social impact.
Special responsibilities:	Member of Compliance, Audit, Risk and Governance Committee

Name:	Elizabeth Mackdacy (leave of absence from August 2024; resigned May 2025)
Title:	Technical Director
Qualifications:	Master of Business Administration, Master of Counselling, Graduate Diplomas in Rehabilitation Counselling and Secondary Teaching, BA, Graduate of the Australian Institutes of Company Directors (GAICD)
Experience and expertise:	Liz has been involved in the social housing sector for over 20 years. She has worked in state housing authorities in both NSW and Queensland running policy, programs and operations. After leaving the public sector Liz established a consulting business which included research into a range of social housing issues and strategies across Australia.
Special responsibilities:	Member of Compliance, Audit, Risk and Governance Committee

Name:	Laura Anthony (resigned August 2024)
Title:	Member Director
Experience and expertise:	Laura is an artist, doctor and passionate supporter of co-operative housing. She has been involved in this sector since 2007 as tenant and board member. She is currently also serving on the board of the Co-op Federation.
Special responsibilities:	Member of Compliance, Audit, Risk and Governance Committee

Name:	Julie Scott
Title:	Member Director
Experience and expertise:	Julie has been a member of the Twin Towns Housing Co-operative for 15 years, a Board Member for 5 years and Treasurer for the past 2 years. She is actively involved in all aspects of the running of Great Lakes netball Club, Tuncurry Forster Sports Women's Bowling Club, Forster Women's bowling Club and the Lower North Coast District Bowling Association. She is also a Member Protection Officer which has been useful is resolving disputes.
Special responsibilities:	Member of Compliance, Audit, Risk and Governance Committee

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board		People Assets and Growth Committee**		Compliance, Audit, Risk and Governance Committee	Compliance, Audit, Risk and Governance Committee
	Attended	Held	Attended	Held	Attended	Held
Lisa Danker	6	6	6	6	5	6
Dennis Vaccher	6	6	-	-	5	6
Elspeth Cameron	6	6	6	6	2	2
Magdalena Tausch	5	6	1	1	6	6
Bruce Tosello	5	6	4	6	1	1
Robert Bakewell	4	6	-	-	5	6
Julie Scott	2	2	-	-	1	2
Annabelle Lewis	6	6	-	-	5	5
Laura Anthony	1	1	-	-	-	1
Lakshmi Venkatasubramanian	3	4	5	6	-	1
Elizabeth Mackdacy*	-	-	-	-	1	1

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

*Elizabeth Mackdacy commenced a leave of absence (LOA) on August 18th, 2024, with Annabelle Lewis appointed as alternate Director in accordance with clause 13.15.1 of the CENSW Constitution.
**The People Assets and Growth (PAG) Committee replaced the Development and Growth Committee, commencing in September 2024.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of $1 each.

The total amount that members of the company are liable to contribute if the company is wound up is $31 (2024: $31), based on 31 (2024: 31) current ordinary members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* is set out immediately after this directors' report.

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

On behalf of the directors

Lisa Danker
Chairperson

Robert Bakewell
Treasurer

28 October 2025

LBW & Partners
Chartered Accountants & Business Advisors
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Common Equity NSW Ltd
ABN: 39 861 993 468

Auditor's Independence Declaration to the Directors of Common Equity NSW Ltd

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as auditor of Common Equity NSW Ltd during the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

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

Dharmasiri

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Date : 28 October 2025

Common Equity NSW Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 $	Restated 2024 $
Revenue	4	9,114,828	9,189,661
Total revenue		9,114,828	9,189,661
Expenses			
Property and tenant expenses	5	(1,131,564)	(1,176,377)
Employee expenses		(2,120,165)	(1,936,554)
Depreciation and amortisation expense	6	(780,925)	(814,990)
Loss on disposal of assets		-	(1,268)
Impairment of receivables		(6,435)	(7,179)
Subscriptions		(46,293)	(33,658)
Consulting and strategic development expenses		(94,554)	(96,986)
Operating lease expenses		(3,198)	(10,718)
Computer and IT expenses		(176,117)	(243,265)
Other expenses		(327,699)	(239,321)
Finance costs	6	(123,348)	(59,378)
Total expenses		(4,810,298)	(4,619,694)
Surplus before income tax expense		4,304,530	4,569,967
Income tax expense		-	-
Surplus after income tax expense for the year		4,304,530	4,569,967
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain/(loss) on the revaluation of land and buildings		3,958,989	(4,377,718)
Other comprehensive income for the year, net of tax		3,958,989	(4,377,718)
Total comprehensive income for the year		8,263,519	192,249

Refer to note 3 for detailed information on Restatement of comparatives.

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

Common Equity NSW Ltd
Statement of financial position
As at 30 June 2025

	Note	2025 $	Restated 2024 $
Assets			
Current assets			
Cash and cash equivalents	7	1,749,391	3,896,257
Trade and other receivables	8	198,608	44,964
Financial assets	9	9,678,724	8,310,691
Other	10	527,312	500,757
Total current assets		12,154,035	12,752,669
Non-current assets			
Property, plant and equipment	11	33,018,516	25,200,746
Right-of-use assets	12	191,963	280,562
Other	10	69,185	69,185
Total non-current assets		33,279,664	25,550,493
Total assets		45,433,699	38,303,162
Liabilities			
Current liabilities			
Trade and other payables	13	216,689	214,809
Borrowings	14	51,989	3,829
Lease liabilities	15	91,222	93,435
Employee benefits	16	184,232	199,562
Other	17	5,699,992	7,740,697
Total current liabilities		6,244,124	8,252,332
Non-current liabilities			
Borrowings	14	3,669,348	3,717,508
Lease liabilities	15	117,849	198,145
Employee benefits	16	60,979	53,693
Provisions		6,000	3,000
Other	17	1,774,903	781,507
Total non-current liabilities		5,629,079	4,753,853
Total liabilities		11,873,203	13,006,185
Net assets		33,560,496	25,296,977
Equity			
Reserves	18	12,563,730	8,432,647
Retained surpluses		20,996,766	16,864,330
Total equity		33,560,496	25,296,977

Refer to note 3 for detailed information on Restatement of comparatives.

Common Equity NSW Ltd
Statement of changes in equity
For the year ended 30 June 2025

	Reserves $	Retained surpluses $	Total equity $
Balance at 1 July 2023	12,576,522	12,528,206	25,104,728
Surplus after income tax expense for the year	-	4,569,967	4,569,967
Other comprehensive income for the year, net of tax	(4,377,718)	-	(4,377,718)
Total comprehensive income for the year	(4,377,718)	4,569,967	192,249
Transfer to Building and Growth Fund	233,843	(233,843)	-
Balance at 30 June 2024	8,432,647	16,864,330	25,296,977

Refer to note 3 for detailed information on Restatement of comparatives.

	Reserves $	Retained surpluses $	Total equity $
Balance at 1 July 2024	8,432,647	16,864,330	25,296,977
Surplus after income tax expense for the year	-	4,304,530	4,304,530
Other comprehensive income for the year, net of tax	3,958,989	-	3,958,989
Total comprehensive income for the year	3,958,989	4,304,530	8,263,519
Balance at 30 June 2025	12,391,636	21,168,860	33,560,496

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

Common Equity NSW Ltd
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from government agencies (inclusive of GST)		2,122,893	8,207,207
Receipts from non-government customers and funders (inclusive of GST)		5,629,265	5,576,520
Payments to suppliers and employees (inclusive of GST)		(4,287,009)	(5,246,887)
		3,465,149	8,536,840
Interest and other finance costs paid		(123,348)	(92,169)
Interest received		260,038	284,070
Net cash from operating activities		3,601,839	8,728,741
Cash flows from investing activities			
Payments for property, plant and equipment	11	(4,551,107)	(7,897,206)
Proceeds from disposal of property, plant and equipment		-	208
Term deposits placed		(9,061,215)	(9,629,511)
Term deposits withdrawn		7,946,126	5,188,639
Net cash used in investing activities		(5,666,196)	(12,337,870)
Cash flows from financing activities			
Proceeds from borrowings		-	1,118,775
Repayment of lease liabilities		(82,509)	(99,424)
Net cash from/(used in) financing activities		(82,509)	1,019,351
Net decrease in cash and cash equivalents		(2,146,866)	(2,589,778)
Cash and cash equivalents at the beginning of the financial year		3,896,257	6,486,035
Cash and cash equivalents at the end of the financial year	7	1,749,391	3,896,257

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

Note 1. General information

The financial statements cover Common Equity NSW Ltd (the company) as an individual entity. The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

The company is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. The company is registered as a charity with Australian Charities and Not-for-profits Commission. Its registered office and principal place of business is:

Suite 11.01 46 Market St
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 October 2025.

Note 2. Material accounting policy information

The accounting policies that are material to the company are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

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

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

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

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, by the measurement at fair value of certain classes of property, plant and equipment.

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

Comparative figures
Certain comparative figures have been reclassified to conform to the financial statements presentation adopted for the current year.

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

Income tax
As the company is a charity registered with Australian Charities and Not-for-profits Commission, it is exempt from paying income tax.

Note 3. Restatement of comparatives

Correction of error
In the prior financial year, the company recognised interest income in full on grant funding received for property development projects. Under the relevant grant agreements, all interest earned on the funding must be applied solely to the approved projects. Accordingly, in line with AASB 1058 *Income of Not-for-Profit Entities* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, such interest should not have been recognised immediately as income but deferred until the funds are applied to the project.

The prior year financial statements have been restated to correct this error. The effect of the restatement is a reduction in interest income and an increase in grant liabilities.

Statement of profit or loss and other comprehensive income

Extract	2024 $ Reported	$ Adjustment	2024 $ Restated
Revenue	9,533,102	(343,441)	9,189,661
Surplus before income tax expense	4,913,408	(343,441)	4,569,967
Income tax expense	-	-	-
Surplus after income tax expense for the year	4,913,408	(343,441)	4,569,967
Other comprehensive income for the year, net of tax	(4,377,718)	-	(4,377,718)
Total comprehensive income for the year	535,690	(343,441)	192,249

Statement of financial position at the beginning of the earliest comparative period
When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 July 2023. However, as there were no adjustments made as at 1 July 2023, the company has elected not to show the 1 July 2023 statement of financial position.

Statement of financial position at the end of the earliest comparative period

Extract	2024 $ Reported	$ Adjustment	2024 $ Restated
Liabilities			
Current liabilities			
Other	7,397,256	343,441	7,740,697
Total current liabilities	7,908,891	343,441	8,252,332
Total liabilities	12,662,744	343,441	13,006,185
Net assets	25,640,418	(343,441)	25,296,977
Equity			
Retained surpluses	17,207,771	(343,441)	16,864,330
Total equity	25,640,418	(343,441)	25,296,977

Note 4. Revenue

	2025 $	Restated 2024 $
Rental revenue		
Co-operative rental income	3,709,492	3,165,315
Direct managed properties rental income	1,715,970	1,539,095
	5,425,462	4,704,410
Other revenue		
Co-operative contribution to building and growth fund (See note 18)	172,094	233,843
Contribution from Co-ops for Cabramatta project	-	350,000
Interest income	148,944	171,443
Grants to acquire/construct property	3,234,971	3,583,399
Interest earned on grant funding	120,791	-
Other grants	-	50,000
Reversal of make good provision	-	60,175
Other revenue	12,566	36,391
	3,689,366	4,485,251
Revenue	9,114,828	9,189,661

Revenue includes the following funding from government sources:

	2025 $	2024 $
State government		
Department of Communities and Justice	3,234,971	3,633,399

Accounting policy for revenue recognition
The company recognises revenue as follows:

Co-operative rental income and contribution to building and growth fund
Rental income arising from CENSW and Co-operatives Agreements (CCA) is recognised on a straight-line basis over the terms of ongoing agreements. Annually, rent is calculated based on a percentage of the co-operative's expected rental income for the current financial year.

In addition to the rent calculated based on expected income, co-operatives provide a percentage of their accumulated funds under certain conditions to the Building and Growth Fund. This fund contributes to ongoing sector growth projects and assist co-operatives with maintenance costs where required. Accumulated funds received from co-operatives are transferred to Building and Growth Fund Reserve (See note 18).

Direct managed properties rental income
Rental income of Direct managed properties is determined in accordance with the requirements of the Governments Community Housing Rent Policy, with maximum rent being determined as the lower of Market rent or Subsidised Rent for the household. Rent is invoiced weekly in advance and recognised as income in the period to which the rent payment relates.

Grants and other funding
When the company receives grants or other funding, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the company:
- identifies each performance obligation relating to the grant/other funding;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Note 4. Revenue (continued)

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:
- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the company recognises income in profit or loss when or as it satisfies its obligations under the contract.

When the company receives a grant to acquire or construct a recognisable non-financial asset that it will control, as outlined in an agreement where the asset is to be used primarily to support the company in achieving its objectives, the grant funding is recognised in accordance with AASB 1058. Grants received for the construction or acquisition of non-financial assets are recorded as a liability under grants received in advance at the time of receipt. Income from these grants is recognised in an amount equal to the expenses incurred for the purchase or construction of the specific non-financial asset.

Interest
Interest revenue is recognised using the effective interest method as it accrues. Where interest is earned on grant funding that is subject to restrictions under the grant agreement, such interest is not recognised immediately as income. Instead, it is deferred as a liability and recognised as income only when the related grant funds are applied to the approved project expenditure.

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

Critical accounting judgements, estimates and assumptions applied in recognition of co-operative rental income
The company estimates rent revenue for each member co-operative to determine the rent to be charged for the financial year. These estimates are based on the prior year’s financial reports, anticipated rent increases for tenants within the co-operative who are eligible for government support, and other relevant information. Should there be material variances between the estimated rent and the actual rent subsequently determined, an adjustment is made in the following financial year to reflect the accurate amounts.

Critical accounting judgements, estimates and assumptions applied in recognition of grant and other funding income
For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the company, review of the proposal documents prepared during the grant application phase and consideration of terms and conditions.

Grants received by the company have been accounted under AASB 15 or AASB 1058 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in the these financial statements.

Expenses incurred by the company are apportioned among different grants or other funding subject to management's judgement. As expenses are allocated to individual grants and other funding, revenue from each grant or funding is recognised as income, while the residual grant or other funding funds are maintained within the statement of financial position under contract liabilities/grants received in advance. Consequently, the recognition of revenue and the unutilised portion of each grant are contingent upon estimates and judgments.

Note 5. Property and tenant expenses

	2025 $	2024 $
Insurance	459,861	373,404
Strata, rates, water and electricity	285,248	282,672
Maintenance expense	346,116	491,274
Pest control	13,208	26,333
Other property expenses	27,131	2,694
	1,131,564	1,176,377

Note 6. Expenses

	2025 $	2024 $
Surplus before income tax includes the following specific expenses:		
Depreciation and amortisation for non-current assets		
Property, plant and equipment	692,326	703,772
Right-of-use assets	88,599	111,218
	780,925	814,990
Finance costs		
Interest and finance charges paid/payable on borrowings	112,423	80,352
Interest and finance charges paid/payable on lease liabilities	10,925	11,817
	123,348	92,169
Amount capitalised	-	(32,791)
Finance costs expensed	123,348	59,378
Leases		
Short-term and low-value assets lease payments	5,100	9,210
Superannuation expense		
Defined contribution superannuation expense	214,988	183,441
Employee benefits expense excluding superannuation		
Employee benefits expense excluding superannuation	1,803,122	1,641,367

Note 7. Cash and cash equivalents

	2025 $	2024 $
Current assets		
Cash at bank	749,391	964,448
Short-term bank deposits	1,000,000	2,931,809
	1,749,391	3,896,257

Cash at bank as at 30 June 2025 includes $927,958 (2024: $755,864) received from co-operatives under Building and Growth fund arrangement which can only be used for on-going sector growth projects initiated by co-operatives and CENSW, and to assist smaller and unviable co-operatives with maintenance costs where required.

Note 7. Cash and cash equivalents (continued)

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less.

Note 8. Trade and other receivables

	2025 $	2024 $
Current assets		
Trade receivables	213,183	58,708
Less: Allowance for expected credit losses	(20,178)	(13,744)
	193,005	44,964
Other receivables	469	-
BAS receivable	5,134	-
	198,608	44,964

Accounting policy for trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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

Critical accounting judgements, estimates and assumptions applied in calculating allowance for expected credit losses
The allowance for expected credit losses is based on judgements and estimates about the risk of default and the expected recoverable amounts. In determining the allowance, factors considered include the ageing of receivables, historical collection experience, and reasonable and supportable forecasts of future economic conditions that may affect the ability of tenants to pay. These estimates involve uncertainty, and changes in assumptions such as default rates or recovery patterns may impact the allowance recognised in the financial statements.

Note 9. Financial assets

	2025 $	2024 $
Current assets		
Term deposits	9,678,724	8,310,691

Accounting policy for term deposits
Term deposits are recognised at cost plus any accrued interest and are carried at amortised cost. Interest income is recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accrual basis over the term of the deposit.

Term deposits with original maturities of more than three months from the date of acquisition are presented as financial assets rather than cash and cash equivalents.

Note 10. Other

	2025 $	2024 $
Current assets		
Prepayments	472,958	449,092
Tenant bonds	54,354	51,665
	527,312	500,757
Non-current assets		
Security deposits	69,185	69,185
	596,497	569,942

Note 11. Property, plant and equipment

	2025 $	2024 $
Non-current assets		
Land and buildings - at independent valuation	28,380,000	22,802,638
Less: Accumulated depreciation	-	(1,026,550)
	28,380,000	21,776,088
Furniture, fittings and office equipment- at cost	15,913	15,913
Less: Accumulated depreciation	(8,661)	(5,630)
	7,252	10,283
Motor vehicle - at cost	28,558	28,558
Less: Accumulated depreciation	(28,558)	(28,558)
	-	-
Computer equipment - at cost	38,931	33,890
Less: Accumulated depreciation	(32,031)	(20,172)
	6,900	13,718
Capital work-in-progress	4,078,135	2,929,812
Improvements - Co-ops	3,345,047	3,004,890
Less: Accumulated depreciation	(2,798,818)	(2,534,045)
	546,229	470,845
	33,018,516	25,200,746

Note 11. Property, plant and equipment (continued)

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

	Land and buildings $	Furniture, fittings and office equipment $	Computer equipment $	Capital work-in-progress $	Improvements - Co-ops $	Total $
Balance at 1 July 2024	21,776,088	10,283	13,718	2,929,812	470,845	25,200,746
Additions	23,585	-	5,042	4,308,913	213,567	4,551,107
Revaluation increments	3,958,989	-	-	-	-	3,958,989
Transferred to land and buildings	3,900,000	-	-	(3,900,000)	-	-
Transferred to Co-op improvements	-	-	-	(126,590)	126,590	-
Transferred to capital work in progress	(866,000)	-	-	866,000	-	-
Depreciation expense	(412,662)	(3,031)	(11,860)	-	(264,773)	(692,326)
Balance at 30 June 2025	28,380,000	7,252	6,900	4,078,135	546,229	33,018,516

Valuations of land and buildings
In June 2025, the company's properties were revalued by independent, qualified valuers. The valuations were based on market evidence of transaction prices for comparable properties, adjusted for location, condition, and other relevant factors. The resulting revaluation adjustments have been reflected in the financial statements, with the increase in value recognised in the Revaluation Surplus Reserve.

Certain properties which have been partially funded by NSW Land and Housing Corporation are subject to restrictions on usage. Such properties are required to be used only for affordable housing.

Mortgages on properties - see note 14

Accounting policy for property, plant and equipment
Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. 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. 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 class of asset. Thereafter the decrements are taken to profit or loss.

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.

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	40 years
Furniture, fittings and office equipment	3 years
Computer equipment	3 years
Improvements - Co-ops	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Note 11. Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any Revaluation Surplus Reserve relating to the item disposed of is transferred directly to Retained Surplus.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Critical accounting judgements, estimates and assumptions applied in valuation of land and buildings
The valuations of the land and buildings are subject to various estimates and assumptions. The fair value of land and buildings is determined by independent external valuers using recognised valuation techniques and market-based evidence. These valuations involve assumptions such as market prices of comparable properties, rental yields, and adjustments for condition and location, which are subject to estimation uncertainty. Changes in these assumptions, could have a material impact on the carrying amounts reported in the financial statements. While the valuations are prepared by qualified professionals, directors exercises judgement in reviewing the reports to ensure the methodologies and assumptions adopted are appropriate to the company’s circumstances.

Note 12. Right-of-use assets

	2025 $	2024 $
Non-current assets		
Office building - right-of-use	354,394	354,394
Less: Accumulated depreciation	(162,431)	(73,832)
	191,963	280,562

The company leases its corporate office in Sydney CBD for four years which expires in August 2027 and there are no options to extend the lease. The rentals are subject to a fixed increase of 3.75% annually.

The company leases office equipment under agreements of less than 5 years. These leases are either short-term or low-value leases and have been expensed as incurred.

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

	Office building $	Total $
Balance at 1 July 2024	280,562	280,562
Depreciation expense	(88,599)	(88,599)
Balance at 30 June 2025	191,963	191,963

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

Note 12. Right-of-use assets (continued)

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. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

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

Note 13. Trade and other payables

	2025 $	2024 $
Current liabilities		
Trade payables	121,029	23,949
Accrued expenses	37,231	103,748
Superannuation payable	58,429	45,208
BAS payable	-	41,904
	216,689	214,809

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

Note 14. Borrowings

	2025 $	2024 $
Current liabilities		
Bank loans*	51,989	3,829
Non-current liabilities		
Bank loans*	1,588,448	1,636,608
Mortgage loans**	2,080,900	2,080,900
	3,669,348	3,717,508
	3,721,337	3,721,337

* - The company has obtained a commercial loan facility for $4,300,000 from Bank Australia for the development Cabramatta project Site A. The facility is to be paid off in 240 months from the date of initial advance of the facility. The facility has 2 years interest only period (started on 16 June 2023). After the expiry of the interest only period the facility is interest and principal repayment. The facility interest rate is Bank Bill Swap Rates (BBSW) plus a margin of 2.6% (6.63%% as at 30 June 2025. Reduced to 6.10% from 1 July 2025).

** - NSW Land and Housing Corporation has registered mortgages on the freehold properties in respect of the interest free loan facility provided pursuant to an agreement dated 5 April 2011. The company has completed the development project and undertakes to hold and manage the properties for affordable housing purposes. The loan facility would only require repayment should the company dispose of the properties or cease to use them for affordable housing purposes. The agreement covering the loan facility extends to July 2051.

Mortgage loans are interest free and only repayable if the company defaults under the conditions of use of the properties before the expiry date of the mortgage. In the event of default under the mortgage the amount repayable would be increased by any surplus on disposal.

Note 14. Borrowings (continued)

Assets pledged as security
The carrying amounts of assets pledged as security for borrowings are:

	2025 $	2024 $
Land and buildings	19,480,000	17,807,263

Financing facilities for Cabramatta Site A construction as at 30 June 2025:

	2025 $	2024 $
Total facilities		
Bank loans	4,300,000	4,300,000
Used at the reporting date		
Bank loans	1,640,437	1,640,437
Unused at the reporting date		
Bank loans	2,659,563	2,659,563

Future loan payments
Future loan payments (capital and interest) of bank loans are due as follows:

	2025 $	2024 $
Within one year	150,377	191,483
One to five years	601,506	608,117
More than five years	1,942,364	2,419,799
	2,694,247	3,219,399

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

Note 15. Lease liabilities

	2025 $	2024 $
Current liabilities		
Lease liability - Office building	91,222	93,435
Non-current liabilities		
Lease liability - Office building	117,849	198,145
	209,071	291,580

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

Note 15. Lease liabilities (continued)

	1 year $	1 - 5 years $	Total undiscounted lease liabilities $	Lease liabilities included in the statement of financial position $
30 June 2025 - Lease liabilites	98,298	120,711	219,009	209,071
30 June 2024 - Lease liabilities	93,434	219,009	312,443	291,580

Accounting policy for lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 16. Employee benefits

	2025 $	2024 $
Current liabilities		
Annual leave	150,597	170,662
Long service leave	33,635	28,900
	184,232	199,562
Non-current liabilities		
Long service leave	60,979	53,693
	245,211	253,255

Accounting policy for employee benefits

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

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

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

Note 17. Other

	2025 $	Restated 2024 $
Current liabilities		
Grants received in advance (See note 4)	5,002,877	7,301,341
Unexpended interest earned on grant funding	586,688	343,441
Rent received in advance	51,728	41,015
Tenant bonds	58,699	54,900
	5,699,992	7,740,697
Non-current liabilities		
Grants received in advance (See note 4)	1,774,903	781,507
	7,474,895	8,522,204

Grants received in advance includes amounts received from the following government sources:

	2025 $	2024 $
State government		
Department of Communities and Justice (NSW)	6,672,780	8,082,848
Department of Climate Change, Energy, the Environment and Water	105,000	-
	6,777,780	8,082,848

Note 18. Reserves

	2025 $	2024 $
Revaluation surplus reserve	4,748,276	789,287
Property development reserve	5,887,496	5,887,496
Planned maintenance reserve	1,000,000	1,000,000
Building and growth fund	927,958	755,864
	12,563,730	8,432,647

Revaluation surplus reserve
The reserve is used to recognise increments and decrements in the fair value of land and buildings.

Property development reserve
The reserve is used to recognise funds set aside for property development projects including that committed for under the Community Housing Assistance Agreement.

Planned maintenance reserve
The reserve is used to recognise the funds set aside for maintenance and repairs for properties to meet the requirements and standards under the Community Housing Asset Management Policy.

Building and growth fund
Building and growth fund represents funds contributed by co-operatives to this fund from 1 July 2021. This fund was established for on-going sector growth projects initiated by co-operatives and the company, and to assist smaller and unviable co-operatives with maintenance costs where required.

Note 18. Reserves (continued)

Movements in reserves
Movements in each class of reserve during the current financial year are set out below:

	Revaluation surplus reserve $	Building and growth fund $	Property development reserve $	Planned maintenance reserve $	Total $
Balance at 1 July 2024	789,287	755,864	5,887,496	1,000,000	8,432,647
Funds contributed by co-operatives during the year	-	172,094	-	-	172,094
Revaluation increments	3,958,989	-	-	-	3,958,989
Balance at 30 June 2025	4,748,276	927,958	5,887,496	1,000,000	12,563,730

Note 19. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2025 $	2024 $
Aggregate compensation	774,554	729,802

Note 20. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 19.

Transactions with related parties
Member directors are tenants and members of the individual co-operatives they belong to. These directors pay rents on similar terms as the other co-operative members to the respective co-operatives. There were no other material transactions with related parties during the current and 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. Financial instruments

	2025 $	2024 $
Financial assets		
Held at amortised cost:		
Cash and cash equivalents	1,749,391	3,896,257
Trade and other receivables	198,608	44,964
Term deposits	9,678,724	8,310,691
	11,626,723	12,251,912
Financial liabilities		
Financial liabilities measured at amortised cost :		
Trade and other payables	216,689	214,809
Lease liabilities	209,071	291,580
Borrowings	3,721,337	3,721,337
	4,147,097	4,227,726

Accounting policy for financial instruments

Financial instruments
Financial instruments are recognised initially on the date that the company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Financial assets

Classification
On initial recognition, the company classifies its financial assets as measured at amortised cost.

Recognition and measurement
The company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and term deposits.

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

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets
Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

Impairment of trade and other receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

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

The financial liabilities of the company comprise trade and other payables, lease liabilities and borrowings.

Note 22. Economic dependency

The company is dependent on the New South Wales Land and Housing Corporation for provision of the majority of properties for conducting its operations. At the date of this report, the directors have no reason to believe that New South Wales Land and Housing Corporation will cease providing these properties.

Note 23. Members guarantee

Common Equity NSW Ltd is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of $1 towards meeting any outstanding obligations of the entity. At 30 June 2025 the total amount that members of the company are liable to contribute if the company is wound up is $31 (2023: $31).

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the company:

	2025 $	2024 $
Audit services - LBW & Partners		
Audit of the financial statements	15,500	15,000
Other services - LBW & Partners		
Assistance in preparation of financial statements	1,650	1,650
	17,150	16,650

Note 25. Contingent liabilities

The company had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Note 26. Commitments

	2025 $	2024 $
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Forster project	6,338,630	-
Cabramatta project	-	1,042,833
Schedule 3 works	249,346	88,048

Note 27. Events after the reporting period

Lease Facility

The company entered into a new lease agreement for its existing office premises, with a commencement date of September 2025. The lease term is four years, ending in September 2029. The new lease covers the same office space as the previous arrangement, with a minor extension of approximately 9 square meters.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Common Equity NSW Ltd
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Accounting Standards - Simplified Disclosures and other mandatory professional reporting requirements
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

On behalf of the directors

Lisa Danker
Chairperson

Robert Bakewell
Treasurer

28 October 2025

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Common Equity NSW Ltd
ABN: 39 861 993 468

Independent Auditor's Report to the Members of Common Equity NSW Ltd

Opinion

We have audited the accompanying financial report of Common Equity NSW Ltd (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

(ii) 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 Company in accordance with the auditor independence requirements of the 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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act.

The directors' responsibility also includes for such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Common Equity NSW Ltd
ABN: 39 861 993 468

Independent Auditor's Report to the Members of Common Equity NSW Ltd

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Common Equity NSW Ltd
ABN: 39 861 993 468

Independent Auditor's Report to the Members of Common Equity NSW Ltd

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

Dharmasiri

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Date : 29 October 2025

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