

Annual Report 2025

AGT Financial
Services Ltd

Community Bank
Adelong, Gundagai and Tumut

ABN 39 107 620 137

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Chair's report

For year ending 30 June 2025

It gives me pleasure to provide the Chairmans report for AGT Financial Services Ltd for the financial year of 2025. The Annual Report is our way of communicating the results of the financial year's performances, contributions and current financial position as of the 30 June 2025. We can be very proud of the results achieved across all areas of business for FY2025.

I would like to firstly acknowledge our staff and their continued commitment to the business and, as importantly, the communities they live in. The stability in our staff was demonstrated this year with no movements out of the business and continued professional growth. Our business leader Natalie Bartlett leads by example and lives and breathes the ethos of what community banking is all about, and the staff cannot but help to follow in Natalie's footsteps. A big thank you from the board and shareholders for the continued commitment of our staff to the business.

Our board needs to be recognised and congratulated for another successful year of guiding the AGT Financial Services Ltd business. Our roles are voluntary and there is a lot of time committed from our board members to ensure that we run a business that is accountable, well governed and profitable for our shareholders and contributing to our communities. Thank you for your dedication on behalf of our shareholders for another successful year.

Financial year 2025 has delivered a very healthy profit of pre-tax \$264,489 that has translated into after tax profit of \$184,355. Our taxable position has been manipulated by contributing into the Community Enterprise Foundation (CEF) again this year. We utilise the CEF for many of our sponsorships and community funding, which has been highlighted in our Community Investment Report.

I mention the Community Investment Report as this is a new addition to our annual report this year. We have dedicated board subcommittee that manages our funding applications, the delivery of successful outcomes and the acquittal process. It is a very structured process now but allow us to have excellent oversight of the funds delivered and the ability to report on this. As a board we made the decision that providing a report of this activity in our annual report would be interesting and, most importantly, transparent to our shareholders. Thank you to Ginny Goode for chairing this committee and providing the report included.

As a result of an outstanding financial outcome for FY2025 a dividend of \$0.076c will be paid to our shareholders. It is a fully franked dividend and has been determined using the calculation adopted by the board in FY2022. We aim to provide value to our shareholders not just in providing banking services to our communities and community project funding but also a financial result to the shareholders that measures against other investment options for shareholders.

I want to touch briefly on our partnership with Bendigo Bank (BEN). We signed a new Franchise agreement with BEN in 2024. This agreement is for 15 years, so in essence we are in business with BEN for a minimum of 15 years. Announcements made by BEN about its wider business do not always impact the community bank network. As custodians of the community banks in Adelong, Gundagai and Tumut, we are committed to supporting their growth and long-term success and will continue to do so. Please be assured of this.

I urge you as shareholders to continue to promote our businesses, support them and encourage potential new customers to give us a go – it is the only way we can continue to support the community and grow.



Matt Pearce
Chair

Manager's report

For year ending 30 June 2025

It is with great pleasure that I deliver the Senior Branch Manager's report for Community Bank Adelong, Gundagai and Tumut for year ending June 2025.

Firstly, my heartfelt thanks go out to our fabulous staff for their dedication and drive throughout a year of significant change. With no staff turnover during this financial year, we have continued to go from strength to strength- building knowledge, confidence, and trust with each other and our valued customers.

I would also like to extend my sincere gratitude to our local volunteer Board of Directors for your guidance and leadership. I am truly grateful for the opportunity to grow and support AGT Financial Services Ltd, our shareholders, and our customers.

A special thank you goes to Tim Butt, Regional Manager, and CB Virtual Solutions for their continued support.

We put \$168,319.74 back into our local community this financial year, I am so proud of this achievement and why we do what we do.

Looking ahead, the 2025-2026 financial year will have many challenges ahead with both the domestic and international economic pressures and influences. I am excited to face these challenges head-on. Staying true to our values and keeping our community at the heart of all we do. Our focus will be on consolidating growth, adding value for our exciting customers and building a robust business for the future.

To our shareholders and loyal customers – without you, none of this would be possible. Community is at the core of who we are, and your ongoing support for Community Bank Adelong, Gundagai and Tumut is invaluable in helping us grow and give back to the local areas we serve.

Kind Regards



Natalie Bartlett
Senior Branch Manager

Community Investment Committee report

For year ending 30 June 2025

On behalf of the Community Investment Committee, I am delighted to share the highlights of our Community Investment Program for FY2025. This program reflects our commitment to supporting the people, schools and community organisations that make our region such a special place to live. Together, we are building stronger connections and creating opportunities that will benefit our community well into the future.

Supporting Our Community

Each year, two funding rounds are held to provide support to local schools, clubs, and community organisations:

- Round 1: 1 October – 31 October 2024
- Round 2: 1 April – 30 April 2025

Through the Community Enterprise Foundation (CEF), a total of \$120,376.94 was distributed in FY2025. In addition, AGTFSL contributed \$47,942.80 directly from its balance sheet. Together, this meant an impressive \$168,319.74 was invested back into our community.

Investing in Young People

We are especially proud to have awarded two university scholarships valued at \$15,000 each (paid as \$5,000 per year over three years). Congratulations to Cindy Roche and Sophie Ciganek, who began their university journeys this year with the support of these scholarships. Both students overcame personal hardship in achieving their terrific HSC results, resulting in being awarded places to study, Cindy at UNSW and Sophie at UOW.

Looking Ahead

The CIC remains committed to supporting local people and projects that make a real difference. By investing in education, local events and grassroots organisations, we are helping to build a stronger, more vibrant community for everyone.

Virginia Goode
Chair
Community Investment Committee

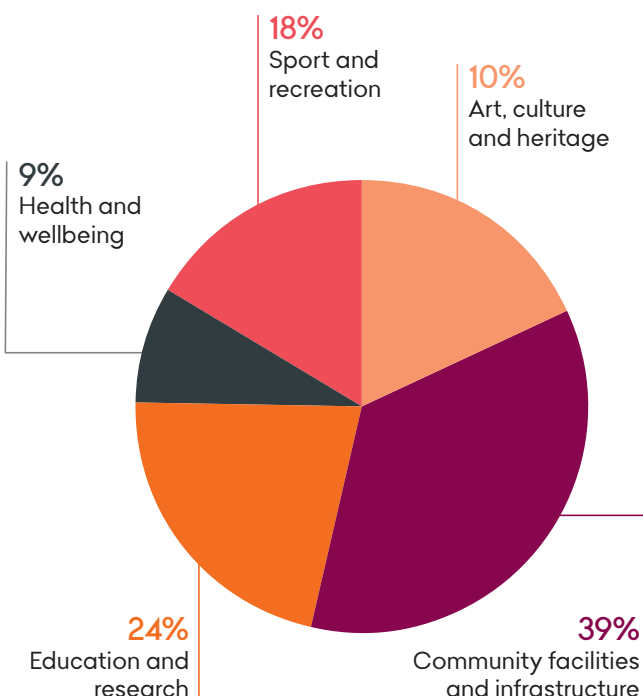
Community contributions

Contribution Totals by Type

Donations	\$754.55
Grants	\$120,680.34
Scholarships	\$10,000.00
Sponsorships	\$36,884.85
Total	\$168,319.74

Contribution Totals by Sector

Sports & Recreation	\$29,642.80
Health & Wellbeing	\$15,000.00
Environment & Animal Welfare	\$0
Education & Research	\$40,795.44
Community Facilities & Infrastructure	\$65,306.50
Arts, Culture & Heritage	\$17,575.00
Total	\$168,319.74



\$168,319.74

Community investment
in 2024/25



31

Recipients in 2024/25



5,989

Local AGTFSL customers
at 30 June 2025



6

Volunteer Directors
working for AGTFSL

Local Organisations Funded

Gundagai Returned Services League Sub Branch
Adelong Preschool
Tumut's Falling Leaf Festival
Rock The Turf Inc.
Tumut and District Neighbourhood Centre Inc.
St Mary's Catholic Primary School, Batlow
Gundagai Neighbourhood Centre Inc.
Snowy Valley Heroes
Tumut Golf Club
Gundagai Men's Shed
Big Brothers Big Sisters
Gundagai Preschool
Tumut Art Society
Nangus Recreation Hall Committee

Snowy Valleys School P&C Association
Lacmalac Soldiers Memorial Hall
St Joseph's Catholic School Adelong
Community Council
Tumut Cycle Classic
Tumut Regional Chamber of Commerce Inc T/A
Business Snowy Valleys
Gundagai Rugby League Football Club Inc
Gundagai Rodeo Club
Jugiong Fishing Club
Adelong Golf Club
Gundagai Adelong Junior Rugby League Club
Adelong P & A Show Society
Gundagai District Services Club

Directors' report

For the financial year ended 30 June 2025

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:

Matthew John Pearce

Title: Non-executive director

Experience and expertise: Matt has a Bachelor of Applied Science from the University of Canberra. Matt in partnership with his wife Angela, currently own and manages a beef cattle business with properties at Adelong and Cootamundra. Matthew has been involved in the agricultural industry for all his working career starting in a Stock and Station Agent/Auctioneers role transitioning into the grain trading industry and then managing a crop insurance portfolio. Matt has deep roots in the local community and is involved with a number of local organisations holding numerous roles in these groups. Additionally, Matt has held committee and executive roles with industry organisations that have representation at State and Federal levels. Matt is a Member of the Australian Institute of Company Directors.

Special responsibilities: Chair

Donna Marie Martin

Title: Non-executive director

Experience and expertise: Donna is currently enjoying some Long Service Leave after divesting her businesses over the past few years. 2010 to 2024 - General Manager, in partnership with her husband, Tumut Bricks and Pavers, Tumut Tiles. 2020-2024 Snowy Valleys Logistics and 2010 - 2019 Tumut Plant Hire. Previously to this she worked for Visy Pulp and Paper at the Tumut site as their Procurement Manager 2007-2010. Prior to Visy, in partnership with her husband, Donna was self-employed as a business consultant and from 1995-2005 developed a green start engineering business in Western Victoria. Her work experience prior to then was predominantly banking and customer service roles. She worked for CBA for 15 years (1981-1994). She is a current RFS volunteer, serves on the board and is working with Snowy Valleys Council to develop a Multi-Purpose Facility and Evacuation Centre. She is the treasurer of Tumut MTB and with others organises an annual MTB event in Tumut. She is a past committee Member/Treasurer for Tumut Regional Family Services and served for three years on the Terang and Mortlake Health Service board. Donna has taken numerous executive roles in sporting organisations over her lifetime. She is currently working towards her Master of Business - has completed her Graduate Certificate in Business level and has completed a lot of community focused training activities within the RFS and other community organisations, as well as company specific and RTO recognised training courses.

Special responsibilities: Treasurer

Directors' report (continued)

Directors (continued)

William Patrick O'Connell

Title: Non-executive director

Experience and expertise: Cattle Grazier in Wondalga, NSW. B. Bus (Bachelor of Business) from the NSW Institute of Technology, 1986. Thirty-one years in marketing management roles, 1985 to 2016. Formerly a director of Clovelly Community Financial Services Limited (Clovelly Community Bank Branch of Bendigo Bank), 2014 to 2020. Former Chair of the Bendigo Community Bank Sydney Marketing Cluster, served on the Bendigo Bank National Community Bank Consultative Marketing Committee, 2016 to 2020, and the Bendigo Bank NSW Community Bank Consultative Marketing Committee, 2020 to 2023. AGT Financial Services Limited Vice President and Honorary Club Secretary of Adelong Services and Citizens and Bowling Club Limited, since May/June 2024. President of Adelong Community Services Incorporated (Licensee of the Adelong Post Office). President of Vote Australia Incorporated. Vice President of the Abstract Committee (auxiliary fundraising committee of NextSense, formerly the Royal Institute for Deaf and Blind Children).

Special responsibilities: Company Secretary. Member of the Community Investment Committee.

Virginia Patricia Goode

Title: Non-executive director

Experience and expertise: Virginia has a BA Communications, University of Canberra, and a Cert III in Tourism. She has lived in Tumut since 1996 with husband Anthony Goode, and has recently joined him working at the family bus & coach business, Goode's Coaches as HR Manager, as well as upgrading her licence to drive school buses. She has held positions on the boards of McAuley Catholic College and Tumut Community Preschool whilst her 3 children were in attendance. Virginia displays high levels of communication, leadership and organisational skills in all aspects of her work and directorship.

Special responsibilities: Appointed Deputy Chair in early 2024. Chairs board meetings when Chair Matthew Pearce is absent. Chair Community Investment Committee (Grants and Sponsorships) Subcommittee. Member People & Culture Committee.

Natalie Helen Cullinger

Title: Non-executive director

Experience and expertise: 27 years banking experience, 18 years with the Commonwealth Bank including 8 years business, home and personal lending and 9 years with Bendigo Community Bank Branches, Romsey, Lancefield, Adelong and Gundagai as Customer Relationship Manager and Branch Manager. 5 years Treasurer McAuley Catholic Central School, Community Council and 5 years Committee Member/Treasurer St Vincent de Paul, Tumut.

Special responsibilities: People and Culture Committee

Pat Kelleher

Title: Non-executive director

Experience and expertise: Operations Manager & Director Wi-Sky Pty Ltd (Regional Wireless Internet Service Provider) - 10 years. Civil Engineer, 30+ years experience in Marine Engineering.

Special responsibilities: Member of the Community Investment Committee.

Directors' report (continued)

Company secretary

The company secretary is William O'Connell. William was appointed to the position of company secretary on 16 February 2022.

Principal activity

The principal activity of the company during the financial year was facilitating Community Bank services under management rights of Bendigo and Adelaide Bank Limited (Bendigo Bank).

There have been no significant changes in the nature of this activity during the financial year.

Review of operations

The profit for the company after providing for income tax amounted to \$184,355 (30 June 2024: \$153,209).

Operations have continued to perform in line with expectations.

Dividends

During the financial year, the following dividends were provided for and paid. The dividends have been provided for in the financial statements.

	2025 \$	2024 \$
Fully franked dividend of 7 cents per share (2024: 11 cents)	42,502	66,789

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

No 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.

Likely developments

No matter, circumstance or likely development in operations has arisen during or since the end of the financial year that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Meetings of directors

The number of directors' meetings attended by each of the directors' of the company during the financial year were:

	Board	
	Eligible	Attended
Matthew John Pearce	12	10
Donna Marie Martin	12	10
William Patrick O'Connell	12	10
Virginia Patricia Goode	12	11
Natalie Helen Cullinger	12	9
Pat Kelleher	12	8

Directors' report (continued)

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 23 to the financial statements.

Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Matthew John Pearce	2,000	-	2,000
Donna Marie Martin	-	-	-
William Patrick O'Connell	2,100	-	2,100
Virginia Patricia Goode	-	-	-
Natalie Helen Cullinger	-	-	-
Pat Kelleher	-	-	-

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of directors and officers

The company has indemnified all directors and management in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or management of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Directors' report (continued)

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 24 to the accounts.

The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of the non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the company, acting as an advocate for the company or jointly sharing risks and rewards.

Auditor's independence declaration

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

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Matthew John Pearce
Chair

1 September 2025

Auditor's independence declaration



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
03 5443 0344

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of AGT Financial Services Ltd

As lead auditor for the audit of AGT Financial Services Ltd for 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 of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 01 September 2025

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

Joshua Griffin
Lead Auditor

Financial statements

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

	Note	2025 \$	2024 \$
Revenue from contracts with customers	6	1,970,356	1,914,109
Other revenue		22,901	9,250
Finance revenue		13,970	9,335
Fair value gains on financial assets		4,275	10,779
Total revenue		2,011,502	1,943,473
Employee benefits expense	7	(985,188)	(949,796)
Advertising and marketing costs		(36,026)	(37,058)
Occupancy and associated costs		(64,771)	(71,341)
System costs		(54,383)	(43,279)
Depreciation and amortisation expense	7	(142,154)	(119,615)
Finance costs	7	(517)	(705)
General administration expenses		(214,059)	(319,663)
Total expenses before community contributions and income tax		(1,497,098)	(1,541,457)
Profit before community contributions and income tax expense		514,404	402,016
Charitable donations, sponsorships and grants expense	7	(249,915)	(182,503)
Profit before income tax expense		264,489	219,513
Income tax expense	8	(80,134)	(66,304)
Profit after income tax expense for the year		184,355	153,209
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		184,355	153,209
		Cents	Cents
Basic earnings per share	26	30.36	25.23
Diluted earnings per share	26	30.36	25.23

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

Financial statements (continued)

Statement of financial position As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	255,480	570,847
Trade and other receivables	10	194,719	188,683
Investments	11	664,962	110,494
Current tax assets	8	-	2,628
Total current assets		1,115,161	872,652
Non-current assets			
Financial assets	13	46,983	42,708
Investment properties	14	94,414	96,286
Property, plant and equipment	12	575,081	561,537
Intangible assets	15	417,680	516,619
Deferred tax assets	8	10,704	7,377
Total non-current assets		1,144,862	1,224,527
Total assets		2,260,023	2,097,179
Liabilities			
Current liabilities			
Trade and other payables	16	141,432	124,496
Current tax liabilities	8	28,732	-
Employee benefits		57,810	41,720
Total current liabilities		227,974	166,216
Non-current liabilities			
Trade and other payables	16	138,359	184,478
Employee benefits		24,450	19,098
Total non-current liabilities		162,809	203,576
Total liabilities		390,783	369,792
Net assets		1,869,240	1,727,387
Equity			
Issued capital	17	580,118	580,118
Retained earnings		1,289,122	1,147,269
Total equity		1,869,240	1,727,387

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

Financial statements (continued)

Statement of changes in equity For the year ended 30 June 2025

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023		580,118	1,060,849	1,640,967
Profit after income tax expense		-	153,209	153,209
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	153,209	153,209
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(66,789)	(66,789)
Balance at 30 June 2024		580,118	1,147,269	1,727,387
Balance at 1 July 2024		580,118	1,147,269	1,727,387
Profit after income tax expense		-	184,355	184,355
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	184,355	184,355
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(42,502)	(42,502)
Balance at 30 June 2025		580,118	1,289,122	1,869,240

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

Financial statements (continued)

Statement of cash flows For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,191,443	2,106,727
Payments to suppliers and employees (inclusive of GST)		(1,774,255)	(1,740,707)
Interest received		13,846	5,217
Interest and other finance costs paid		(517)	(705)
Income taxes paid		(52,101)	(120,621)
Net cash provided by operating activities	25	378,416	249,911
Cash flows from investing activities			
Redemption of/(investment in) term deposits		(554,468)	(2,695)
Payments for property, plant and equipment	12	(54,887)	(3,446)
Payments for intangible assets		(41,926)	(388,473)
Net cash used in investing activities		(651,281)	(394,614)
Cash flows from financing activities			
Dividends paid	19	(42,502)	(66,789)
Repayment of borrowings		-	(12,443)
Net cash used in financing activities		(42,502)	(79,232)
Net decrease in cash and cash equivalents		(315,367)	(223,935)
Cash and cash equivalents at the beginning of the financial year		570,847	794,782
Cash and cash equivalents at the end of the financial year	9	255,480	570,847

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

Notes to the financial statements

For the year ended 30 June 2025

Note 1. Reporting entity

The financial statements cover AGT Financial Services Ltd (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 62 Tumut Street, Adelong NSW 2729.

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

Note 2. Basis of preparation and statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The financial statements have been prepared on an accrual and historical cost basis and are presented in Australian dollars, which is the company's functional and presentation currency.

The directors have a reasonable expectation that the company has adequate resources to pay its debts as and when they fall due for the foreseeable future. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 1 September 2025. The directors have the power to amend and reissue the financial statements.

Note 3. 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.

Adoption of new and revised accounting standards

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. The company has assessed and concluded there are no material impacts.

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2025. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Current and non-current classification

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

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

Notes to the financial statements (continued)

Note 3. Material accounting policy information (continued)

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

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

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The directors continually evaluate their judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

The directors base their judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that it believes to be reasonable under the circumstances. Differences between the accounting judgements and estimates and actual results and outcomes are accounted for in future reporting periods. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Judgements

Timing of revenue recognition associated with trail commission

The company receives trailing commission from Bendigo Bank for products and services sold. Ongoing trailing commission payments are recognised on a monthly basis when earned as there is insufficient detail readily available to estimate the most likely amount of revenue without a high probability of significant reversal in a subsequent reporting period. The receipt of ongoing trailing commission revenue is outside the control of the company.

Allowance for expected credit losses on trade and other receivables

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

The company has not recognised an allowance for expected credit losses in relation to trade and other receivables for the following reasons:

- The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.
- The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit. The directors are not aware of any such non-compliance at balance date.
- The company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the company.
- The company has not experienced any instances of default in relation to receivables owed to the company from Bendigo Bank.

Fair value measurement hierarchy

The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- | | |
|----------|--|
| Level 1: | inputs are based on the quoted market price at the close of business at the end of the reporting period |
| Level 2: | inputs are based on a valuation performed by a third party qualified valuer using quoted prices for similar assets in an active market |
| Level 3: | unobservable inputs for the asset or liability. |

Impairment of non-financial assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. The directors did not identify any impairment indications during the financial year.

Notes to the financial statements (continued)

Note 4. Critical accounting judgements, estimates and assumptions (continued)

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Short term lease

The lease for the Tumut branch expired on 30 June 2024. No new lease agreement has been entered into, and the arrangement is continuing on a month-to-month basis. In accordance with *AASB 16 Leases*, this arrangement qualifies for the short-term lease exemption and is accounted for as such.

Estimates and assumptions

Estimation of useful lives of assets

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

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The franchise agreement was renewed in August 2024 for a further five years. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in August 2029.

The company operates as a franchise of Bendigo Bank, using the name "Bendigo Bank" and the logo and system of operations of Bendigo Bank. The company manages the Community Bank on behalf of Bendigo Bank, however all transactions with customers conducted through the Community Bank are effectively conducted between the customers and Bendigo Bank.

All deposits are made with Bendigo Bank, and all personal and investment products are products of Bendigo Bank, with the company facilitating the provision of those products. All loans, leases or hire purchase transactions, issues of new credit or debit cards, temporary or bridging finance and any other transaction that involves creating a new debt, or increasing or changing the terms of an existing debt owed to Bendigo Bank, must be approved by Bendigo Bank. All credit transactions are made with Bendigo Bank, and all credit products are products of Bendigo Bank.

The company promotes and sells the products and services, but is not a party to the transaction.

The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit.

Bendigo Bank provides significant assistance in establishing and maintaining the Community Bank franchise operations. It also continues to provide ongoing management and operational support and other assistance and guidance in relation to all aspects of the franchise operation, including advice and assistance in relation to:

- the design, layout and fit out of the Community Bank premises
- training for the branch manager and other employees in banking, management systems and interface protocol
- methods and procedures for the sale of products and provision of services
- security and cash logistic controls
- calculation of company revenue and payment of many operating and administrative expenses
- the formulation and implementation of advertising and promotional programs
- sales techniques and proper customer relations
- providing payroll services.

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers

	2025 \$	2024 \$
Margin income	1,715,084	1,646,337
Fee income	110,471	115,486
Commission income	144,801	152,286
	1,970,356	1,914,109

Accounting policy for revenue from contracts with customers

The company has entered into a franchise agreement with Bendigo Bank. The company delivers banking and financial services of Bendigo Bank to its community. The franchise agreement provides for a share of interest, fee, and commission revenue earned by the company. Interest margin share is based on a funds transfer pricing methodology which recognises that income is derived from deposits held, and that loans granted incur a funding cost. Fees are based on the company's current fee schedule and commissions are based on the agreements in place. All margin revenue is recorded as non-interest income when the company's right to receive the payment is established.

The company acts as an agent under the franchise agreement and revenue arises from the rendering of services through its franchise agreement.

Revenue is recognised on an accruals basis, at the fair value of consideration specified in the franchise agreement, as follows:

Revenue stream	Includes	Performance obligation	Timing of recognition
Franchise agreement profit share	Margin, commission, and fee income	When the company satisfies its obligation to arrange for the services to be provided to the customer by the supplier (Bendigo Bank as franchisor).	On completion of the provision of the relevant service. Revenue is accrued monthly and paid within 10 business days after the end of each month.

All revenue is stated net of the amount of GST. There was no revenue from contracts with customers recognised over time during the financial year.

Revenue calculation

The franchise agreement provides that three forms of revenue may be earned by the company which are margin, commission and fee income. Bendigo Bank decides the form of revenue the company earns on different types of products and services. The revenue earned by the company is dependent on the business that it generates, interest rates and funds transfer pricing and other factors, such as economic and local conditions.

Margin income

Margin income on core banking products is arrived at through the following calculation:

	Interest paid by customers on loans less interest paid to customers on deposits
plus:	any deposit returns i.e. interest return applied by Bendigo Bank for a deposit
minus:	any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

The company is entitled to a share of the margin earned by Bendigo Bank. If this reflects a loss, the company incurs a share of that loss.

Commission income

Commission income is generated from the sale of products and services. This commission is recognised at a point in time which reflects when the company has fulfilled its performance obligation. Refer to note 4 for further information regarding key judgements applied by the directors in relation to the timing of revenue recognition from trail commission.

Fee income

Fee income is a share of what is commonly referred to as 'bank fees and charges' charged to customers by Bendigo Bank including fees for loan applications and account transactions.

Core banking products

Bendigo Bank has identified some products and services as 'core banking products'. It may change the products and services which are identified as core banking products by giving the company at least 30 days notice. Core banking products currently include Bendigo Bank branded home loans, term deposits and at call deposits.

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers (continued)

Ability to change financial return

Under the franchise agreement, Bendigo Bank may change the form and amount of financial return the company receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo Bank earns revenue.

The change may be to the method of calculation of margin, the amount of margin, commission and fee income or a change of a margin to a commission or vice versa. This may affect the amount of revenue the company receives on a particular product or service.

Bendigo Bank must not reduce the margin and commission the company receives on core banking products and services to less than 50% (on an aggregate basis) of Bendigo Bank's margin at that time. For other products and services, there is no restriction on the change Bendigo Bank may make.

Note 7. Expenses

Employee benefits expense

	2025 \$	2024 \$
Wages and salaries	848,299	824,054
Superannuation contributions	95,394	89,976
Expenses related to long service leave	5,352	8,947
Other expenses	36,143	26,819
	985,188	949,796

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets</i>		
Buildings	11,532	11,533
Leasehold improvements	4,460	5,306
Plant and equipment	14,429	4,142
Investment property	1,872	1,873
Motor vehicles	10,922	14,562
	43,215	37,416
<i>Amortisation of intangible assets</i>		
Franchise fee	39,784	37,833
Rights to revenue share	59,155	44,366
	98,939	82,199
	142,154	119,615

Finance costs

	2025 \$	2024 \$
Interest expense	517	705

Notes to the financial statements (continued)

Note 7. Expenses (continued)

Charitable donations, sponsorships and grants expense

	2025 \$	2024 \$
Direct donation, sponsorship and grant payments	39,389	56,187
Contribution to the Community Enterprise Foundation™	210,526	126,316
	249,915	182,503

The overarching philosophy of the Community Bank model, is to support the local community in which the company operates. This is achieved by circulating the flow of financial capital into the local economy through community contributions (such as donations, sponsorships and grants).

The funds contributed to and held by the Community Enterprise Foundation™ (CEF) are available for distribution as grants to eligible applicants for a specific purpose in consultation with the directors.

When the company pays a contribution in to the CEF, the company loses control over the funds at that point. While the directors are involved in the payment of grants, the funds are not refundable to the company.

Community Enterprise Foundation™ contributions

	2025 \$	2024 \$
<i>Disaggregation of CEF funds</i>		
Opening balance	846,817	720,353
Contributions paid in	210,526	126,316
Grants paid out	(120,377)	(27,022)
Interest received	38,690	33,485
Management fees incurred	(10,525)	(6,315)
Balance available for distribution	965,131	846,817

Note 8. Income tax

	2025 \$	2024 \$
<i>Income tax expense</i>		
Current tax	85,452	68,845
Movement in deferred tax	(3,327)	(2,541)
Net benefit of franking credits on dividends received	(1,991)	-
Aggregate income tax expense	80,134	66,304
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	264,489	219,513
Tax at the statutory tax rate of 25%	66,122	54,878
Tax effect of:		
Non-deductible expenses	16,003	11,426
	82,125	66,304
Net benefit of franking credits on dividends received	(1,991)	-
Income tax expense	80,134	66,304

Notes to the financial statements (continued)

Note 8. Income tax (continued)

	2025 \$	2024 \$
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	20,566	15,205
Accrued expenses	1,749	1,373
Income accruals	(1,169)	(1,138)
Financial assets at fair value through profit or loss	(6,798)	(5,729)
Prepayments	(3,644)	(2,334)
Deferred tax asset	10,704	7,377

	2025 \$	2024 \$
Income tax refund due	-	2,628

	2025 \$	2024 \$
Provision for income tax	28,732	-

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for current tax

Current tax assets and liabilities are measured at amounts expected to be recovered from or paid to the taxation authorities. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Accounting policy for deferred tax

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Note 9. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	255,480	570,847

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	175,467	174,792
Accrued income	4,678	4,554
Prepayments	14,574	9,337
	19,252	13,891
	194,719	188,683

Notes to the financial statements (continued)

Note 10. Trade and other receivables (continued)

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. The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.

Note 11. Investments

	2025 \$	2024 \$
Term deposits	664,962	110,494

Note 12. Property, plant and equipment

	2025 \$	2024 \$
Land - at cost	57,511	57,511
Buildings - at cost	461,308	461,308
Less: Accumulated depreciation	(98,120)	(86,588)
	363,188	374,720
Leasehold improvements - at cost	234,498	227,763
Less: Accumulated depreciation	(172,402)	(167,942)
	62,096	59,821
Plant and equipment - at cost	143,023	94,871
Less: Accumulated depreciation	(92,646)	(78,217)
	50,377	16,654
Motor vehicles - at cost	116,428	116,428
Less: Accumulated depreciation	(74,519)	(63,597)
	41,909	52,831
	575,081	561,537

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

	Land \$	Buildings \$	Leasehold improvements \$	Plant and equipment \$	Motor vehicles \$	Total \$
Balance at 1 July 2023	57,511	386,253	65,127	17,350	67,393	593,634
Additions	-	-	-	3,446	-	3,446
Depreciation	-	(11,533)	(5,306)	(4,142)	(14,562)	(35,543)
Balance at 30 June 2024	57,511	374,720	59,821	16,654	52,831	561,537
Additions	-	-	6,735	48,152	-	54,887
Depreciation	-	(11,532)	(4,460)	(14,429)	(10,922)	(41,343)
Balance at 30 June 2025	57,511	363,188	62,096	50,377	41,909	575,081

Accounting policy for property, plant and equipment

Property, plant and equipment are measured at cost or fair value as applicable, less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Notes to the financial statements (continued)

Note 12. Property, plant and equipment (continued)

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

Buildings	40 years
Leasehold improvements	2 to 40 years
Plant and equipment	1.5 to 40 years
Motor vehicles	4 years

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

Leasehold improvements are depreciated over the estimated useful life of the assets.

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.

Note 13. Financial assets

	2025 \$	2024 \$
Equity securities - designated at fair value through profit or loss	46,983	42,708

Accounting policy for financial assets

Financial assets are recognised at their market value. Financial assets are derecognised when the rights to receive cash flows have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Note 14. Investment properties

	2025 \$	2024 \$
Investment property - at cost	103,791	103,791
Less: Accumulated depreciation	(9,377)	(7,505)
	94,414	96,286
<i>Reconciliation</i>		
Reconciliation of the beginning and end of the current and previous financial year are set out below:		
Opening amount	96,286	98,159
Depreciation expense	(1,872)	(1,873)
Closing amount	94,414	96,286

Note 15. Intangible assets

	2025 \$	2024 \$
Rights to revenue share	350,000	350,000
Less: Accumulated amortisation	(103,521)	(44,366)
	246,479	305,634
Franchise fee	465,741	465,741
Less: Accumulated amortisation	(294,540)	(254,756)
	171,201	210,985
	417,680	516,619

Notes to the financial statements (continued)

Note 15. Intangible assets (continued)

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

	Rights to revenue share \$	Franchise fee \$	Total \$
Balance at 1 July 2023	-	28,314	28,314
Additions	350,000	220,504	570,504
Amortisation expense	(44,366)	(37,833)	(82,199)
Balance at 30 June 2024	305,634	210,985	516,619
Amortisation expense	(59,155)	(39,784)	(98,939)
Balance at 30 June 2025	246,479	171,201	417,680

Accounting policy for intangible assets

Intangible assets of the company relate to the franchise fees paid to Bendigo Bank which conveys the right to operate the Community Bank franchise.

Intangible assets are measured on initial recognition at cost. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The franchise fees and rights to revenue share paid by the company are amortised over their useful life and assessed for impairment whenever impairment indicators are present.

The estimated useful life and amortisation method for the current and comparative periods are as follows:

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	August 2029
Rights to revenue share	Straight-line	Customer lifecycle (5 years 10 months)	August 2029

Amortisation methods, useful life, and residual values are reviewed and adjusted, if appropriate, at each reporting date.

Note 16. Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Other payables and accruals	141,432	124,496
<i>Non-current liabilities</i>		
Other payables and accruals	138,359	184,478
	2025 \$	2024 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	279,791	308,974
Less other payables and accruals (net GST payable to the ATO)	(18,000)	(26,210)
	261,791	282,764

Notes to the financial statements (continued)

Note 17. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	607,169	607,169	607,169	607,169
Less: Equity raising costs	-	-	(27,051)	(27,051)
	607,169	607,169	580,118	580,118

Accounting policy for issued capital

Ordinary shares are recognised at the fair value of the consideration received by the company being \$1 per share. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Rights attached to issued capital

Ordinary shares

Voting rights

Subject to some limited exceptions, each member has the right to vote at a general meeting.

On a show of hands or a poll, each member attending the meeting (whether they are attending the meeting in person or by attorney, corporate representative or proxy) has one vote, regardless of the number of shares held. However, where a person attends a meeting in person and is entitled to vote in more than one capacity (for example, the person is a member and has also been appointed as proxy for another member) that person may only exercise one vote on a show of hands. On a poll, that person may exercise one vote as a member and one vote for each other member that person represents as duly appointed attorney, corporate representative or proxy.

The purpose of giving each member only one vote, regardless of the number of shares held, is to reflect the nature of the company as a community based company, by providing that all members of the community who have contributed to the establishment and ongoing operation of the Community Bank branch have the same ability to influence the operation of the company.

Dividends

Generally, dividends are payable to members in proportion to the amount of the share capital paid up on the shares held by them, subject to any special rights and restrictions for the time being attaching to shares. The franchise agreement with Bendigo Bank contains a limit on the level of profits or funds that may be distributed to shareholders. There is also a restriction on the payment of dividends to certain shareholders if they have a prohibited shareholding interest (see below).

Transfer

Generally, ordinary shares are freely transferable. However, the directors have a discretion to refuse to register a transfer of shares.

Subject to the foregoing, shareholders may transfer shares by a proper transfer effected in accordance with the company's constitution and the *Corporations Act 2001*.

Prohibited shareholding interest

A person must not have a prohibited shareholding interest in the company.

In summary, a person has a prohibited shareholding interest if any of the following applies:

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").

As with voting rights, the purpose of this prohibited shareholding provision is to reflect the community-based nature of the company.

Where a person has a prohibited shareholding interest, the voting and dividend rights attaching to the shares in which the person (and their associates) has a prohibited shareholding interest in are suspended.

Notes to the financial statements (continued)

Note 17. Issued capital (continued)

The board has the power to request information from a person who has (or is suspected by the board of having) a legal or beneficial interest in any shares in the company or any voting power in the company, for the purpose of determining whether a person has a prohibited shareholding interest. If the board becomes aware that a member has a prohibited shareholding interest, it must serve a notice requiring the member (or the member's associate) to dispose of the number of shares the board considers necessary to remedy the breach. If a person fails to comply with such a notice within a specified period (that must be between three and six months), the board is authorised to sell the specified shares on behalf of that person. The holder will be entitled to the consideration from the sale of the shares, less any expenses incurred by the board in selling or otherwise dealing with those shares.

In the constitution, members acknowledge and recognise that the exercise of the powers given to the board may cause considerable disadvantage to individual members, but that such a result may be necessary to enforce the prohibition.

Note 18. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board monitor the return on capital and the level of distributions to shareholders. Capital is represented by total equity as recorded in the statement of financial position.

In accordance with the franchise agreement, in any 12 month period the funds distributed to shareholders shall not exceed the distribution limit.

The distribution limit is the greater of:

- 20% of the profit or funds of the company otherwise available for distribution to shareholders in that 12 month period; and
- subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital of the company over that 12 month period where the relevant rate of return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the financial year can be seen in the statement of profit or loss and other comprehensive Income.

There were no changes in the company's approach to capital management during the year.

Note 19. Dividends

Dividends provided for and paid during the period

The following dividends were provided for and paid to shareholders during the financial year as presented in the Statement of changes in equity and Statement of cash flows.

	2025 \$	2024 \$
Fully franked dividend of 7 cents per share (2024: 11 cents)	42,502	66,789

Franking credits

	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	421,028	322,670
Franking credits (debits) arising from income taxes paid (refunded)	52,101	120,621
Franking debits from the payment of franked distributions	(14,167)	(22,263)
	458,962	421,028
<i>Franking transactions that will arise subsequent to the financial year end:</i>		
Balance at the end of the financial year	458,962	421,028
Franking credits (debits) that will arise from payment (refund) of income tax	23,312	(2,628)
Franking credits available for future reporting periods	482,274	418,400

Notes to the financial statements (continued)

Note 19. Dividends (continued)

The ability to utilise franking credits is dependent upon the company's ability to declare dividends. The tax rate at which future dividends will be franked is 25%.

Accounting policy for dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Note 20. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, investments, bank loans and share in listed companies. The company does not have any derivatives.

The directors are responsible for monitoring and managing the financial risk exposure of the company, to which end it monitors the financial risk management policies and exposures and approves financial transactions within the scope of its authority.

The directors have identified that the only significant financial risk exposures of the consolidated entity are liquidity and market (price) risk. Other financial risks are not significant to the company due to the following factors:

- The company has no foreign exchange risk as all of its account balances and transactions are in Australian Dollars.
- The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated A- on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's interest-bearing instruments are held at amortised cost which have fair values that approximate their carrying value since all cash and payables have maturity dates within 12 months.
- The company has no borrowings.

Further details regarding the categories of financial instruments held by the company that hold such exposure are detailed below.

	2025 \$	2024 \$
Financial assets		
Trade and other receivables	180,145	179,346
Cash and cash equivalents (note 9)	255,480	570,847
Financial assets (note 13)	46,983	42,708
Investments (note 11)	664,962	110,494
	1,147,570	903,395
Financial liabilities at amortised cost		
Trade and other payables (note 16)	261,791	282,764

At balance date, the fair value of financial instruments approximated their carrying values.

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)

Financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset.

The company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and investments in term deposits and equity securities.

The company's financial assets measured at FVTPL comprise investments in listed entities over which the company does not have significant influence nor control.

Notes to the financial statements (continued)

Note 20. Financial risk management (continued)

Derecognition

A financial asset is derecognised when the company's contractual right to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

Impairment of trade and other receivables

Impairment of trade receivables is determined using the simplified approach which uses an estimation of lifetime expected credit losses. The company has not recognised an allowance for expected credit losses in relation to trade and other receivables. Refer to note 4 for further information.

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Derecognition

A financial liability is derecognised when it is extinguished, cancelled or expires.

Market risk

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates, and equity prices - will affect the company's income or the value of its holdings in financial instruments.

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of \$255,480 and investments of \$664,962 at 30 June 2025 (2024: \$570,847 and \$110,494).

As at the reporting date, the company had the following variable rate borrowings outstanding:

An analysis by remaining contractual maturities is shown in 'liquidity risk' below.

Price risk

The primary goal of the company's investment in equity securities is to hold the investments for the long term for strategic purposes.

Equity Price risk

All of the company's listed equity investments are listed on the Australian Stock Exchange (ASX). Changes in equity securities value is recognised through profit or loss or other comprehensive income.

2025	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
Equity securities	10%	4,698	3,524	(10%)	(4,698)	(3,524)

2024	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
Equity securities	10%	4,271	3,203	(10%)	(4,271)	(3,203)

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The following are the company's remaining contractual maturities of financial liabilities. The contractual cash flow amounts are gross and undiscounted and therefore may differ from their carrying amount in the statement of financial position.

Notes to the financial statements (continued)

Note 20. Financial risk management (continued)

2025	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Trade and other payables	123,432	138,359	-	261,791
Total non-derivatives	123,432	138,359	-	261,791

2024	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Trade and other payables	98,286	184,478	-	282,764
Total non-derivatives	98,286	184,478	-	282,764

Note 21. Fair value measurement

2025	Level 1 \$
Assets	
Equity securities	46,983
Total assets	46,983

2024	Level 1 \$
Assets	
Equity securities	42,708
Total assets	42,708

There were no transfers between levels during the financial year.

Accounting policy for fair value measurement

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

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests.

Note 22. Key management personnel disclosures

The following persons were directors of AGT Financial Services Ltd during the financial year and/or up to the date of signing of these Financial Statements.

Matthew John Pearce	Donna Marie Martin
William Patrick O'Connell	Natalie Helen Cullinger
Virginia Patricia Goode	Pat Kelleher

No director of the company receives remuneration for services as a company director or committee member.

There are no executives within the company whose remuneration is required to be disclosed.

Notes to the financial statements (continued)

Note 23. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 22.

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.

Terms and conditions of transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties

The following transactions occurred with related parties:

	2025 \$	2024 \$
Director received tickets to Tumut Blues Brews BBQs Festival. The total benefit received was:	150	120
Director received tickets to Tumut Festival of the Falling Leaf Comedy Show. The total benefit received was:	-	60
Various sponsorships	10,000	5,000

Note 24. Remuneration of auditors

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

	2025 \$	2024 \$
<i>Audit services</i>		
Audit or review of the financial statements	8,020	7,450
<i>Other services</i>		
General advisory services	3,315	5,219
Share registry services	7,498	8,523
	10,813	13,742
	18,833	21,192

Note 25. Reconciliation of profit after income tax to net cash provided by operating activities

	2025 \$	2024 \$
Profit after income tax expense for the year	184,355	153,209
Adjustments for:		
Depreciation and amortisation	142,154	119,615
(Increase)/decrease in fair value of equity instruments designated at FVTPL	(4,275)	(10,779)

Notes to the financial statements (continued)

Note 25. Reconciliation of profit after income tax to net cash provided by operating activities (continued)

	2025 \$	2024 \$
Change in operating assets and liabilities:		
Increase in trade and other receivables	(6,036)	(14,725)
Decrease/(increase) in income tax refund due	2,628	(2,628)
Increase in deferred tax assets	(3,327)	(2,540)
Increase in trade and other payables	12,743	29,925
Increase/(decrease) in provision for income tax	28,732	(49,149)
Increase in employee benefits	21,442	26,983
Net cash provided by operating activities	378,416	249,911

Note 26. Earnings per share

	2025 \$	2024 \$
Profit after income tax	184,355	153,209

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	607,169	607,169
Weighted average number of ordinary shares used in calculating diluted earnings per share	607,169	607,169

	Cents	Cents
Basic earnings per share	30.36	25.23
Diluted earnings per share	30.36	25.23

Accounting policy for earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of AGT Financial Services Ltd, by the weighted average number of ordinary shares outstanding during the financial year.

Note 27. Commitments

The company has no commitments contracted for which would be provided for in future reporting periods.

Note 28. Contingencies

There were no contingent liabilities or contingent assets at the date of this report.

Note 29. Events after the reporting period

No 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.

Directors' declaration

For the financial year ended 30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- 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;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Matthew John Pearce
Chair

1 September 2025

Independent audit report



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
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03 5443 0344

Independent auditor's report to the Directors of AGT Financial Services Ltd

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of AGT Financial Services Ltd, is in accordance with the *Corporations Act 2001*, 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 ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of AGT Financial Services Ltd (the company), which comprises the:

- Statement of financial position as at 30 June 2025
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements, including material accounting policies, and the
- Directors' declaration.

Basis for opinion

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2025 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 will 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 information, we are required to report that fact. We have nothing to report in this regard.



Andrew Frewin Stewart
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Independence

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (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.

Responsibilities of the directors for the financial report

The directors of the company are responsible for the preparation of the financial report that it gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 cease operations, or have no realistic alternative but to do so.

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. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/home.aspx>. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 01 September 2025

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

Joshua Griffin
Lead Auditor

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/CommunityBankAdelongandDistrict

