Annual Report 2026



Apollo Bay & District Community Enterprises Limited

Community Bank
Apollo Bay & District

ABN 79 127 944 923

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We, Community Bank Apollo Bay & District, acknowledge the Traditional Owners and Custodians of the land and waterways of our region.

We recognise their living cultures and ongoing connection to Country, and pay respect to their Elders past, present and emerging.

Front cover image: Amber Noseda Great Ocean Photography.

Chair's report

For year ending 30 June 2026

The past financial year was a challenge; in our small branch we started the year with 4 staff and ended with only 2. The Board certainly appreciated the support of the remaining two staff who increased their hours, and the understanding of the local community to our plight; the support was greatly appreciated. I also note that one of the staff we lost was Bronwyn, after 12½ years with us. On behalf of the Board, a big thank you to Bron. She is greatly missed as is her constant smile, outstanding customer service and her can-do approach.

In late November, we undertook a Business Planning Program led by Bendigo Bank. As a result of the process, we identified several growth initiatives, however the time allocated to these in the second half of the year was limited by our reduced staff, but this year will see a renewed focus on those initiatives. We see this as being a critical step towards securing the future of our Community Bank.

Our most recent financial support for the local community is summarized in the table below: -

Financial Year	Community Contributions	Value
2023/24	12	$27,295
2024/25	15	$72,403
2025/26	15	$55,911

Our largest grant for the year was $10,000 for the Marrar Woorn Neighborhood House, Food Pantry program as part of an on-going 3-year funding commitment totaling $30,000.

The Board recognizes the importance of our grants to the community and part of our challenge is to balance the allocation of our profits to these short-term funding needs versus longer-term larger projects. We continue to channel some of our pre-tax profits into the Bendigo Bank "Community Enterprise Foundation" trust for future distribution to the community for these larger projects. At the end of this past financial year, we increased the funds with the Foundation by $50,000 to a total of $288,210.09.

Turning to our recent dividends, these are summarized below: -

Financial year of dividend	Cents / share	Franking Level
2023/24	$0.07	-
2024/25	$0.02	100%
2025/26	$0.03	100%

As was the case for the previous financial year the dividend is again fully franked.

Now allow me a few moments to recognize our key stakeholders.

Firstly, to the local community, thank you for your continued support for the Bank; as I am fond of saying, and allow me to repeat myself: "the greater the extent to which the community supports the Bank, the greater the extent the Bank can support the community". So, once again, my request to the community is "please give our local Community Bank the opportunity to be your provider of your Banking needs as we are, quite literally, the only Bank in town, and further, all of our profits are channeled back to the community by way of grants, 80% of our profit, with the remaining 20% returned to our shareholders as dividends".

Chair's report (continued)

Secondly, I would like to recognize and thank the Bank staff, particularly Lance, who was promoted to Branch Manager, together with our Customer Relationship Officer Jo; without both of you and your continued hard work, none of this would be possible. Thank you for your dedication and your focus on customer service.

And finally, allow me to recognize my fellow Board members, they are a great team and such an important part of the oversight and governance of the Bank. During the year Carrie, who was responsible for the management of the grants and sponsorships, resigned; thank you Carrie for your dedication and hard work looking after the grants and sponsorships. And I'd like to welcome Graham to the Board who joined us this past year.

Thank you.



Brian "Buck" Rogers
Director and Chair

Manager's report

For year ending 30 June 2026

Dear Shareholders,

I am pleased to present and submit my first annual report to the Board, and the Shareholders for the 2025/2026 financial year, in my new position as branch manager.

In the past financial year, we have seen some significant changes with interest rates in both the lending and deposit banking spaces. This has led to the below results:

	Jun-25	Jun-26
Deposits	$ 67,752,659	$ 68,768,196
Loans	$ 11,568,943	$ 11,238,249
Total	**$ 79,321,602**	**$ 80,006,445**

While we have seen slight lending reduction at 2.94% of total holdings over the past year, I am encouraged at the overall growth of the branch in our deposits, standing at 1.5%. This also extends to our customer base, which has also increased by 1.03% in the past year. These numbers show that even in times of uncertainty, our customers still see the Apollo Bay branch as their number 1 destination for their finances, resulting in a total growth of 0.86%.

We have seen this overall growth despite a period of change through our branch- with the departure of Bronwyn & Luke, and my appointment to the Branch Manager role. I believe that our ongoing commitment to outstanding customer service has made all the difference.

Looking to the future, I believe there is more opportunity than ever to support the community and our customers both with the products that we offer, and the customer service that we can provide. As Bendigo Bank continues to invest in its people, new technologies and better operating systems, the opportunities for our Community Bank only increase to generate better revenue and returns for both the local community, and our shareholders.

As a final note, I would like to extend my personal thanks to the Board, our Shareholders, the Bendigo Bank team (with special acknowledgement to Joanne and Stacey) – but most importantly, the Apollo Bay community and our customers. None of this would be possible without your ongoing support, and it has been my pleasure to assist you with your needs. I believe that the future holds exciting prospects, and I look forward to forging new relationships as new partners and sponsors collaborate with our branch.

Lance Nestor
Branch Manager

Directors' report

For the financial year ended 30 June 2026

The Directors present their report of the company for the financial year ended 30 June 2026.

Directors

The following persons were Directors of Apollo Bay & District Community Enterprises Limited during or since the end of the financial year up to the date of this report:

Brian 'Buck' Rogers

Director, Chair, Company Secretary (from June 2026)

Experience and expertise: Born and raised in Colac, Buck graduated in Mechanical Engineering from the University of Melbourne and worked in the automotive industry in a range of management roles in Engineering, Sales, Marketing and Business Development in Australia and overseas. Buck started visiting Apollo Bay in his teenage years and in 2001 purchased a house here, which is now the family home, having relocated from Bangkok to Apollo Bay in December, 2022. Buck has previously served as a Director for companies in Turkey, South Africa and Thailand and brings a wealth of experience in Business Development and strategic partnerships with him to his role as a Director.

Other current directorships:

Former directorships in last 3 years:

Special responsibilities: Marketing, Finance and Governance

Geoff Schmidt

Director, Treasurer, Company Secretary (from October 2025 to June 2026)

Experience and expertise: Geoff and his partner took the plunge in January 2022 to join the community of Apollo Bay and District and is loving it. Previously, Geoff held senior roles in IT Project Management and IT Strategic Procurement in some of Australia's largest organisations, including Westfarmers, Coles Group and Loyalty Pacific (flybuys). Geoff brings a strong skillset in technology, project and financial management.

Other current directorships:

Former directorships in last 3 years:

Special responsibilities: Marketing, Finance and Governance

Julie Harris

Director, Company Secretary (to July 2025)

Experience and expertise: Julie's background is mainstream and environmental education, with experiences ranging from classroom teaching to delivering, developing and managing school programs at Zoos Victoria and managing state-wide school sustainability initiatives as a public servant. Julie has also employed her passion for community education in Cambodia and Laos as an Australian volunteer. Julie moved permanently to Apollo Bay in January 2019 and has immersed herself into the wonderful community through a variety of community-centred organisations and sporting clubs.

Other current directorships:

Former directorships in last 3 years:

Special responsibilities: Marketing, Finance and Governance

Directors (continued)

Robert George Hunt

Director

Experience and expertise: Rob was the architect of Bendigo Bank's Community Bank® model and Managing Director and CEO of Bendigo and Adelaide Bank 1990-2009. Among his numerous directorships are: Community Sector Enterprises Pty Ltd, Community Sector Banking Pty Ltd, Bendigo Community Telco and Community Telco Australia. He is also Patron-in-Chief of Community Enterprise Foundation and Patron of St Luke's Anglicare.

Other current directorships:

Former directorships in last 3 years:

Special responsibilities:

James Dominic Walters

Director

Experience and expertise: James has been involved in many of the community's organisations as a member of the school council and the youth club and brings an awareness of many local issues that impact on our community. James also enjoys connecting with people in the area.

Other current directorships:

Former directorships in last 3 years:

Special responsibilities: Marketing and Sponsorship

Dr. Jacinta M Tobin

Director

Experience and expertise: Dr. Jacinta M Tobin has been in medicine for forty years in a variety of clinical research and teaching roles including PhD, and around nutrition and microbiome. The last 25 years has been dedicated to governance and community development with special interest in addressing inequity in First Nations and rural communities. Her most recent major role was as Director of a clinical department in a rural community. In 2021 she did the company directors course in preparation for further directors roles. She has been to Apollo Bay since childhood and as a resident since 2021. She is interested in housing, education and health and contribution to inequity in Apollo Bay.

Other current directorships:

Former directorships in last 3 years:

Special responsibilities: Marketing, Finance and Governance

Josh Keogh

Director

Experience and expertise: After years of yearning for the Ocean and Otways, Josh and his young family packed up and moved to a property on the outskirts of Apollo Bay in 2023. With a career in IT Management, Governance and Project Delivery Josh is currently a Director and Chief Operating Officer of a successful IT Managed Service Provider that has grown over the last 10 years. Josh looks forward to bringing his business and technology experience to the board and is excited about the benefits the bank can deliver to the community.

Other current directorships: Director, PerigonOne

Former directorships in last 3 years:

Special responsibilities: Marketing, Finance and Governance

Directors (continued)

Susan O'Rourke

Director

Experience and expertise: Sue became involved with the Apollo Bay community when her mum moved there permanently in the early 1970s. As a meteorologist of 30+ years, Sue has worked in several cities around Australia and the world, managing aviation and severe weather programs within Australia, and leading multiple United Nations groups related to meteorology and aviation. She volunteers as a surf lifesaver, having joined the Apollo Bay SLSC in 2008 when her kids started Nippers. Since then she has been involved in organising nippers and training, and is currently the Vice President of the club. She is also a member of the Paddle Australia Marathon Technical Committee, organising paddling events throughout Victoria.

Other current directorships: Director (Vice President) Apollo Bay Surf Life Saving Club Incorporated
Director S E O'Rourke Family Pty Ltd
Vice Chair Paddle Victoria Marathon Technical Committee

Former directorships in last 3 years:

Special responsibilities: Grants, Finance & Governance

Graham Costin

Director (appointed February 2026)

Experience and expertise: Mr Graham Costin is a fifth-generation local, born in Apollo Bay, and has lived at Skenes Creek for more than 40 years. Now retired, he brings extensive project management, community development, and local government experience. Graham served on Colac Otway Shire Council in 2020–2024, including two years as Deputy Mayor. His experience includes major development bank loan projects throughout the Pacific. Graham is an active community volunteer and is committed to sustainable development, affordable housing, childcare, and regenerative tourism.

Other current directorships: Chair, Apollo Bay Public Cemetery Trust
Director, Cos Wat Pty Ltd"

Former directorships in last 3 years:

Special responsibilities: Grants, Finance & Governance

Carrie Newbold

Director (resigned October 2025)

Experience and expertise: After a lifetime of holidaying in the Bay, Carrie and her family were excited to make it their home in late 2022. Carrie has an extensive background in medical research, within commercial and academic environments, across both medical devices and medicines, including cofounding a small healthcare business. Carrie is also supporting the Board in the newly created Community Engagement role.

Other current directorships: Mobibod

Former directorships in last 3 years:

Special responsibilities: Community Engagement

Ian Malcolm Richardson

Director (resigned July 2025)

Experience and expertise: Ian is a CPA Qualified Accountant (retired). Previously Finance Director of Croda Australia Group.

Other current directorships:

Former directorships in last 3 years:

Special responsibilities: Marketing, Finance and Governance

Directors (continued)

Directors were in office for the entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the company.

Directors' meetings

Attendances by each Director during the financial year were as follows:

	Board meetings		Marketing meetings		Finance meetings	
Director	A	B	A	B	A	B
Brian 'Buck' Rogers	10	9			1	1
Geoff Schmidt	10	9			1	1
Julie Harris	10	9				
Robert George Hunt	10	0				
James Dominic Walters	10	9				
Dr. Jacinta M Tobin	10	9				
Josh Keogh	10	9				
Susan O'Rourke	10	10				
Graham Costin	4	4				
Carrie Newbold	4	4				
Ian Malcolm Richardson	1	1				

A - The number of meetings eligible to attend.
B - The number of meetings attended.

Secretary

The company secretary is Brian 'Buck' Rogers. Buck was appointed to the role on 3 June 2026.

Review of operations

The profit/(loss) of the company for the financial year after provision for income tax was $54,671 (2025: $41,583)

Dividends

A dividend of $0.02 has been declared and paid since the start of the financial year.

Options

No options over issued shares were granted during or since the end of the financial year and there were no options outstanding as at the date of this report.

Significant changes in the state of affairs

No significant changes in the company's state of affairs occurred during the financial year.

Events subsequent to the end of the reporting period

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

Likely developments

The company will continue its policy of providing banking services to the community.

Environmental regulations

The company is not subject to any significant environmental regulation.

Indemnifying Officers or Auditor

The company has agreed to indemnify each Officer (Director, Secretary or employee) out of assets of the company to the relevant extent against any liability incurred by that person arising out of the discharge of their duties, except where the liability arises out of conduct involving dishonesty, negligence, breach of duty or the lack of good faith. The company also has Officers Insurance for the benefit of Officers of the company against any liability occurred by the Officer, which includes the Officer's liability for legal costs, in or arising out of the conduct of the business of the company or in or arising out of the discharge of the Officer's duties.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an Auditor of the company.

Proceedings on behalf of company

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

Auditor independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set in this financial report. No Officer of the company is or has been a partner of the Auditor of the company.

Non-audit services

The Board of Directors are satisfied that the provision of non audit services during the year is compatible with the general standard of independence for Auditors imposed by the *Corporations Act 2001*. The Directors

independence for Auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed in Note 5 did not

compromise the external Auditor's independence for the following reasons:

- all non audit services are reviewed and approved by the directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the Auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

Remuneration report

Remuneration benefits and payments

Other than detailed below, 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. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Remuneration report (continued)

The estimated benefit per Director is as follows:

	2026 $	2025 $
Brian 'Buck' Rogers	-	-
Geoff Schmidt	9,000	10,500
Julie Harris	1,942	9,000
Robert George Hunt	-	-
James Dominic Walters	2,389	-
Dr. Jacinta M Tobin	-	-
Josh Keogh	-	
Susan O'Rourke	-	-
Graham Costin	-	-
Carrie Newbold	1,200	7,200
Ian Malcolm Richardson	-	-
	14,531	**26,700**

Equity holdings of key management personnel

The number of ordinary shares in the company held during the financial year and prior year by each Director and other key management personnel, including their related parties, are set out below:

Name	Balance at 30 June 2026	Net change in holdings	2025
Brian 'Buck' Rogers	2,000	2,000	-
Geoff Schmidt	1,000	-	1,000
Julie Harris	-	-	-
Robert George Hunt	-	-	-
James Dominic Walters	1,000	-	1,000
Dr. Jacinta M Tobin	-	-	-
Josh Keogh	-	-	-
Susan O'Rourke	-	-	-
Graham Costin	-	-	-
Carrie Newbold	-	-	-
Ian Malcolm Richardson			

Loans to key management personnel

There were no loans to key management personnel during the current or prior reporting period.

Signed in accordance with a resolution of the Board of Directors at Apollo Bay on 7 October 2026.



Brian 'Buck' Rogers
Chair

Auditor's independence declaration

Mark SP Wilkinson
ABN 46 472 629 469
Registered Company Auditor 4485

29 September 2026

The Directors
Apollo Bay & District Community Enterprises Limited
PO Box 348
APOLLO BAY VIC 3233

Dear Directors,

To the Directors of Apollo Bay & District Community Enterprises Limited (ABN 79 127 944 923)

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001.*

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

(i) No contraventions of the auditor independence requirements as set out in 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.



Mark Stuart Pressland Wilkinson
ASIC Registered Company Auditor 4485
PO Box 235 (6 Kintyre Crescent)
Leopold Victoria 3224

Financial statements

Statement of profit or loss and other comprehensive income
for the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue	2	684,202	669,758
Expenses			
Employee benefits expense	3	(323,799)	(301,570)
Depreciation and amortisation	3	(53,918)	(49,480)
Finance costs	3	(1,179)	(2,395)
Bad and doubtful debts expense	3	(19)	(38)
Occupancy expenses	3	(21,249)	(22,161)
IT costs	3	(17,915)	(20,456)
Administration and general costs	3	(89,866)	(89,267)
Other expenses	3	-	-
Operating profit before charitable donations and sponsorships		**176,257**	**184,391**
Charitable donations and sponsorships		(103,278)	(129,303)
Profit before income tax		**72,979**	**55,088**
Income tax expense	4	18,308	13,505
Profit for the year		**54,671**	**41,583**
Other comprehensive income		-	-
Total comprehensive income for the year		**54,671**	**41,583**
Profit attributable to members of the company		54,671	41,583
Total comprehensive income attributable to members of the company		54,671	41,583
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company (cents per share):			
- basic earnings per share		7.56	5.75

Statement of financial position
as at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	5	408,850	444,011
Trade and other receivables	6	78,818	66,838
Financial assets	7	165,153	160,029
Current tax asset	4	-	-
Other assets	8	-	-
Total current assets		**652,821**	**670,878**
Non-current assets			
Property, plant and equipment	9	119,698	81,983
Intangible assets	10	70,641	70,641
Deferred tax assets	4	10,186	13,338
Total non-current assets		**200,525**	**165,962**
Total assets		**853,346**	**836,840**
Liabilities			
Current liabilities			
Trade and other payables	11	62,006	131,641
Current tax liability	4	18,308	13,505
Lease Liabilities	12	32,164	25,911
Provisions	13	34,677	23,076
Total current liabilities		**147,155**	**194,133**
Non-current liabilities			
Lease Liabilities	12	28,313	-
Provisions	13	19,526	24,570
Deferred tax liability	4	-	-
Total non-current liabilities		**47,839**	**24,570**
Total liabilities		**194,994**	**218,703**
Net assets		**658,352**	**618,137**
Equity			
Issued capital	14	696,162	696,162
(Accumulated losses)	15	(37,810)	(78,025)
Reserves	16	-	-
Total equity		**658,352**	**618,137**

Statement of changes in equity for the year ended 30 June 2026

	Note	Issued capital $	Retained earnings $	Reserves $	Total equity $
Balance at 1 July 2024		696,162	(69,012)	-	627,150
Profit / (loss) for the year		-	41,583	-	41,583
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		**-**	**41,583**	**-**	**41,583**
Transactions with owners, in their capacity as owners					
Shares issued during the year		-	-	-	-
Dividends paid or provided	25	-	(50,596)	-	(50,596)
Balance at 30 June 2025		**696,162**	**(78,025)**	**-**	**618,137**
Balance at 1 July 2025		696,162	(78,025)	-	618,137
Profit for the year		-	54,671		54,671
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		**-**	**54,671**	**-**	**54,671**
Transactions with owners, in their capacity as owners					
Shares issued during the year		-	-	-	-
Dividends paid or provided	25	-	(14,456)	-	(14,456)
Balance at 30 June 2026		**696,162**	**(37,810)**	**-**	**658,352**

Statement of cash flows
for the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		664,881	646,900
Payments to suppliers and employees		(633,124)	(753,878)
Dividends received			
Interest paid		(1,179)	(2,395)
Interest received		19,321	22,858
Income tax paid		(18,308)	(7,495)
Net cash provided by / (used in) operating activities	**17b**	**31,591**	**(94,010)**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment			2,371
Payments for intangible assets			
Purchase of property, plant and equipment		(32,389)	(841)
Purchase of investments			6,315
Purchase of intangible assets		(14,783)	
Net cash flows from / (used in) investing activities		**(47,172)**	**7,845**
Cash flows from financing activities			
Proceeds from borrowings			
Repayment of borrowings			
Dividends paid		(14,456)	(50,596)
Net cash provided by / (used in) financing activities		**(14,456)**	**(50,596)**
Net increase / (decrease) in cash held		**(30,037)**	**(136,761)**
Cash and cash equivalents at beginning of financial year		604,040	740,801
Cash and cash equivalents at end of financial year	**17a**	**574,003**	**604,040**

Notes to the financial statements

For the year ended 30 June 2026

These financial statements and notes represent those of Apollo Bay & District Community Enterprises Limited.

Apollo Bay & District Community Enterprises Limited ('company') is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the Directors on 7 October 2026.

1. Summary of significant accounting policies

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a for profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, were applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Economic dependency

The company has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the Community Bank® branch at Apollo Bay.

The branches operate as a franchise of Bendigo and Adelaide Bank Limited, using the name "Bendigo Bank", the logo, and systems of operation of Bendigo and Adelaide Bank Limited. The company manages the Community Bank® branches on behalf of Bendigo and Adelaide Bank Limited, however all transactions with customers conducted through the Community Bank® branches are effectively conducted between the customers and Bendigo and Adelaide Bank Limited.

All deposits are made with Bendigo and Adelaide Bank Limited, and all personal and investment products are products of Bendigo and Adelaide Bank Limited, 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 and Adelaide Bank Limited, must be approved by Bendigo and Adelaide Bank Limited. All credit transactions are made with Bendigo and Adelaide Bank Limited, and all credit products are products of Bendigo and Adelaide Bank Limited.

Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the Community Bank® branch 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 in relation to:

- Advice and assistance in relation to the design, layout and fit out of the Community Bank® branch;
- Training for the Branch Managers 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; and
- Sale techniques and proper customer relations.

(b) Income tax

The income tax expense / (income) for the year comprises current income tax expense / (income) and deferred tax expense / (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/ (assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

1. Summary of significant accounting policies (continued)

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred income tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

(c) Fair value of assets and liabilities

The company may measure some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

(d) Property, plant and equipment

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

Property

Freehold land and buildings are measured at cost and therefore are carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of land and buildings is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of land and buildings is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

1. Summary of significant accounting policies (continued)

(d) Property, plant and equipment (continued)

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land , is depreciated over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of asset	Rate	Method
Buildings	3%	SL / DV
Leasehold improvements	4-5%	SL / DV
Plant and equipment	10-20%	SL / DV
Motor vehicles	13%	SL / DV

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(e) Leases

A lease liability is recognised at the commencement of the 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 upon an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, 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 carry 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; certainty of a purchase option 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-asset is fully written down.

(f) Right-of-use asset

A right-of-use asset is recognised is recognised at the commencement of the date of the 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 payment made at or before the commencement date net of any lease incentives received, any initial direct costs asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any indirect direct costs incurred, and, except where included in cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciated is over its useful life. 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.

1. Summary of significant accounting policies (continued)

(g) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(h) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Employee benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The liability for annual leave is recognised in the provision for employee benefits. All other short term employee benefit obligations are presented as payables.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurement for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(j) Intangible assets

Establishment costs and franchise fees have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum. The current amortisation charges for intangible assets are included under depreciation and amortisation in the Statement of Profit or Loss and Other Comprehensive Income.

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

(l) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts and volume rebates allowed. Revenue comprises service commissions and other income received by the company.

Interest revenue is recognised on a time proportional basis that taken into account the effective yield on the financial asset.

1. Summary of significant accounting policies (continued)

(l) Revenue and other income (continued)

Dividend revenue is recognised when the right to the income has been established.

Rental income is recognised on a straight line basis over the lease term.

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

(m) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables,
- held to maturity investments, and
- available for sale assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term with the intention of making a profit. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. The company has not designated any financial assets at fair value through profit or loss.

Loans and receivables

This category is the most relevant to the company. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the period end, which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

Held to maturity investments

The group classifies investments as held-to-maturity if:

- they are non-derivative financial assets
- they are quoted in an active market
- they have fixed or determinable payments and fixed maturities
- the group intends to, and is able to, hold them to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which would be classified as current assets.

Available for sale financial asset

Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. Financial assets that are not classified into any of the other categories (at FVPL, loans and receivables or held-to-maturity investments) are also included in the available-for-sale category.

The financial assets are presented as non-current assets unless they mature, or management intends to dispose of them within 12 months of the end of the reporting period.

(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

1. Summary of significant accounting policies (continued)

(m) Investments and other financial assets (continued)

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for 'financial assets at fair value through profit or loss' – in profit or loss within other income or other expenses
- for available-for-sale financial assets that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security are recognised in profit or loss and other changes in the carrying amount are recognised in other comprehensive income
- for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discount estimated future cash payments or receipts over the expected life (or where this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in the profit or loss.

(iii) Impairment

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Assets classified as available for sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

(iv) Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

1. Summary of significant accounting policies (continued)

(n) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less any provision for doubtful debts. Trade and other receivables are due for settlement usually no more than 30 days from the date of recognition.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for doubtful debts is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the assets carrying amount and the present value of estimated cash flows, discounted at the effective interest rate. The amount of the provision is recognised on profit or loss.

(o) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measures at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings as classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(q) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

(r) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

(s) Dividends

Provision is made for the amount of any dividends declared being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year, but not distributed at balance date.

(t) New and amended accounting policies adopted by the company

There are no new and amended accounting policies that have been adopted by the company this financial year.

(u) Comparative figures

When required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(v) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issues during the year.

(w) New accounting standards for application in future periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company.

The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in the future reporting periods is set below:

(i) AASB 9 *Financial Instruments* and associated Amending Standards (applicable for annual reporting periods beginning on or after 1 January 2018).

1. Summary of significant accounting policies (continued)

(w) New accounting standards for application in future periods (continued)

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting.

These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are:

a) Financial assets that are debt instruments will be classified based on:

(i) the objective of the entity's business model for managing the financial assets; and

(ii) the characteristics of the contractual cash flows.

b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.

c) Introduces a 'fair value through other comprehensive income' measurement category for particular simple debt instruments.

d) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

e) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:

- the change attributable to changes in credit risk are presented in Other Comprehensive Income (OCI)
- the remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:

- classification and measurement of financial liabilities; and
- derecognition requirements for financial assets and liabilities

AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that enable entities to better reflect their risk management activities in the financial statements.

Furthermore, AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting.

When this standard was first adopted for the year ending 30 June 2019, there was no material impact on the transactions and balances recognised in the financial statements.

(ii) AASB 15: *Revenue from Contracts with Customers* (applicable for annual reporting periods commencing on or after 1 January 2018).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with customers;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied."

In May 2015, the AASB issued ED 260 Income of Not-for-Profit Entities, proposing to replace the income recognition requirements of AASB 1004 Contributions and provide guidance to assist not-for-profit entities to apply the principles of AASB 15. The ED was open for comment until 14 August 2015 and the AASB is currently in the process of redeliberating its proposals with the aim of releasing the final amendments in late 2016.

1. Summary of significant accounting policies (continued)

(w) New accounting standards for application in future periods (continued)

This Standard will require retrospective restatement, as well as enhanced disclosure regarding revenue.

When this Standard was first adopted for the year ending 30 June 2019, there was no material impact on the transactions and balances recognised in the financial statements.

(iii) AASB 16: *Leases* (applicable for annual reporting periods commencing on or after 1 January 2019).

AASB 16:

- replaces AASB 117 Leases and some lease-related Interpretations;
- requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases;
- provides new guidance on the application of the definition of lease and on sale and lease back accounting;
- largely retains the existing lessor accounting requirements in AASB 117; and
- requires new and different disclosures about leases.

The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2023.

(x) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. Estimates and judgements are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The estimates and judgements that have a significant risk of causing material adjustments to the carrying values of assets and liabilities are as follows:

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 intangible assets. The depreciation and amortisation charge will increase where useful lives are less than previously estimated lives.

Fair value assessment of non-current physical assets

The AASB 13 Fair Value standard requires fair value assessments that may involved both complex and significant judgement and experts. The value of land and buildings may be materially misstated and potential classification and disclosure risks may occur.

Employee benefits provision

Assumptions are required for wage growth and CPI movements. The likelihood of employees reaching unconditional service is estimated. The timing of when employee benefit obligations are to be settled is also estimated.

Income tax

The company is subject to income tax. Significant judgement is required in determining the deferred tax asset. Deferred tax assets are recognised only when it is considered sufficient future profits will be generated. The assumptions made regarding future profits is based on the company's assessment of future cash flows.

Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

	2026 $	2025 $
2. Revenue		
Revenue		
- services commissions	664,881	646,900
	664,881	**646,900**
Other revenue		
- interest income	19,321	22,858
- other revenue	-	-
	19,321	**22,858**
Total revenue	**684,202**	**669,758**
3. Expenses		
Profit before income tax includes the following specific expenses:		
Employee benefits expense		
- wages and salaries	288,476	257,842
- superannuation costs	32,759	29,360
- other costs	2,564	14,368
	323,799	**301,570**
Depreciation and amortisation		
Depreciation		
- plant and equipment	2,805	833
- leasehold improvements	6,340	5,413
- right of use asset	29,990	28,366
	39,135	**34,612**
Amortisation		
- franchise fee	14,783	14,868
	14,783	**14,868**
Total depreciation and amortisation	**53,918**	**49,480**
Finance costs		
- interest paid	-	2
- right of use interest	1,179	2,393
Total finance costs	**1,179**	**2,395**
Bad and doubtful debts expenses	**19**	**38**
Occupancy costs	**21,249**	**22,161**
IT costs		
- IT equipment lease	5,412	7,729
- IT running costs	4,652	5,395
- IT support costs	7,851	7,332
Total IT costs	**17,915**	**20,456**

	2026 $	2025 $
3. Expenses (continued)		
Other expenses		
- insurance	12,996	13,454
- printing and stationery	4,499	4,684
- ATM	5,213	5,357
- other	63,640	62,372
Total	**86,348**	**85,867**
Community grants, charitable donations and sponsorship		
- community grants	93,678	123,630
- donations	250	-
- sponsorships	9,350	5,673
Total	**103,278**	**129,303**
(Gain) / Loss on disposal of property, plant and equipment	**1,974**	**-**
Auditors' remuneration		
Remuneration of the Auditor for:		
- Audit or review of the financial report	3,518	3,400
- Taxation services	-	-
- Share registry services	-	-
	3,518	**3,400**
Total expenses	**613,197**	**614,670**

4. Income tax		
a. The components of tax expense / (income) comprise:		
Current tax expense / (income)	167	-
Deferred tax expense / (income) relating	-	-
Recoupment of prior year tax losses	-	-
Under / (over) provision of prior years	-	-
	167	**-**
b. Prima facie tax payable		
The prima facie tax on profit / (loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit before income tax at 25%	18,245	13,772
Add tax effect of:		
- Utilisation of previously unrecognised carried forward tax losses	-	-
- Under / (over) provision of prior years	-	-
- Non-deductible expenses	63	(267)
Income tax attributable to the entity	**18,308**	**13,505**
The applicable weighted average effective tax rate is	25.09%	24.52%

	2026 $	2025 $
4. Income tax (continued)		
c. Current tax liability		
Current tax relates to the following:		
Current tax liabilities / (assets)		
Opening balance	167	-
Income tax paid	(167)	-
Current tax	18,308	13,505
Under / (over) provision prior years	-	-
	18,308	**13,505**
d. Deferred tax asset / (liability)		
Deferred tax relates to the following:		
Deferred tax assets balance comprises:		
Provision for doubtful debts	-	-
Prepayments	10,186	13,338
Property, plant & Equipment	-	-
Accruals	-	-
Employee provisions	-	-
Unused tax losses	-	-
	10,186	**13,338**
Deferred tax liabilities balance comprises:		
Accrued income	-	-
Property, plant & Equipment	-	-
	-	**-**
Net deferred tax asset / (liability)	**10,186**	**-**
Total carried forward tax losses not recognised as deferred tax assets	**10,186**	**-**
e. Deferred income tax (revenue)/expense included in income tax expense comprises:		
Decrease / (increase) in deferred tax assets	-	-
(Decrease) / increase in deferred tax liabilities	-	-
Under / (over) provision prior years	-	-
	-	**-**

5. Cash and cash equivalents

Cash at bank and on hand	408,850	444,011
	408,850	**444,011**

	2026 $	2025 $

6. Trade and other receivables

Current		
Trade receivables	65,023	55,476
Accrued income	6,568	6,450
Prepayments	7,227	4,912
	78,818	**66,838**

Credit risk

The main source of credit risk relates to a concentration of trade receivables owing by Bendigo and Adelaide Bank Limited, which is the source of the majority of the company's income.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled, within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be high credit quality.

			Past due but not impaired			
	Gross amount $	Past due and impaired $	< 30 days $	31-60 days $	> 60 days $	Not past due $
2026						
Trade receivables	78,818	-	-	-	-	78,818
Other receivables	-	-	-	-		
Total	**78,818**	**-**	**-**	**-**	**-**	**78,818**
2025						
Trade receivables	66,838	-	-	-	-	66,838
Other receivables	-	-	-	-	-	-
Total	**66,838**	**-**	**-**	**-**	**-**	**66,838**

	2026 $	2025 $

7. Financial assets

Held to maturity financial assets		
Term deposits	165,153	160,029
Available for sale financial assets		
Listed investments	-	-
	165,153	**160,029**

	2026 $	2025 $
8. Other assets		
Security bond	-	-
Other	-	-
	-	**-**
9. Property, plant and equipment		
Land	-	-
At cost	**-**	**-**
Buildings		
At cost	65,706	87,590
Less accumulated depreciation	(5,345)	(62,946)
	60,361	**24,644**
Leasehold improvements		
At cost	146,978	147,048
Less accumulated depreciation	(92,653)	(95,554)
	54,325	**51,494**
Plant and equipment		
At cost	70,716	70,716
Less accumulated depreciation	(65,704)	(64,871)
	5,012	**5,845**
Total property, plant and equipment	**119,698**	**81,983**
Movements in carrying amounts		
Land		
Balance at the beginning of the reporting period	-	-
Additions	-	-
Disposals	-	-
Depreciation expense	-	-
Balance at the end of the reporting period	**-**	**-**
Buildings		
Balance at the beginning of the reporting period	24,644	55,381
Additions	65,706	-
Disposals	-	(2,371)
Depreciation expense	(29,989)	(28,366)
Balance at the end of the reporting period	**60,361**	**24,644**
Leasehold improvements		
Balance at the beginning of the reporting period	51,495	56,078
Additions	11,145	830
Disposals	(1,975)	-
Depreciation expense	(6,340)	(5,413)
Balance at the end of the reporting period	**54,325**	**51,495**

	2026 $	2025 $
9. Property, plant and equipment (continued)		
Plant and equipment		
Balance at the beginning of the reporting period	5,845	6,678
Additions		
Disposals		
Depreciation expense	(833)	(833)
Balance at the end of the reporting period	**5,012**	**5,845**
Total property, plant and equipment		
Balance at the beginning of the reporting period	81,984	118,137
Additions	76,851	830
Disposals	(1,975)	(2,371)
Depreciation expense	(37,162)	(34,612)
Balance at the end of the reporting period	**119,698**	**81,984**
10. Intangible assets		
Franchise fee		
At cost	123,566	108,784
Less accumulated amortisation	(52,925)	(38,143)
	70,641	**70,641**
Renewal processing fee		
At cost	-	-
Less accumulated amortisation	-	-
	-	**-**
Total intangible assets	**70,641**	**70,641**
Movements in carrying amounts		
Franchise fee		
Balance at the beginning of the reporting period	70,641	70,726
Additions	14,783	14,783
Disposals	-	-
Amortisation expense	(14,783)	(14,868)
Balance at the end of the reporting period	**70,641**	**70,641**
Renewal processing fee		
Balance at the beginning of the reporting period	-	-
Additions	-	-
Disposals	-	-
Amortisation expense	-	-
Balance at the end of the reporting period	**-**	**-**
Total intangible assets		
Balance at the beginning of the reporting period	70,641	70,726
Additions	14,783	14,783
Disposals	-	-
Amortisation expense	(14,783)	(14,868)
Balance at the end of the reporting period	**70,641**	**70,641**

	2026 $	2025 $

11. Trade and other payables

Current		
Unsecured liabilities:		
Trade creditors	52,409	131,266
Other creditors and accruals	9,597	375
	62,006	**131,641**

The average credit period on trade and other payables is one month.

12. Borrowings

Current		
Unsecured liabilities		
Lease liabilities right of use	32,164	25,911
Secured liabilities		
Bank loan	-	-
Finance leases	-	-
	32,164	**25,911**
Non-current		
Unsecured liabilities		
Lease liabilities right of use asset	28,313	-
Other creditors and accruals	-	-
Secured liabilities		
Bank loan	-	-
Finance leases	-	-
	28,313	**-**

13. Provisions

Current		
GST	12,200	6,378
Employee benefits	22,477	16,698
	34,677	**23,076**
Non-current		
Employee benefits	19,526	24,570
Total provisions	**54,203**	**47,646**

	2026 $	2025 $

13a. Tax balances

(a) Tax assets		
Current		
Income tax receivable	-	-
	-	**-**
Non-current		
Deferred tax asset comprises:		
- tax losses carried forward	-	-
- Provisions	-	-
	-	**-**
(b) Tax liabilities		
Current		
Income tax payable	18,308	13,505
	-	**-**

14. Share capital

Ordinary shares fully paid	722,810	722,810
Bonus shares issued for no consideration	-	-
Less: Equity raising costs	(26,648)	(26,648)
	696,162	**696,162**
Movements in share capital		
Fully paid ordinary shares:		
At the beginning of the reporting period	722,810	722,810
Shares issued during the year	-	-
At the end of the reporting period	**722,810**	**722,810**

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders' meetings each shareholder is entitled to one vote when a poll is called, or on a show of hands. The company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. All shares rank equally with regard to the company's residual assets.

Capital management

The Board's policy is to maintain a strong capital base so as to sustain future development of the company. The Board of Directors monitor the return on capital and the level of dividends 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.

(i) the Distribution Limit is the greater of:

  (a) 20% of the profit or funds of the company otherwise available for distribution to shareholders in that 12 month period; and

  (b) subject to the availability of distributable profits, the Relevant Rate of Return multiplied by the average level of share capital of the Franchisee over that 12 month period; and

(ii) 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%.

14. Share capital (continued)

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 can be seen in the Statement of Profit or Loss and Comprehensive Income.

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

	2026 $	2025 $
15. Retained earnings / (accumulated losses)		
Balance at the beginning of the reporting period	(78,025)	(69,012)
Profit/(loss) after income tax	54,671	41,583
Revaluation reserve	-	-
Dividends paid	(14,456)	(50,596)
Balance at the end of the reporting period	**(37,810)**	**(78,025)**
16. Reserves		
Asset revaluation reserve		
Balance at the beginning of the reporting period	-	-
Fair value movements during the period	-	-
Balance at the end of the reporting period	**-**	**-**
17. Statement of cash flows		
(a) Cash and cash equivalents balances as shown in the Statement of Financial Position can be reconciled to that shown in the Statement of Cash Flows as follows:		
Cash and cash equivalents (Note 5)	408,850	444,011
Term deposit (Note 7)	165,153	160,029
As per the Statement of Cash Flow	**574,003**	**604,040**
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit / (loss) after income tax	54,671	41,583
Non-cash flows in profit		
- Depreciation	39,135	34,612
- Amortisation	14,783	14,868
- Bad debts	19	38
- Net (profit) / loss on disposal of property, plant & equipment	1,974	-
Changes in assets and liabilities		
- (Increase) / decrease in intangibles	-	85
- (Increase) / decrease in trade and other receivables	(9,665)	1,251
- (increase) / decrease in prepayments and other assets	(2,315)	(17,701)
- (Increase) / decrease in deferred tax asset	(10,186)	(13,338)
- Increase / (decrease) in trade and other payables	(69,635)	(129,116)
- Increase / (decrease) in lease liabilities	6,253	(31,807)
- Increase / (decrease) in provisions	6,557	5,515
Net cash flows from / (used in) operating activities	**31,591**	**(94,010)**

	2026 $	2025 $

17. Statement of cash flows (continued)

(c) Credit standby arrangement and loan facilities		
Not Applicable	-	-

18. Earnings per share

Basic earnings per share (cents)	7.6	5.8
Earnings used in calculating basic earnings per share	54,671	41,583
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share.	722,810	722,810

19. Key management personnel and related party disclosures

(a) Key management personnel

Any person(s) having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that company is considered key management personnel.

The totals of remuneration paid to key management personnel of the company during the year are as follows:

	2026 $	2025 $
Short-term employee benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	-	-
Total key management personnel compensation	**-**	**-**

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive Directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to Executive Directors and other key management personnel.

Post-employment benefits

These amounts are the current year's estimated cost of providing the company's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

Share-based payments

These amounts represent the expense related to the participation of key management personnel in equity-settled benefits schemes as measured by the fair value of the options, rights and shares granted on grant date.

(b) Other related parties

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

19. Key management personnel and related party disclosures (continued)

(c) Transactions with key management personnel and related parties

Other than detailed below, no key management personnel or related party has entered into any contracts with the company. No Director fees have been paid as the positions are held on a voluntary basis.

During the year, the company purchased goods and services under normal terms and conditions, from related parties as follows:

		2026 $	2025 $
James Dominic Walters	Electrical & Maintenance	2,389	-
Julie Harris	Secretarial	1,942	9,000
Geoff Schmidt	Accounting	9,000	10,500
Carrie Newbold	Community Engagement	1,200	7,200

The Apollo Bay & District Community Enterprises Limited has accepted the Bendigo and Adelaide Bank Limited's Community Bank® Directors Privileges package. The package is available to all Directors who can elect to avail themselves of the benefits based on their personal banking with the branch. There is no requirement to own Bendigo and Adelaide Bank Limited shares and there is no qualification period to qualify to utilise the benefits.

The package mirrors the benefits currently available to Bendigo and Adelaide Bank Limited shareholders.

	2026 $	2025 $
The Directors have estimated the total benefits received as nil.	-	-
	-	**-**

(d) Key management personnel shareholdings

There has been no other transactions involving equity instruments other than those described above.

There was no movement in key management personnel shareholdings during the year. Each share held has a paid up value of $1 and is fully paid.

20. Events after the reporting period

There have been no events after the end of the financial year that would materially affect the financial statements.

21. Contingent liabilities and contingent assets

There were no contingent liabilities or assets at the date of this report to affect the financial statements.

22. Operating segments

The company operates in the financial services sector where it provides banking services to its clients. The company operates in one geographic area being Apollo Bay, Victoria. The company has a franchise agreement in place with Bendigo and Adelaide Bank Limited who account for 100% of the revenue (2022: 100%).

23. Commitments

	2026 $	2025 $
Operating lease commitments	Nil	Nil
Non-cancellable operating leases contracted for but not capitalised in the Statement of Financial Position.		
Payable:		
- no later than 12 months	-	-
- between 12 months and five years	-	-
- greater than five years	-	-
Minimum lease payments	**-**	**-**

23. Commitments (continued)

The property lease is a non-cancellable lease with a three year term, with rent payable monthly in advance and with CPI increases each year.

Finance lease commitments

Finance lease liabilities are payable exclusive of GST as follows:

	2026 $	2025 $
Payable:		
- no later than 12 months	32,164	25,911
- between 12 months and five years	28,313	-
- greater than five years	-	-
Minimum lease payments	**60,477**	**25,911**
Less future interest charges	-	-
Finance lease liability	**60,477**	**25,911**

Finance leases comprise leases of property, plant and equipment under normal commercial finance lease terms and conditions repayable over 5 years.

24. Company details

The registered office is: 14 Pascoe Street, Apollo Bay, Vic 3233

The principal place of business is: 14 Pascoe Street, Apollo Bay, Vic 3233

25. Dividends paid or provided for on ordinary shares

	2026 $	2025 $
Dividends paid or provided for during the year		
Fully unfranked ordinary dividend	-	50,596
Fully franked ordinary dividend	14,456	-

26. Financial risk management

Financial risk management policies

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is assisted in the area of risk management by an internal audit function.

Specific financial risk exposure and management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and other price risk. There have been no substantial changes in the types of risks the company is exposed to, how the risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

The company's financial instruments consist mainly of deposits with banks, short term investments, account receivables and payables, bank overdraft and loans. The totals for each category of financial instruments measured in accordance with AASB 139 Financial Instruments: Recognition and Measurement as detailed in the accounting policies are as follows:

26. Financial risk management (continued)

	Note	2026 $	2025 $
Financial assets			
Cash and cash equivalents	5	408,850	444,011
Trade and other receivables	6	78,818	66,838
Financial assets	7	165,153	160,029
Total financial assets		**652,821**	**670,878**
Financial liabilities			
Trade and other payables	11	62,006	131,641
Borrowings - Bank Overdraft	12	32,164	25,911
Total financial liabilities		**94,170**	**157,552**

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms for normal fee income are generally 30 days from the date of invoice. For fees with longer settlements, terms are specified in the individual client contracts. In the case of loans advanced, the terms are specific to each loan.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the table above.

The company has significant concentrations of credit risk with Bendigo and Adelaide Bank Limited. The company's exposure to credit risk is limited to Australia by geographic area.

None of the assets of the company are past due (2021: nil past due) and based on historic default rates, the company believes that no impairment allowance is necessary in respect of assets not past due.

The company limits its exposure to credit risk by only investing in liquid securities with Bendigo and Adelaide Bank Limited and therefore credit risk is considered minimal.

(b) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company ensures it will have enough liquidity to meet its liabilities when due under both normal and stressed conditions. Liquidity management is carried out within the guidelines set by the Board.

Typically, the company maintains sufficient cash on hand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

26. Financial risk management (continued)

Financial liability and financial asset maturity analysis:

	Weighted average interest rate %	Total $	Within 1 year $	1 to 5 years $	Over 5 years $
30 June 2025					
Financial assets					
Cash and cash equivalents	-%	408,850	408,850	-	-
Trade and other receivables	-%	78,818	78,818	-	-
Financial assets	-%	165,153	165,153	-	-
Total anticipated inflows		**652,821**	**652,821**	**-**	**-**
Financial liabilities					
Trade and other payables	-%	62,006	62,006	-	-
Borrowings	-%	32,164	32,164	-	-
Bank overdraft *	-%	-	-	-	-
Total expected outflows		**94,170**	**94,170**	**-**	**-**
Net inflow / (outflow) on financial instruments		**558,651**	**558,651**	**-**	**-**

	Weighted average interest rate %	Total $	Within 1 year $	1 to 5 years $	Over 5 years $
30 June 2024					
Financial assets					
Cash and cash equivalents	-%	444,011	444,011	-	-
Trade and other receivables	-%	66,838	66,838	-	-
Financial assets	-%	160,029	160,029	-	-
Total anticipated inflows		**670,878**	**670,878**	**-**	**-**
Financial liabilities					
Trade and other payables	-%	131,641	131,641	-	-
Borrowings	-%	25,911	25,911	-	-
Bank overdraft *	-%	-	-	-	-
Total expected outflows		**157,552**	**157,552**	**-**	**-**
Net inflow / (outflow) on financial instruments		**513,326**	**513,326**	**-**	**-**

* The Bank overdraft has no set repayment period and as such all has been included as current.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The financial instruments that primarily expose the company to interest rate risk are borrowings, fixed interest securities, and cash and cash equivalents.

26. Financial risk management (continued)

(c) Market risk (continued)

Sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit $	Equity $
Year ended 30 June 2025		
+/- 1% in interest rates (interest income)	5,740	7,408
+/- 1% in interest rates (interest expense)	322	293
	5,740	**7,408**
Year ended 30 June 2024		
+/- 1% in interest rates (interest income)	6,040	7,408
+/- 1% in interest rates (interest expense)	259	293
	6,040	**7,408**

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

The company has no exposure to fluctuations in foreign currency.

(d) Price risk

The company is not exposed to any material price risk.

Directors' declaration

30 June 2026

In accordance with a resolution of the Directors of Apollo Bay & District Community Enterprises Limited, the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 to 39 are in accordance with the *Corporations Act 2001* and:
   (i) comply with Australian Accounting Standards which, as stated in accounting policy Note 1(a) to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
   (ii) give a true and fair view of the company's financial position as at 30 June 2026 and of the performance for the year ended on that date;
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The audited remuneration disclosures set out in the remuneration report section of the Directors' report comply with Accounting Standard AASB124 Related Party Disclosures and the *Corporations Regulations 2001*.

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



Brian 'Buck' Rogers
Chairman

Signed at Apollo Bay on 5 October 2026

Independent audit report

Mark SP Wilkinson
ABN 46 472 629 469
Registered Company Auditor 4485

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF APOLLO BAY & DISTRICT COMMUNITY ENTERPRISES LIMITED
ABN 79 127 944 923

Report on the Financial Report

I have audited the accompanying financial report of Apollo Bay & District Community Enterprises Limited, which comprises the statement of financial position as at 30 June 2026, 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, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives me 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Apollo Bay & District Community Enterprises Limited, would be in the same terms if provided to the directors as at the time of this auditor's report.

Mark SP Wilkinson
ABN 46 472 629 469
Registered Company Auditor

Auditor's Opinion

In my opinion:

(a) the financial report of Apollo Bay & District Community Enterprises Limited 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 2026 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

(b) the financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.



Mark Stuart Pressland Wilkinson
ASIC Registered Company Auditor 4485
PO Box 235 (6 Kintyre Crescent)
Leopold Victoria 3224

Dated: 29 September 2026

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/ApolloBayDistrictCommunityBankBranch

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Bendigo Bank

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