

# Annual Report 2025

Avoca District Co-operative  
Limited

Community Bank  
Avoca, Maryborough and St Arnaud  
ABN 82 022 501 598

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# Introduction

The Community Bank Avoca, Maryborough and St Arnaud is a locally owned and operated bank that gives back the majority of its profits to the local community.

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The Avoca District Co-operative Limited (ADCL) manages the Community Bank Avoca, Maryborough and St Arnaud and is part of the Bendigo Bank network.

ADCL entered into a franchise agreement with the Bendigo Bank to open the sixth Community Bank branch in Victoria in 1999. ADCL opened the Maryborough branch in 2006 and has managed the St Arnaud agency since 2010.

ADCL has been operational since 1999 and is made up of a Board of Directors who operate in a voluntary capacity with support from the Executive Officer.

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Our professional branch team are passionate about helping customers achieve their financial goals.

We offer personal service and a full range of banking and financial products.

Community banking is based on a 'profit-with-purpose' model, which means our profits are returned directly to the community that has generated them.

To date, we have invested over \$2.6 million into the Avoca, Maryborough and St Arnaud communities.

# Chair's Report



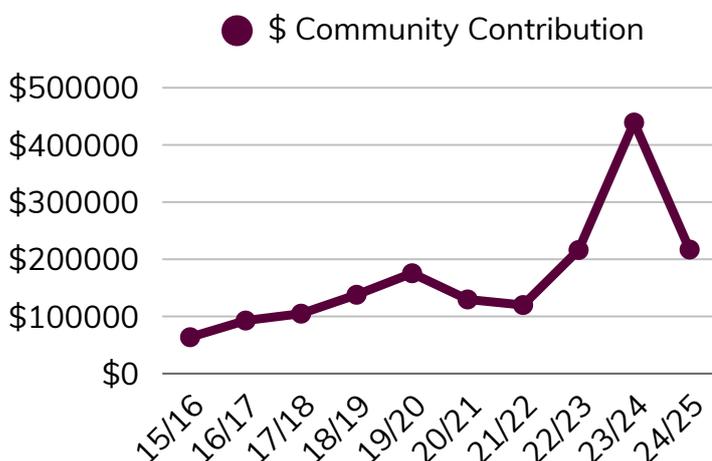
I am pleased to present this report for the year ending 30 June 2025.

Since opening our doors, Community Bank Avoca, Maryborough and St Arnaud has proudly reinvested more than \$2.6 million back into our region through community grants, sponsorships and dividends. During the 2024/25 financial year alone, we contributed more than \$217,000 to local projects, events and initiatives that strengthen our communities. This achievement continues to grow each year, thanks to the ongoing support of locals who choose to bank with us. Every account, loan and deposit helps fund projects that make a real difference.



During August 2024, the Co-operative made an important long-term investment with the purchase of a building in High Street, Maryborough. The purchase demonstrates ADCL's commitment to maintaining a strong banking presence in the region. We have been working closely with Bendigo Bank on design and planning for the relocation, while assessing the risks and costs involved before making any final decisions.

This year marks another important chapter in our proud history of community banking, one built on local trust, commitment and connection. As we reflect on the 2024/25 financial year, I am reminded that our success continues to be powered by the people who believe in what we do — our shareholders, customers, staff and community partners.



# Chair's Report

In July 2025, Bendigo Bank announced the closure of its Agency network, including our St Arnaud Agency. While this occurred after the end of the financial year, it is a significant development. The Co-operative has acted quickly to retain a presence in St Arnaud by securing our existing premises and transitioning to a cashless office model. This ensures customers can continue to access face-to-face support locally, with staff assisting across a wide range of banking and lending services. Associated costs for this transition will be reflected in the 2025/26 financial report.

I also wish to thank Julie Driscoll, our Executive Officer, for her professionalism, commitment and valuable contribution throughout the year. Julie's work across governance, community engagement and board support plays an important role in ensuring the smooth and effective operation of the Co-operative.



On behalf of the Board, I acknowledge and thank Lloyd Gollop, who retired after 27 years as a Director, including the last seven years as Chair. Lloyd's leadership, wisdom and steady guidance have been instrumental in shaping the Co-operative's success. His contribution leaves a lasting legacy that we deeply appreciate.



I would like to extend my sincere thanks to my fellow directors for their support and dedication during my first year as Chair. Stepping into the role in March 2025 has been both an honour and a privilege, and I am grateful for the guidance and teamwork of this committed group.



# Chair's Report

We were also pleased to welcome Craig Millar back to the Board in March 2025. Craig brings valuable historical knowledge, having served on the Board in our early years, as well as a strong ongoing connection to the community.

To our staff, thank you for another year of exceptional service under the leadership of Branch Manager, Joel Condon. Your dedication to our customers and commitment to our community values are what make our organisation special. You continue to deliver the personal service and care that our customers value most.

Finally, to our members and customers, thank you for your continued trust and support. By choosing to bank locally, you ensure that profits stay local and continue to make a difference where it matters most.

Together, we are building on a proud legacy that keeps the community at the heart of everything we do.

**Donna Wardlaw**  
Chair



# Branch Manager's Report



I'm honoured to present my second Branch Manager's Report for the Avoca District Co-operative Limited Annual Report.

As we close another financial year, all of us at Community Bank Avoca, Maryborough, and St Arnaud would like to sincerely thank all existing and new customers who have supported us throughout the year.

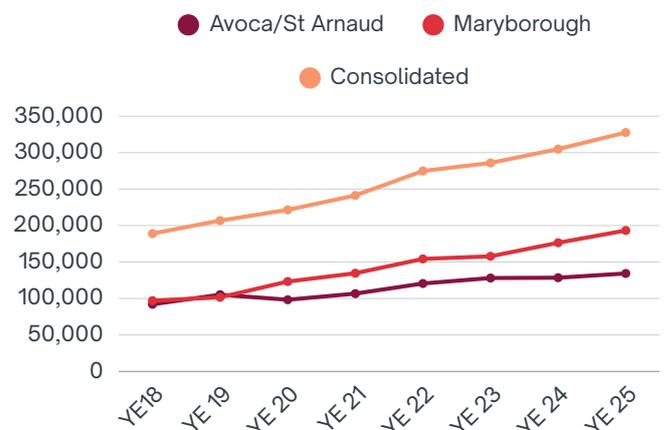
As I prepare for this year's report, I find myself wondering who will read this and what does the reader want to know? I suspect the answer is shareholders who want to know that their investment in our Co-operative is meeting their expectations.

The first expectation is that the Co-operative is living its purpose, which it certainly is. The Chair's report will address this higher calling and how we are contributing to the growth and prosperity of our communities.

The next expectation is that we are well-managed and growing the business. I'm proud to say it's been another strong and successful year for our Community Bank, and we couldn't have done it without you. Despite more and more banking moving to brokers and online banks, our branch has held its own by growing business on books, another \$22.640 million in the financial year, taking total footings to over \$326 million.

Key achievements included:

- Growth in branch lending and deposits
- Meeting insurance activity and sales targets
- Achieving targets for our wealth 'managed fund' and 'financial planning referrals'



Footings Year End 23/24  
Figures reported in \$'000's

# Branch Manager's Report

Another highlight this year was our team's unwavering focus on risk and compliance, which is vital in today's banking environment. The Avoca, Maryborough, and St Arnaud team has consistently shown a strong risk culture and a commitment to doing what's right, ensuring we remain a responsible and trusted organisation.

A special thanks goes to our incredible staff: Aley Earl, Julie Driscoll, Kristy Jones, Deanne McCarthy, Nancye Hiller, Rebekah Powell, Courtney Norton, Zoe McHugh, James Ritter and Jacqui Thomson. Your hard work and dedication are deeply appreciated. This team is not only cohesive and driven but also truly cares about the well-being of our customers. Their values and passion are at the heart of our strong results, benefiting the business and the community.



I also want to acknowledge outgoing Chair Lloyd Gollop for his years of dedicated service and leadership. Thank you Lloyd, from myself and the rest of the branch team. I'd also like to welcome incoming Chair Donna Wardlaw and acknowledge the board team of directors for their steadfast support. Their leadership, advocacy, and guidance are vital to our success.



Additionally, I thank Regional Manager Leanne Martin, Shaun Leech, and the Bendigo Bank team for their ongoing assistance.

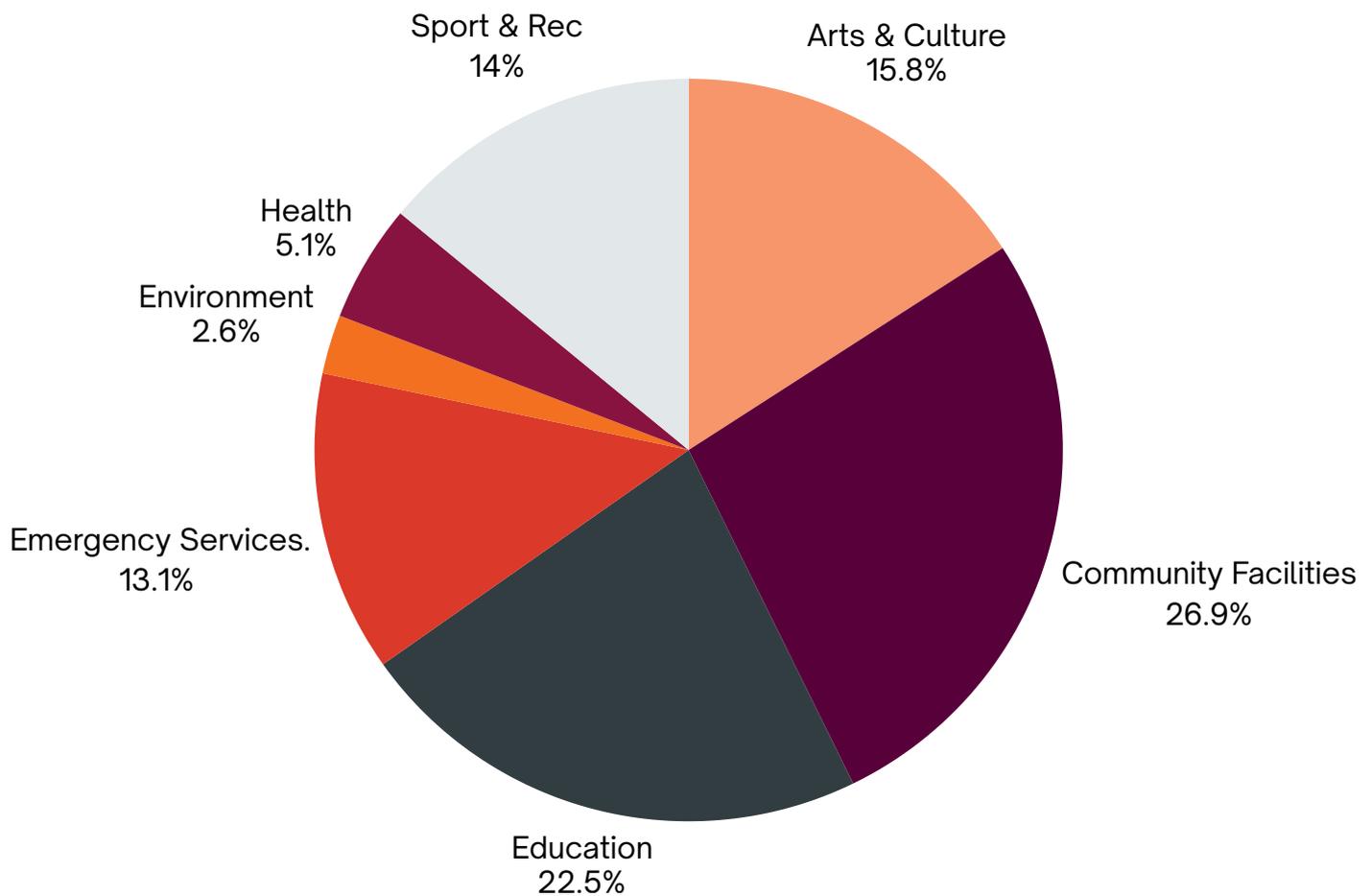
Finally, I'd like to thank our customers for their support and for spreading the word about our service, products and purpose. A winning combination that can't be beaten.

**Joel Condon**  
Branch Manager

# Community Contributions

Since our establishment in 1999, Community Bank Avoca, Maryborough and St Arnaud has been committed to investing in the development of strong connected and vibrant communities. This is achieved via grants, sponsorships and donations.

In 2024-25 we supported 85 projects with an investment of over \$217,000



**\$2.6 million**  
reinvested  
since 1999



**85**  
projects  
supported



**\$217k**  
reinvested  
24/25

## Community Bank Report 2025

### BEN Message

This year marks another significant chapter in our shared journey, one defined by **adaptation, collaboration, and remarkable achievements**. I'm immensely proud of our collective progress and the unwavering commitment demonstrated by our combined networks.

We began 2025 with a renewed focus on **model evolution**, a top priority that guided our decisions and initiatives throughout the year. This involved navigating the Franchising Code and broader regulatory changes to the **Franchise Agreement**. Thanks to the network's proactive engagement and cooperation, we successfully reviewed the agreement, and the necessary changes were implemented smoothly.

Beyond the operational successes, I want to highlight the **invaluable contributions** our Community Banks continue to make to their local communities. The dedication and commitment to supporting local initiatives remain a cornerstone of our combined success and a source of immense pride for Bendigo Bank.

In FY25, more than \$50 million was invested in local communities, adding to a total of and \$416 million since 1998. This funding enables community infrastructure development, strengthens the arts and culturally diverse communities, improving educational outcomes, and fosters healthy places for Australians to live and work.

On behalf of Bendigo Bank, thank you for being a shareholder in your local Community Bank. Your resilience, adaptability, and unwavering belief in our vision have been instrumental in our success. You are an integral part of the Bendigo Bank Community Banking family.

Your continued support is vital, and the results we've achieved together in 2025 underscore the continuing relevance and importance of the Community Bank model.

**Justine Minne**  
**Head of Community Banking, Bendigo Bank**

## Community Bank Network: Embracing Our Guiding Principles

A warm welcome to our existing and new shareholders. Thank you for your support and for sharing in our purpose. We're immensely proud of our Community Bank network which was a first mover in Australia in 1998 through our unique social enterprise model.

The principles of the Community Bank model are the same as they were when the first Community Bank opened its doors. The principles are centred on:

- Relationships based on goodwill, trust and respect
- Local ownership, local decision making, local investment
- Decisions which are commercially focussed and community spirited
- Shared effort reward and risk; and
- Decisions which have broad based benefits

Today the network has grown to 303 Community Bank branches. We represent a diverse cross-section of Australia with more than 214 community enterprises, 70,000+ shareholders, 1500+ volunteer directors, 1700 staff and 998,000 customers.

Our Community Bank National Council (CBNC) plays a pivotal role in the success story. The CBNC consists of both elected and appointed members from every state and territory sharing and reflecting the voice of the network. It's the role of the CBNC to initiate, lead and respond to strategic issues and opportunities that enhance the sustainability, resilience and prospects of the Community Bank model.

We utilise a range of forums to ensure the ongoing success of the network. Our State Connect events have been one of many network engagement activities that have enabled Bendigo Bank execs, staff, the CBNC and directors to come together to share ideas, insights and ensure we are collaborating better together.

As consumer behaviours shift, and the environment in which we operate challenges the status quo, we embrace the opportunities that come with this new reality. We've already completed the mandatory changes to the Franchise Agreement with Bendigo Bank which were required by 1 April 2025.

The mandatory changes of the Franchise Agreement were in response to the Franchise Code of Conduct Review along with requirements from other external statutory and government bodies. This process which was led by Council in partnership with the Bank, was necessary to ensure our long-term sustainability. Council also sought legal advice on behalf of the network to ensure the changes were fair.

We also recognise the time is now to consider our model and how we combine the value of local presence with new digital capabilities that expand rather than diminish our community impact. This work forms part of the Model Evolution process which will be co-designed with Bendigo Bank and implemented over the next 12 months.

Building further on our enhanced digital presence, community roots and measurable impact, we've reached another major milestone. We now have 41 Community Bank companies formerly certified as social enterprises through Social Traders. It's a powerful endorsement of our commitment to delivering both commercial and social outcomes.

This recognition through Social Traders opens new opportunities for our network. It's paved the way for new partnerships with other enterprises in the sector that share our values and mission to build a better, stronger Australia.

Our increased engagement with the broader social enterprise sector has not only enabled us to diversify our partnerships; we've also deepened our impact. Over \$416 million and counting – that's how much has been reinvested back into local communities.

As we look to the future, we remain committed to the founding principles of the Community Bank model. Community is at the centre of everything we do, and our purpose remains clear: to create meaningful, lasting value for the communities we serve.

**Community Bank National Council**

# **Avoca District Co-operative Limited**

**ABN: 82 022 501 598**

## **Financial Statements**

**For the Year Ended 30 June 2025**

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**For the Year Ended 30 June 2025**

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## **Directors' Report**

### **For the Year Ended 30 June 2025**

The directors present their report together with the financial statements of the Avoca District Co-operative Limited for the financial year ended 30 June 2025.

#### **Information on directors**

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Donna Wardlaw	Qualifications and experience: Graphic Designer/Business Owner Interest in shares and options: Owner of 20 shares Special Responsibilities: Chairperson
Graeme J. Porter	Qualifications and experience: Master Builder Interest in shares and options: Owner of 258 shares Special responsibilities: Deputy Chairperson
D. Lloyd Gollop	Retired as a director on 31 March 2025 Qualifications and experience: Business Owner Interest in shares and options: Owner of 300 shares
Carl Leach	Qualifications and experience: Site Manager Interest in shares and options: Owner of 10 shares
Craig Millar	Appointed as a director on 21 February 2025 Qualifications and experience: Australian Institute of Company Directors Graduate Interest in shares and options: Owner of 50 shares
Dianne Thiele	Qualifications and experience: Retailer Interest in shares and options: Owner of 10 shares
Kate Ashton	Qualifications and experience: Real Estate Agent Interest in shares and options: Owner of 10 shares
Kristopher Meuwissen	Qualifications and experience: Financial advisor and business owner Interest in shares and options: Owner of 10 shares
Naomi Medlyn	Qualifications and experience: CPA and Business Owner Interest in shares and options: Owner of 10 shares
Sarah Broad	Qualifications and experience: Administration Interest in shares and options: Owner of 10 shares
Scott Wilson	Qualifications and experience: Support Service Manager Interest in shares and options: Owner of 10 shares

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

## **Directors' Report**

### **For the Year Ended 30 June 2025**

#### **Principal activities**

The principal activities of the Co-operative during the financial year were to provide suitable premises, furniture, equipment, staff and other resources to enable the operation of the Community Bank in Avoca, Maryborough and St Arnaud sites, by way of management contracts and franchise agreements with Bendigo and Adelaide Bank Limited.

There were no significant changes in the nature of the Co-operative's principal activities during the financial year.

#### **Operating results**

Income decreased from the previous year with the further tightening of margins, however, the Co-operative also reduced their expenses during the year and delivered another strong profit, while still making significant contributions to the community during the year.

The result of the Co-operative for the year after tax was a profit of \$344,773 (2024: \$201,841), as detailed below:

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Profit before tax and advertising, marketing and sponsorships	<b>622,966</b>	777,314
Less grants, marketing and sponsorship	<b>(56,539)</b>	(63,529)
Less Community Enterprise Foundation contributions	<b>(105,562)</b>	(446,643)
Profit before tax	<b>460,865</b>	267,142
Less income tax expense	<b>(116,092)</b>	(65,301)
Profit attributable to members of the Co-operative	<b>344,773</b>	201,841

#### **Dividends paid or recommended**

Dividends and bonuses paid or recommended for payment since the start of the financial year are as follows:

- An 8% fully franked dividend was paid during the year as recommended in last year's report.
- A 5% fully franked dividend is recommended for payment out of retained earnings in relation to the year ended 30 June 2025.

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

#### **Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the Co-operative during the year.

## Directors' Report

### For the Year Ended 30 June 2025

#### Events after the reporting date

Subsequent to the end of the reporting period, Bendigo and Adelaide Bank announced that they would be retiring the agency model and remaining agency facilities. Avoca District Co-operative Limited have been successful in their application to continue to operate the St Arnaud branch, and this will continue to operate under the Lite Touch office model which is being implemented in October 2025.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in future financial years.

#### Future developments and results

Likely developments in the operations of the Co-operative and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Co-operative.

#### Environmental issues

The Co-operative's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

#### Co-operative secretary

The position of Co-operative secretary at the end of financial year was held by Julie Driscoll, who has held the position since her appointment in July 2012. Since October 2019, Julie has also performed the role of the Executive Officer of the Co-operative.

#### Meetings of directors

During the financial year, 11 meetings of directors (not including director committee meetings) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Finance Committee		Governance Committee		Human Resource Committee		Community Impact Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended						
Donna Wardlaw	11	11	-	-	4	4	-	-	-	-
Graeme J. Porter	11	9	7	1	-	-	-	-	-	-
D. Lloyd Gollop	8	8	5	5	-	-	-	-	-	-
Carl Leach	11	7	-	-	4	4	2	2	-	-
Craig Millar	3	3	2	2	-	-	-	-	-	-
Dianne Thiele	11	9	-	-	-	-	2	2	6	4
Kate Ashton	11	9	-	-	4	3	2	2	-	-
Kristopher Meuwissen	11	10	7	6	-	-	-	-	-	-
Naomi Medlyn	11	9	7	7	-	-	-	-	-	-
Sarah Broad	11	9	-	-	-	-	-	-	6	5
Scott Wilson	11	10	-	-	4	4	2	2	6	5

## **Directors' Report**

### **For the Year Ended 30 June 2025**

#### **Indemnification and insurance of officers and auditors**

No indemnities have been given, during or since the end of the financial year, for any person who is or has been an officer or auditor of Avoca District Co-operative Limited. During the financial year the Co-operative has paid a premium in respect on a contract insuring the directors against certain liabilities. The contract prohibits the disclosure of the nature of the liabilities and the amount of the premium.

#### **Proceedings on behalf of the Co-operative**

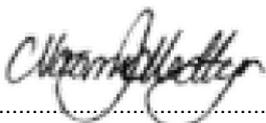
No person has applied for leave of court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or any part of those proceedings. The Co-operative was not a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

#### **Auditor's independence declaration**

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2025 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Directors:

Director:   
.....  
Donna Wardlaw

Director:   
.....  
Naomi Medlyn

Dated: 31 October 2025

**Avoca District Co-operative Limited**

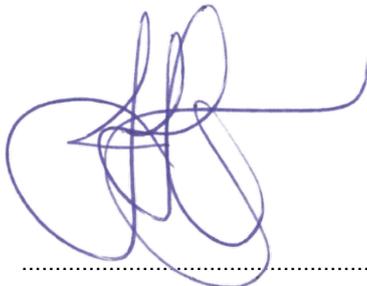
ABN: 82 022 501 598

**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Avoca District Co-operative Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have 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.

*CountPro Audit Pty Ltd*  
.....  
CountPro Audit Pty Ltd

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

.....  
Jason Hargreaves  
Director

180 Eleanor Drive, Lucas, VIC 3350

Dated: 27 October 2025

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2025**

	Note	2025 \$	2024 \$
Revenue and other income	4	2,081,860	2,213,238
Administration expenses	5	(126,392)	(118,479)
Depreciation and amortisation	6	(110,436)	(114,857)
Employment expenses	7	(1,000,646)	(946,250)
Finance costs	8	(9,016)	(7,559)
Information technology costs		(44,462)	(46,361)
Motor vehicle expenses		(12,412)	(11,438)
Occupancy costs		(66,897)	(68,377)
Service delivery costs		(88,633)	(107,558)
Loss on disposal of assets		-	(15,045)
<b>Operating profit before advertising, marketing and sponsorships</b>		<b>622,966</b>	777,314
Marketing, sponsorship and community contributions	9	(162,101)	(510,172)
<b>Profit before income tax</b>		<b>460,865</b>	267,142
Income tax expense	10	(116,092)	(65,301)
<b>Profit for the year</b>		<b>344,773</b>	201,841
<b>Other comprehensive income</b>			
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<b>344,773</b>	201,841

The accompanying notes form part of these financial statements.

**Statement of Financial Position**  
**As At 30 June 2025**

	Note	2025 \$	2024 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	13	801,524	679,818
Trade and other receivables	14	188,737	218,572
Other assets	15	11,361	8,626
<b>Total current assets</b>		<b>1,001,622</b>	<b>907,016</b>
<b>Non-current assets</b>			
Property, plant and equipment	16	783,017	545,755
Deferred tax assets	20(a)	16,457	-
Intangible assets	17	97,638	125,598
<b>Total non-current assets</b>		<b>897,112</b>	<b>671,353</b>
<b>Total assets</b>		<b>1,898,734</b>	<b>1,578,369</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	18	124,716	106,026
Current tax liabilities	20(b)	70,271	70,688
Employee benefits	21	94,780	72,553
Other liabilities	22	20,190	28,804
<b>Total current liabilities</b>		<b>309,957</b>	<b>278,071</b>
<b>Non-current liabilities</b>			
Trade and other payables	18	56,078	84,116
Borrowings	19	19,896	-
Deferred tax liabilities	20(c)	-	59
Provision for employee benefits	21	5,207	2,547
Other liabilities	22	34,833	53,528
<b>Total non-current liabilities</b>		<b>116,014</b>	<b>140,250</b>
<b>Total liabilities</b>		<b>425,971</b>	<b>418,321</b>
<b>Net assets</b>		<b>1,472,763</b>	<b>1,160,048</b>
<b>Equity</b>			
Issued capital	23	390,320	391,120
Retained earnings		1,082,443	768,928
<b>Total equity</b>		<b>1,472,763</b>	<b>1,160,048</b>

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity**  
**For the Year Ended 30 June 2025**

**2025**

	Issued capital	Retained earnings	Total
Note	\$	\$	\$
<b>Balance at 1 July 2024</b>	<b>391,120</b>	<b>768,928</b>	<b>1,160,048</b>
Profit attributable to members of the Co-operative	-	<b>344,773</b>	<b>344,773</b>
Shares bought back during the year	(800)	-	(800)
Dividends paid or provided for	-	(31,258)	(31,258)
	<u>24(a)</u>	<u>          </u>	<u>          </u>
<b>Balance at 30 June 2025</b>	<b><u>390,320</u></b>	<b><u>1,082,443</u></b>	<b><u>1,472,763</u></b>

**2024**

	Issued capital	Retained earnings	Total
Note	\$	\$	\$
<b>Balance at 1 July 2023</b>	391,120	606,179	997,299
Profit attributable to members of the Co-operative	-	201,841	201,841
Shares issued during the year	400	-	400
Shares bought back during the year	(400)	-	(400)
Dividends paid or provided for	-	(39,092)	(39,092)
	<u>24(a)</u>	<u>          </u>	<u>          </u>
<b>Balance at 30 June 2024</b>	<b><u>391,120</u></b>	<b><u>768,928</u></b>	<b><u>1,160,048</u></b>

**Statement of Cash Flows**  
**For the Year Ended 30 June 2025**

	2025	2024
Note	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from customers	2,266,472	2,412,875
Payments to suppliers and employees	(1,717,680)	(2,469,704)
Interest received	34,101	40,017
Income taxes paid	(133,025)	(10,195)
Government grants and other contributions	1,660	20,000
Interest paid	(3,173)	-
Net cash provided by/(used in) operating activities	28 <u>448,355</u>	<u>(7,007)</u>
<b>Cash flows from investing activities:</b>		
Payments for property, plant and equipment	(315,545)	(258,198)
Proceeds from disposal of plant and equipment	114	569
Payment for intangible assets	-	(140,194)
Net cash used in investing activities	<u>(315,431)</u>	<u>(397,823)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	227,500	-
Repayment of borrowings	(207,604)	-
Proceeds from issue of shares	-	200
Payment for shares bought back	(800)	(200)
Dividends paid	(30,314)	(38,992)
Net cash used in financing activities	<u>(11,218)</u>	<u>(38,992)</u>
Net increase/(decrease) in cash and cash equivalents held	121,706	(443,822)
Cash and cash equivalents at beginning of year	<u>679,818</u>	<u>1,123,640</u>
Cash and cash equivalents at end of financial year	13 <u><u>801,524</u></u>	<u><u>679,818</u></u>

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2025**

The financial report covers Avoca District Co-operative Limited as an individual entity. Avoca District Co-operative Limited is a Co-operative limited by shares, incorporated and domiciled in Australia and is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The functional and presentation currency of Avoca District Co-operative Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 28 October 2025.

Comparatives are consistent with prior years, unless otherwise stated.

#### **1 Basis of preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the requirements of the *Corporations Act 2001* and the *Co-operatives National Law*.

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

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

#### **2 Summary of material accounting policies**

##### **(a) Comparative figures**

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

##### **(b) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from those assets.

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis. Cost includes expenditure that is directly attributable to the asset.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

### **Depreciation**

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated over the asset's useful life to the Co-operative, commencing from the time the asset is held ready for use.

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

<b>Class of fixed asset</b>	<b>Depreciation rate</b>
Buildings	2.5%
Furniture, Fixtures and Fittings	5-40%
Motor Vehicles	25-30%
Computer Equipment and Software	25-66.67%
Leasehold improvements	2.5-40%

The assets' residual values, depreciation methods 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. At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit and loss and other comprehensive income.

### **(c) Financial instruments**

#### **Financial assets**

##### **Classification**

On initial recognition, the Co-operative classifies its financial assets, according to the basis on which they are measured, at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Co-operative changes its business model for managing financial assets.

##### **Amortised cost**

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Co-operative's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2025**

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

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

#### **Impairment of financial assets**

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:  
- financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Co-operative considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Co-operative's historical experience and informed credit assessment and including forward looking information.

The Co-operative uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Co-operative uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Co-operative in full, without recourse to the Co-operative to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Co-operative in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

#### **Trade receivables and contract assets**

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

The Co-operative has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Co-operative renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

#### **Other financial assets measured at amortised cost**

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

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2025**

#### **Financial liabilities**

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

The financial liabilities of the Co-operative comprise trade payables, bank and other loans and finance lease liabilities.

#### **(d) Impairment of non-financial assets**

At the end of each reporting period the Co-operative whether there is any indication that an asset may be impaired. 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 costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

#### **(e) Intangibles**

Franchise fees are measured at cost less amortisation and impairment losses. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

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

#### **(f) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### **(g) Leases**

At inception of a contract, the Co-operative assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset has chosen not to apply AASB 16 to leases of intangible assets.
- The Co-operative has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Co-operative has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

### **Right-of-use asset**

At the lease commencement, the Co-operative recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Co-operative believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

### **Lessee accounting**

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Co-operative's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Co-operative's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### **(h) Employee entitlements**

#### *Short-term employee benefits*

Provision is made for the Co-operative'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 reporting period in which the employees render the related service, including wages, salaries, annual leave and long service leave.

The liability for annual leave and long service leave is recognised in the provision for employee benefits. All other short term employee benefit obligations are presented as payables. Provision is made for the Co-operative's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been recorded as current liabilities in the statement of financial position and are measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

#### *Long-term employee benefits*

Provision is made for the Co-operative's obligation for long-term employee benefits. Long-term employee benefits are benefits not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service including annual leave and long service leave. 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.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

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 treated as short-term employee benefits and are presented as current provisions.

In the prior year the Co-operative had recorded a provision for sick leave entitlements on behalf of employees. No amount has been provided for in the current year as the obligation to meet the obligation only arises at the point in time that an employee accesses the leave entitlements and as a result the amounts form part of the normal employment expenses of the Co-operative.

### **(i) Provisions**

Provisions are recognised when the Co-operative has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

### **(j) Revenue and other income**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Co-operative expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations

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

#### **Revenue from contracts with customers**

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

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

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2025**

Revenue is recognised on an accruals basis, at the fair value of consideration specified in the franchise agreement. Under AASB 15 *Revenue from Contracts with Customers*, revenue recognition for the Co-operative's revenue stream is as follows:

<u>Revenue</u>	<u>Includes</u>	<u>Performance obligation</u>	<u>Timing of recognition</u>
Franchise agreement profit share	Margin, commission and fee income	When the Co-operative satisfies its obligation to arrange for the services to be provided to the customer by the franchisor	On completion of the provision of the relevant service. Revenue is accrued monthly and paid within 10 business days after the end of each month.

#### *Revenue calculation*

The franchise agreement provides that three forms of revenue may be earned by the Co-operative - margin, commission and fee income. Bendigo & Adelaide Bank Limited decides the form of revenue the Co-operative earns different types of products and services.

The revenue earned by the Co-operative is dependent on the business that it generates. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

#### *Margin*

Margin is arrived at through the following calculation:

- interest paid by customers on loans less interest paid to customers on deposits,
- plus any deposit returns i.e. interest return applied by Bendigo & Adelaide Bank Limited,
- minus any costs of funds i.e. interest applied to fund a loan.

The Co-operative is entitled to a share of the margin earned by Bendigo & Adelaide Bank Limited. If the margin is a loss, the Co-operative incurs a share of that loss.

#### *Commission*

Commission revenue is in the form of commission generated for products and services sold. The commission revenue is recognised at a point in time which reflects when the Co-operative has fulfilled its performance obligation.

The Co-operative receives upfront and trailing commission for products and services sold. The upfront commission is recognised when the performance obligation has been met. Ongoing trailing commissions are recognised on receipt as there is insufficient detail readily available to estimate the most likely amount of income without a high probability of significant reversal in a subsequent reporting period. The receipt of ongoing trailing commission income is outside the control of the Co-operative and is a significant judgement area.

#### *Fee income*

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

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

### *Core banking products*

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

### *Ability to change financial return*

Under the franchise agreement, Bendigo & Adelaide Bank Limited may change the form and amount of financial return that the Co-operative receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo & Adelaide Bank Limited earns its revenues.

The change may be to the method of calculation of margin, the amount of the margin, commission and fee income or a change of a margin to a commission or vice versa. This may affect the amount of revenue the Co-operative receives on a particular product or service. The effect of the change on the revenue earned by the Co-operative is entirely dependent on the change.

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

### **Other income**

The Co-operative's activities include generation of income from sources other than the core products under the franchise agreement. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Co-operative and can be reliably measured.

<u>Revenue</u>	<u>Revenue recognition policy.</u>
Dividend and distribution income	Dividend and distribution income is recognised when the right to receive the payment is established.
Discretionary financial contributions (Market Development Fund)	Market development fund income is recognised when the right to receive the payment is established. Market development fund income is discretionary and provided and receivable at month-end and paid within 14 days after month-end.
Government stimulus	Government stimulus is comprised of cash flow boost amounts and are recognised when the right to the payment is established (e.g. monthly or quarterly in the activity statement).
Other income	All other revenues that did not contain contracts with customers are recognised as the goods and services are provided.

### *Discretionary financial contributions*

In addition to margin, commission and fee income, and separate from the franchise agreement, Bendigo Bank & Adelaide Bank Limited has also made Market Development Fund (MDF) payments to the Co-operative. The amount has been based on the volume of business attributed to a branch. The purpose of the discretionary payments is to assist with local market development activities, including community sponsorships and grants. It is for the board to decide how to use the MDF revenue.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

The payments from Bendigo & Adelaide Bank Limited are discretionary and may change the amount or stop making them at any time. The Co-operative retains control over the funds, the funds are not refundable to Bendigo & Adelaide Bank Limited.

**(k) Income tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred 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, based on tax rates enacted or substantively enacted at the end of the reporting year. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

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.

**(l) Finance costs**

Borrowing costs are capitalised and amortised over the lesser of the term of the loan and five years.

**(m) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

### **3 Critical accounting estimates and judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### **Key estimates - estimated useful life and impairment of assets**

The Co-operative determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets. The required depreciation and amortisation charges will increase where useful lives are less than previously estimated.

The Co-operative assesses impairment of assets at the end of each reporting period by evaluating the conditions and events specific to the Co-operative that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate assumptions of the economic benefits expected to be received through the use of the assets.

#### **Key estimates - employee benefit provisions**

The Co-operative uses estimates to determine the current value of future obligations for employee benefits. The estimates are based on assumptions of future wage growth and consumer price index movements. The likelihood of employees reaching a period of service resulting in the employee benefits becoming unconditional and when an employee benefit obligation is likely to be settled are also estimated.

#### **Key estimates - revenue recognition**

The Co-operative exercises judgement in determining the amounts and timing of revenue to be recognised in the reporting period in accordance with the accounting policies.

#### **Key estimates - lease classification**

The Co-operative exercises judgement in determining;

- whether a contract is or contains a lease;
- whether the Co-operative has a right to direct use of the identified asset;
- whether the Co-operative obtains substantially all the economic benefit from the use of the asset;
- whether the Co-operative is reasonably certain to exercise extension options; and
- the discount rate, where the implicit rate cannot be readily determined.

#### **Key judgments - taxes**

The Co-operative is subject to income tax and significant judgement is required in determining the recognition of deferred tax assets. Deferred tax assets are only recognised which it is considered sufficient future profits will be generated to make use of the deferred tax asset. The estimates of future profits is based on the Co-operative's expected future cashflows.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

	2025	2024
	\$	\$
<b>4 Revenue and other income</b>		
<b>Revenue from contracts with customers</b>		
Provision of services	2,048,944	2,153,481
	<u>2,048,944</u>	<u>2,153,481</u>
<b>Other income</b>		
Distribution income	29,853	38,354
Grant income	-	5,000
Landlord contributions	1,660	15,000
Rent contributions	1,403	1,403
	<u>32,916</u>	<u>59,757</u>
	<u>2,081,860</u>	<u>2,213,238</u>
<b>Disaggregation of revenue from contracts with customers</b>		
<b>(a) Timing of revenue recognition</b>		
At a point in time	2,048,944	2,153,481
	<u>2,048,944</u>	<u>2,153,481</u>
<b>(b) Type of contract</b>		
Margin income	1,722,547	1,799,339
Commission income	236,800	262,920
Fee income	89,597	91,222
	<u>2,048,944</u>	<u>2,153,481</u>
<b>5 Administration expenses</b>		
Accounting fees	22,170	22,060
Advertising	8,368	8,906
Audit fees	4,850	4,700
Consultancy fees	5,311	10,303
Insurances	25,603	21,717
Legal fees	12,834	14,102
Printing and stationery	9,968	9,579
Postage and freight	6,459	6,456
Telephone	4,287	5,868
Other administrative expenses	26,542	14,788
	<u>126,392</u>	<u>118,479</u>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

	2025	2024
	\$	\$
<b>6 Depreciation and amortisation</b>		
<b>Depreciation</b>		
Buildings	1,671	1,690
Furniture, fixtures & fittings	15,800	14,356
Motor vehicles	9,364	12,530
Leasehold improvements	25,531	21,622
Right-of-use assets	30,110	37,423
	<u>82,476</u>	<u>87,621</u>
<b>Amortisation</b>		
Intangibles	27,960	27,236
	<u>27,960</u>	<u>27,236</u>
	<u>110,436</u>	<u>114,857</u>
<b>7 Employment expenses</b>		
Wages and salaries	781,450	759,557
Directors fees	19,556	16,691
Superannuation contributions	93,509	86,050
Staff training	14,675	11,892
Staff uniforms	5,505	8,358
Fringe benefits tax	10,163	5,906
Employee entitlements	29,836	22,983
Other employment expenses	45,952	34,813
	<u>1,000,646</u>	<u>946,250</u>
<b>8 Finance costs</b>		
Bendigo Bank loan	3,173	-
Interest - right-of-use assets	5,843	7,559
	<u>9,016</u>	<u>7,559</u>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

	2025	2024
	\$	\$
<b>9 Marketing, sponsorship and community contributions</b>		
<b>Sponsorship and community contributions</b>		
Avoca Chinese Garden	1,000	-
Avoca Football & Netball Club	1,000	1,000
Avoca Primary School	250	-
Avoca Shire Turf Club	900	900
Carisbrook Football Netball Club	1,000	1,000
Carisbrook Primary School	227	-
Colts Phelans Cricket Club	500	-
Highview College	227	-
Maryborough Basketball Association	3,000	3,000
Maryborough & Castlemaine Football Netball League	4,000	4,000
Maryborough Cricket Club	500	500
Maryborough District MX Club	500	-
Maryborough Education Centre	827	-
Maryborough Football Netball Club	1,955	-
Maryborough Giants Football Netball Club	1,000	-
Maryborough Harness Racing Club	3,000	2,727
Maryborough Highland Society	-	1,500
Maryborough Soccer Club	1,000	-
Natte Bealiba Football Club	909	1,000
Pyrenees Best Wool and Lamb	1,000	1,000
Pyrenees Grapegrowers & Winemakers	2,500	6,000
Sport and Life Training	-	980
St Arnaud Community Action Network	-	1,350
St Arnaud Community Kitchen	500	-
St Arnaud & District Lawn Tennis Club	500	500
St Arnaud Football Club	2,000	2,000
St Arnaud Primary School	-	228
St Arnaud Netball Club	400	400
St Arnaud Secondary College	250	-
St Augustine's Primary School	227	-
St Arnaud Turf Club	1,237	-
St Arnaud Young Farmers	-	2,000
St Patrick's Primary School	250	-
Talbot Football Netball Club	1,000	909
Timor Primary School	227	-
Other community contributions	2,005	1,925
	<b>33,891</b>	<b>32,919</b>
Marketing	<b>22,648</b>	<b>30,610</b>
	<b>56,539</b>	<b>63,529</b>
Community Enterprise Foundation	<b>105,562</b>	<b>446,643</b>
	<b>162,101</b>	<b>510,172</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2025

	2025	2024
	\$	\$
<b>10 Income tax expense</b>		
<b>(a) The components of tax expense comprise:</b>		
Current tax	132,607	78,409
Deferred tax	(16,515)	(10,179)
Over provision in respect of prior year	-	(2,929)
	<u>116,092</u>	<u>65,301</u>
<b>(b) The prima facie tax on profit before income tax expenses is reconciled to the income tax as follows:</b>		
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2024: 25%)	115,217	66,786
Add tax effect of non-deductible depreciation and amortisation	353	353
Add tax effect of non-deductible expenses	522	1,091
Over provision for income tax in prior year	-	(2,929)
	<u>116,092</u>	<u>65,301</u>

### 11 Auditors' remuneration

Remuneration of the auditors of the Co-operative, CountPro Audit Pty Ltd, for:

- Auditing the financial statements

4,850	4,700
<u>4,850</u>	<u>4,700</u>

Remuneration of related entity, CountPro Pty Ltd, for:

- Accounting and other non-assurance services

22,170	22,060
<u>22,170</u>	<u>22,060</u>
<u>27,020</u>	<u>26,760</u>

Accounting and other non-assurance services include financial statement preparation and a range of accounting and taxation services. Phillip Brown, Director of CountPro Pty Ltd, is engaged to provide these services. No person involved in the provision of audit services is involved in the provision of non-assurance services to the Co-operative.

### 12 Key management personnel remuneration

The total remuneration paid to the key management personnel of Avoca District Co-operative Limited during the year was \$19,556 (2024: \$16,691).

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

	2025	2024
	\$	\$
<b>13 Cash and cash equivalents</b>		
Cash at bank	74,997	103,273
Short-term deposits	726,527	576,545
	<u>801,524</u>	<u>679,818</u>
<b>14 Trade and other receivables</b>		
Trade receivables	181,093	193,747
GST receivable	-	11,721
Accrued income	7,609	11,857
ATO activity statement account	-	1,247
Other receivables	35	-
	<u>188,737</u>	<u>218,572</u>
<b>15 Other assets</b>		
Borrowing costs	792	-
Prepayments	10,569	8,626
	<u>11,361</u>	<u>8,626</u>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

	2025	2024
	\$	\$
<b>16 Property, plant and equipment</b>		
Land and buildings		
At cost	121,638	121,638
Accumulated depreciation	<u>(35,015)</u>	<u>(33,344)</u>
	<u>86,623</u>	<u>88,294</u>
Capital works in progress		
At cost	<u>339,973</u>	29,545
	<u>339,973</u>	<u>29,545</u>
Office furniture and equipment		
At cost	172,608	169,475
Accumulated depreciation	<u>(140,803)</u>	<u>(125,002)</u>
	<u>31,805</u>	<u>44,473</u>
Motor vehicles		
At cost	74,588	74,588
Accumulated depreciation	<u>(46,495)</u>	<u>(37,131)</u>
	<u>28,093</u>	<u>37,457</u>
Leasehold Improvements		
At cost	354,240	349,880
Accumulated amortisation	<u>(107,257)</u>	<u>(81,726)</u>
	<u>246,983</u>	<u>268,154</u>
Right-of-use to land and buildings		
At cost	95,889	155,437
Accumulated depreciation	<u>(46,349)</u>	<u>(77,605)</u>
	<u>49,540</u>	<u>77,832</u>
	<u><u>783,017</u></u>	<u><u>545,755</u></u>

## Notes to the Financial Statements

For the Year Ended 30 June 2025

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year:

	Land and buildings	Capital works in progress	Office furniture and equipment	Motor vehicles	Leasehold improvements	Right-of-use to land and buildings	Total
	\$	\$	\$	\$	\$	\$	\$
<b>2025</b>							
Balance at the beginning of year	88,294	29,545	44,473	37,457	268,154	77,832	545,755
Additions	-	310,428	3,132	-	4,360	-	317,920
Depreciation expense	(1,671)	-	(15,800)	(9,364)	(25,531)	(30,110)	(82,476)
Revaluation due to changes in lease payments	-	-	-	-	-	1,818	1,818
<b>Balance at the end of the year</b>	<b>86,623</b>	<b>339,973</b>	<b>31,805</b>	<b>28,093</b>	<b>246,983</b>	<b>49,540</b>	<b>783,017</b>
<b>2024</b>							
Balance at the beginning of year	89,984	-	48,670	49,987	87,237	73,499	349,377
Additions	-	29,545	17,628	-	211,025	16,645	274,843
Disposals at written down value	-	-	(7,469)	-	(8,486)	-	(15,955)
Depreciation expense	(1,690)	-	(14,356)	(12,530)	(21,622)	(37,423)	(87,621)
Revaluation due to changes in lease payments	-	-	-	-	-	25,111	25,111
<b>Balance at the end of the year</b>	<b>88,294</b>	<b>29,545</b>	<b>44,473</b>	<b>37,457</b>	<b>268,154</b>	<b>77,832</b>	<b>545,755</b>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

	2025	2024
	\$	\$
<b>17 Intangible assets</b>		
Licenses and franchises		
Cost	497,778	497,778
Accumulated amortisation and impairment	(400,140)	(372,180)
	<u>97,638</u>	<u>125,598</u>
<b>(a) Movements in carrying amounts</b>		
Movements in the carrying amounts for each class of intangible asset between the beginning and end of the financial year:		
Balance at the beginning of the year	125,598	12,640
Additions	-	140,194
Amortisation	(27,960)	(27,236)
<b>Balance at the end of the year</b>	<u>97,638</u>	<u>125,598</u>
<b>18 Trade and other payables</b>		
<b>Current</b>		
Trade payables	52,954	60,201
Accrued expense	6,832	4,700
Franchise fees payable	28,039	28,039
GST payable	25,414	-
PAYG withholding	9,414	10,222
Dividend payable	1,154	210
Credit cards	909	2,654
	<u>124,716</u>	<u>106,026</u>
<b>Non-current</b>		
Franchise fees payable	56,078	84,116
	<u>56,078</u>	<u>84,116</u>
	<u>180,794</u>	<u>190,142</u>
<b>19 Borrowings</b>		
<b>Non-current</b>		
Bank overdraft	19,896	-
	<u>19,896</u>	<u>-</u>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

	2025	2024
	\$	\$
<b>20 Tax</b>		
<b>(a) Deferred tax assets</b>		
Deferred tax assets comprise the tax effect of:		
Accrued expenses	(1,213)	-
Provisions	(24,997)	-
Prepaid expenses	2,642	-
Right-of-use assets	(1,370)	-
Land, buildings and intangible assets	8,481	-
	<u>16,457</u>	<u>-</u>
<b>(b) Current tax liabilities</b>		
Income tax payable	70,271	70,688
	<u>70,271</u>	<u>70,688</u>
<b>(c) Deferred tax liability</b>		
Deferred tax liabilities comprise the tax effect of:		
Accrued expenses	-	(1,175)
Provisions	-	(18,775)
Prepaid expenses	-	2,157
Right-of-use asset	-	(1,125)
Land, buildings and intangible assets	-	18,977
	<u>-</u>	<u>59</u>
<b>21 Employee benefits</b>		
<b>Current</b>		
Provision for employee entitlements	94,780	72,553
	<u>94,780</u>	<u>72,553</u>
<b>Non-current</b>		
Provisions for employee entitlements	5,207	2,547
	<u>5,207</u>	<u>2,547</u>
	<u>99,987</u>	<u>75,100</u>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2025**

**22 Leases**

**Co-operative as a lessee**

The Co-operative has operating leases over the branch premises in Avoca, Maryborough and St Arnaud and for the St Arnaud Railway. Lease payments are increased on an annual basis in line with the consumer price index or terms of the lease agreement. The option under the lease for the Maryborough branch expired during the year and the lease has been derecognised. The lease for the St Arnaud Railway commenced on 1 July 2019 and a sub-lease was entered into with the St Arnaud Raillery Hub Inc. who pay the Co-operative amounts equal to the lease payments. A new lease was entered into for the St Arnaud agency commencing 1 March 2024 for a term of 1 year and 11 months.

	2025	2024
	\$	\$
<b>(a) Right-of-use assets</b>		
Balance at the beginning of the year	77,832	73,499
Asset recognition	-	16,645
Depreciation charge	(30,110)	(37,423)
Revaluation of right-of-use assets	1,818	25,111
	<u>49,540</u>	<u>77,832</u>
<b>(b) Lease liabilities</b>		
<b>Current</b>		
Lease of premises	20,190	28,804
	<u>20,190</u>	<u>28,804</u>
<b>Non-current</b>		
Lease of premises	34,833	53,528
	<u>34,833</u>	<u>53,528</u>
	<u>55,023</u>	<u>82,332</u>

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

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
<b>2025</b>					
Lease liabilities	24,071	27,666	-	51,737	55,023
<b>2024</b>					
Lease liabilities	34,599	48,702	-	83,301	82,332

## Notes to the Financial Statements

For the Year Ended 30 June 2025

**2025**                      **2024**  
\$                                      \$

**(c) Statement of profit or loss**

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Co-operative is a lessee are shown below:

Depreciation of right-of-use assets	30,110	37,423
Interest expense	5,843	7,559
	<b>35,953</b>	<b>44,982</b>

**23 Issued capital**

19,516 (2024: 19,556) ordinary shares issued at \$20.00 each

	<b>390,320</b>	<b>391,120</b>
--	----------------	----------------

**2025**                      **2024**  
No.                                      No.

**Fully paid ordinary shares**

Balance at the beginning of the year	19,556	19,556
Shares issued during the year	-	20
Shares bought back during the year	(40)	(20)
	<b>19,516</b>	<b>19,556</b>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Co-operative. At shareholders meetings of the Co-operative, each member has one vote in person regardless of the number of shares held.

**24 Dividends**

**(a) Dividends and distributions paid**

Final franked ordinary dividends of \$1.60 per share (2024 \$2.00 per share) were paid or provided for during the year

	<b>31,258</b>	39,092
	<b>31,258</b>	39,092

Franked dividends declared or paid during the year were franked at the tax rate of 25% (2024: 25%).

**(b) Franking account**

The franking credits available for subsequent financial years

	<b>474,069</b>	419,976
--	----------------	---------

The above available balance is based on the dividend franking account at year end adjusted for franking credits that will arise from the payment of the current tax liabilities and franking debits that will arise from the payment of dividends recognised as a liability at the year end. The ability to use the franking credits is dependent upon the Co-operatives future ability to declare dividends.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

### **25 Segment reporting**

The economic entity operates community bank branches of the Bendigo & Adelaide Bank Limited in the Avoca and Maryborough districts together with an agency of the Bendigo & Adelaide Bank Limited in the St Arnaud district.

### **26 Economic dependency**

The normal trading activities of the Co-operative (which undertakes the branch activities of the Bendigo & Adelaide Bank in the Avoca and Maryborough districts) rely on the franchise contracts with the Bendigo & Adelaide Bank Group.

### **27 Financial risk management**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Held at amortised cost:		
Cash and cash equivalents	<b>801,524</b>	679,818
Trade receivables	<b>181,093</b>	193,747
	<b>982,617</b>	<b>873,565</b>
<b>Financial liabilities</b>		
Held at amortised cost:		
Trade payables	<b>52,954</b>	60,201
	<b>52,954</b>	<b>60,201</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2025

	2025	2024
	\$	\$
<b>28 Cash flow information</b>		
Reconciliation of result for the year to cashflows from operating activities:		
Operating profit from ordinary activities	<b>344,773</b>	201,841
- depreciation and amortisation	<b>110,436</b>	114,857
- net (profit)/loss on disposal of property, plant and equipment	-	15,045
- (increase)/decrease in trade and other receivables	<b>16,853</b>	40,328
- (increase)/decrease in other assets	<b>(57,165)</b>	77,076
- (increase)/decrease in prepayments	<b>(1,943)</b>	(795)
- (increase)/decrease in finance costs	<b>(792)</b>	-
- increase/(decrease) in trade and other payables	<b>28,239</b>	(525,424)
- increase/(decrease) in income taxes payable	<b>(16,933)</b>	55,106
- increase/(decrease) in employee benefits	<b>24,887</b>	14,959
Cashflows from operations	<b><u>448,355</u></b>	<b><u>(7,007)</u></b>

### 29 Contingent assets and contingent liabilities

In the opinion of the Directors, the Co-operative did not have any contingent assets or liabilities at 30 June 2025 or 30 June 2024.

### 30 Events Occurring After the Reporting Date

The financial report was authorised for issue on 28 October 2025 by the Directors.

Subsequent to the end of the reporting period, Bendigo and Adelaide Bank announced that they would be retiring the agency model and remaining agency facilities. Avoca District Co-operative Limited have been successful in their application to continue to operate the St Arnaud branch, and this will continue to operate under the Lite Touch office model which is being implemented in October 2025.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in future financial years.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2025**

### **31 Related party transactions**

#### **Related parties**

The Co-operative's main related parties are as follows:

#### **Key management personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. In the opinion of the Board, the only key management personnel of the entity are the Directors.

For details of disclosures relating to key management personnel, refer to Note 12: Key Management Personnel Remuneration.

#### **Transactions with related parties**

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

### **32 Statutory information**

The registered office and principal place of business of the Co-operative is:

Avoca District Co-operative Limited  
121 High Street  
Avoca Victoria 3467

**Avoca District Co-operative Limited**  
ABN: 82 022 501 598

## **Consolidated Entity Disclosure Statement** **For the Year Ended 30 June 2025**

The Co-operative has no controlled entities and, therefore, is not required by Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

## Directors' Declaration

The directors of the Co-operative declare that:

1. the financial statements and notes for the year ended 30 June 2025 as set out on pages 6 to 33 are in accordance with the Corporations Act 2001 and:
  - a. comply with Australian Accounting Standards - Simplified Disclosures; and
  - b. give a true and fair view of the financial position and performance of the Co-operative as at 30 June 2025 and of the performance for the year ended on that date;
2. in the directors' opinion, the consolidated entity disclosure statement is true and correct.
3. in the directors' opinion, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Director .....  
Donna Wardlaw

Director .....  
Naomi Medlyn

Dated: 31 October 2025

## Avoca District Co-operative Limited

# Independent Audit Report to the members of Avoca District Co-operative Limited

### Opinion

We have audited the financial report of Avoca District Co-operative Limited (the Co-operative) and its subsidiaries (the Co-operative), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Co-operative is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the Co-operative's financial position as at 30 June 2025 and of its financial performance for the year ended; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Co-operative in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Co-operative, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Responsibilities of Directors for the Financial Report

The directors of the Co-operative are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the Corporations Act 2001 and is appropriate to meet the needs of the members; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and for such internal control as the directors determine is necessary to enable the preparation of:
  - i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
  - ii. the consolidated entity disclosure statement that is true and correct and is free from misstatement, whether due to fraud or error.

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

## Avoca District Co-operative Limited

# Independent Audit Report to the members of Avoca District Co-operative Limited

### Auditor's Responsibilities for the Audit of the Financial Report

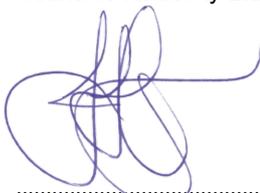
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

CountPro Audit Pty Ltd  
CountPro Audit Pty Ltd

A handwritten signature in blue ink, appearing to read "Jason Hargreaves", is written over a horizontal dotted line.

Jason Hargreaves  
Director

180 Eleanor Drive, Lucas, VIC, 3350

Dated: 5 November 2025

Community Bank - Avoca

121 High Street,  
Avoca VIC 3467

Phone: 5465 3804

Email: [avoca@bendigoadelaide.com.au](mailto:avoca@bendigoadelaide.com.au)

Web: [bendigobank.com.au/avoca](http://bendigobank.com.au/avoca)

Community Bank - Maryborough

52-54 Tuaggra Street,  
Maryborough VIC 3465

Phone: 5461 4384

Email: [maryborough@bendigoadelaide.com.au](mailto:maryborough@bendigoadelaide.com.au)

Web: [bendigobank.com.au/maryborough](http://bendigobank.com.au/maryborough)

St Arnaud Agency

Napier Street,  
St Arnaud VIC 3550

Phone: 5495 2587

Franchisee: Avoca District Co-operative Limited

ABN: 82 022 501 598

PO Box 81

Avoca 3467

Phone: 0411 234 800

Email: [secretary@avocacoop.com.au](mailto:secretary@avocacoop.com.au)

AFS & Associates Pty Ltd

PO Box 454, Bendigo VIC 3552

Phone: 5443 0344

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