

Annual Report 2025

Bellarine Peninsula
Community Branch Limited

Community Bank
Portarlington and Drysdale

ABN 33 089 107 657



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Chairman's report

For year ending 30 June 2025



It is with great pleasure that I present the Chair Report for the Community Bank Bellarine for the financial year ending 2025. This year has been a significant period of growth, community engagement, and financial stability for our branches.

Throughout the year, we have continued to uphold our mission of providing essential banking services to our local community in Portarlington and Drysdale while simultaneously supporting local initiatives, charities, and events that foster the development of the local area. Our efforts are driven by a strong commitment to making a positive impact locally.

Financially, our branches have demonstrated resilience and stability, with increased customer deposits and improved lending activities. These results reflect the trust our community places in us and our dedication to serving their financial needs responsibly. We have also increased our support to local clubs, schools, and community organizations, aligning with our Strategic Plan to give back to the Bellarine community. This year we have given back over \$100,000 to the local community.

Our team of dedicated staff and board directors have been instrumental in achieving these outcomes. Their commitment to excellent service and community involvement has been outstanding.

Looking ahead, we are committed to continuing our support for local initiatives, embracing innovative banking technologies, and ensuring we remain a responsible and community-focused financial institution. This financial year we contributed \$400,000 to our Community Enterprise Foundation for ongoing community grants.

We are very excited to announce that we have purchased a shop at the new Qudos Portarlington Development in Newcombe Street with construction due to be completed in 2028. This purchase secures our commercial footprint for the community and shareholders and is a fabulous asset for the future.

I am also very pleased to announce to shareholders a 10-cent dividend per share for the financial year for distribution to shareholders.

Finally, I would like to extend my thanks to our volunteer board members, our staff, and most importantly, our shareholders and customers. It is your ongoing support and trust that sustain our mission and inspire us to serve the Bellarine community now and into the future.

Thank you for your ongoing support,

A handwritten signature in black ink, appearing to read 'Kerry Trewin'.

Kerry Trewin
Chair
Bellarine Peninsula Community Branch Ltd

Managers' report

For year ending 30 June 2025



We are proud to present our report for the 2025 financial year.

Our branches continue to demonstrate the strength of the Community Banking model. Through the support from our customers who choose to bank locally, we continue to give back to impact heavily in the Bellarine community. Our partnership ensures that our profit is used locally to support sporting clubs, schools, community groups and community projects that benefit all of the people in our region.

Our team remains focused on providing a high level of customer service and financial solutions that are tailored to each individual's needs. Our branches are more than a place to do your banking, they are becoming community hubs which offer a welcoming environment to celebrate local stories and initiatives. We are displaying local artists and providing small business an avenue to showcase their products through our Pop Up Shop in Drysdale and we are always looking for ways to connect people locally.

We are proud of the efforts of our staff to look after our customers and provide them with relevant information around how to manage their banking safely in the current world, look for new ways to grow our business so that we can continue to reinvest in local initiatives.

Our team would like to thank our customers, shareholders, community partners and our dedicated board of directors for their ongoing support. We continue to prove that we are more than a bank and that something as simple as banking locally can be a force for positive change.

A stylized, handwritten signature in black ink.

Branch Manager Drysdale

A stylized, handwritten signature in black ink.

Tansy Collins
Branch Manager Portarlington

Bendigo and Adelaide Bank report

For year ending 30 June 2025

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 National Council report

For year ending 30 June 2025



COMMUNITY BANK
NATIONAL COUNCIL

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, 1,500+ volunteer Directors, 1,700 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 formally 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

Directors' report

For the financial year ended 30 June 2025

Your directors submit the financial report of the Company for the financial year ended 30 June 2025.

Directors

The following persons held office as directors at any time during or since the end of the financial year:

Kerry Trewin (Chairman)
Stephen Wight
Christopher Niven
Philip Volk
Jesse Papak (resigned 3 March 2025)
Jennifer King
Felicity Tol
Samantha English (appointed 7 October 2024)
Warrick Meddings (appointed 14 April 2025)

Company Secretary

The Company Secretary is Mark Cunneen. Mark was appointed to the position of Company Secretary on 16 January 2023 and is a resident of Torquay. Mark is a Graduate of the Australian Institute of Company Directors, a Director of Vibe Success, and has significant experience in banking and board governance. Mark does not hold any shares in the Company.

Principal activities and significant changes in nature of activities

The principal activities of the Company during the financial year were facilitating the Community Bank services under management rights to operate two franchised branches of Bendigo & Adelaide Bank Ltd.

There were no significant changes to the company's principal activities during the financial year.

Operating result and review of operations

The net result of the Company for the year after providing for income tax was a profit of \$379,085.

Financial position

The Company's net assets have increased to \$3,582,329 at the end of the financial year compared to \$3,104,614 for the previous year. The Company's current asset ratio is 13.37, remaining in a sound financial position.

Significant changes in state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

Change in accounting policy

During the year, the company changed its accounting policy for buildings from the cost model to the revaluation model. This resulted in an increase in property, plant and equipment of \$344,784 and an increase in the deferred tax liability of \$86,196 at 30 June 2025, and a corresponding increase in other comprehensive income of \$258,588 for the year then ended.

Dividends

Dividends paid or declared for payment during the financial year are as follows:

- Ordinary fully franked dividend of 10 cents per share paid on 1 December 2024

Matters subsequent to the end of the financial year

Subsequent to the end of the financial year, the Company entered into a contract to acquire a shop as part of the Qudos Portarlington development for \$1,367,000. A deposit of 10 percent of the purchase price has been made with the balance due on settlement which is expected to take place in 2028.

As required under the Franchise agreement, the approval of Bendigo and Adelaide Bank Limited has been obtained with the condition that the Company hold in term deposit at least the amount required for settlement. This condition has been met as at the date of signing of this report.

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

Future development

Apart from the matter mentioned above, the directors are not aware of any specific development likely to have a significant effect on the operations of the Company or the expected results of those operations.

Environmental regulations

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

Director and Auditor indemnification

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

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

Share options

No options to shares in the Company have been granted during the financial year and there were no options outstanding at the date of this report.

Proceedings

No person had 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.

Remuneration report

The board is responsible for the determination of remuneration packages and policies applicable to the manager of each branch and all the staff. The managers are invited to the board meeting as required to discuss performance and remuneration packages.

The managers are paid a base salary, which is between \$100,000 and \$120,000 plus superannuation. In addition, each manager receives a bonus if the Company exceeds the performance criteria established by the board.

Christopher Niven received payment for services performed in a role as 'Community Engagement Officer' including, but not limited to, community and public relations, sponsorships and grants, partnerships and community engagement. During the 2025 financial year Chris was paid \$47,232 (including superannuation).

Mark Cunneen is a director of Vibe Success Pty Ltd, who received payment for services performed in a role as 'Executive Officer' including, but not limited to, community and public relations, corporate affairs administration, accounts liaison and other Company Secretarial duties. The amount paid to Vibe Success Pty Ltd for these services amounted to \$41,4100.

Kerry Trewin as chair received a payment of \$3,000 to cover expenses during the year.

No directors' remuneration has been paid as the positions are held on a voluntary basis.

Information on Directors

The director responsible in office at the date of this report together with their qualifications, experience, special responsibilities, and shareholdings are:

Kerry Trewin - Chair

Director of RiverEnd Aesthetics Clinic in Geelong
Vice president and life member of Portarlington Business Development Association
Involved in community organisations
Portarlington Resident
Shares Held: 13,000

Stephen Wight - Director

Retired
Former Registered Company Auditor (resigned July 2024)
Former member of the Institute of Chartered Accountants Australia and New Zealand
Involvement in public and not for profit organisations
Geelong resident
Shares Held: Nil

Christopher Keith Niven - Director

Community Engagement Manager
Career in banking & finance
Director of Read The Play Inc.
Involved in local sporting groups
Point Lonsdale resident
Shares Held: 3000

Directors' report (continued)

Philip Volk - Director

Director of Horizons Wealth and Financial Focus Group
Master of Business Administration
Graduate Diploma of Management Sciences
Bachelor of Arts (Mil)
Naval Staff College Graduate
Portarlinton resident
Shares Held: Nil

Jennifer King-Director

Bachelor of Business (Accounting)
Fellow: Certified Practicing Accountant
Member of the Australian Institute of Company Directors
Secretary Portarlinton Business Development Association
Portarlinton Resident
Shares Held: Nil

Felicity Anne Tol- Director

Accountant
Local business providing bookkeeping and BAS services and tax & associated services.
Bachelor of Commerce (Accounting & Financial Planning). Involved within the Drysdale/ Clifton Springs community since 1995, including volunteering at the Springdale Neighbourhood Centre.
Member of the Geelong Harley Owners Group for over 10 years. Convenor of the annual HOG Toy Run collecting toys and donations to be distributed by Bethany Family Services. Director/ Treasurer of Queenscliff/ Point Lonsdale Community Enterprise Inc.
Drysdale Resident
Shares Held: 1000

Samantha English – Director

General Manager of Organisational Development – GeelongPort
Governance Director of Portarlinton Football Netball Club
Portarlinton resident
Shares Held: Nil

Warrick Meddings – Director

President of Portarlinton and Drysdale Lions Club
Technology professional with 15 years' experience in supporting Bank@Post
Portarlinton resident
Shares Held: Nil

Directors' report (continued)

Meeting attendance July 2024 to June 2025

Director	Eligible	Attended
Kerry Trewin	10	10
Stephen Wight	10	8
Chris Niven	10	8
Philip Volk	10	8
Jesse Papak	6	5
Jennifer King	10	10
Felicity Tol	10	9
Samantha English	8	8
Warrick Meddings	3	3

Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached.

Signed in accordance with a resolution of the Board of Directors

Dated this 11th day of September, 2025



Kerry Trewin

Chair

Auditor's independence declaration



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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Bellarine Peninsula Community Branch Limited

As lead auditor for the audit of Bellarine Peninsula Community Branch Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 11 September 2025

A handwritten signature in black ink, appearing to read 'Lachlan Tatt'.

Lachlan Tatt
Lead Auditor

Financial statements

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Notes	2025 \$	2024 \$
Revenue from Contracts with Customers	6	2,866,165	2,989,366
Other Revenue	7	5,582	-
Finance Income	8	73,227	58,774
Total revenue		2,944,974	3,048,140
Employee Benefits	9(a)	1,254,583	1,038,609
Information Technology Expenses		74,801	95,969
Depreciation and Amortisation	9(b)	200,387	151,404
Finance Costs	9(c)	27,309	23,798
Property Expenses		62,899	56,384
Professional Fees		45,493	53,397
Insurance		28,747	24,300
Administration Expenses		210,080	169,371
Other expenses From Ordinary Activities		20,510	22,120
Loss on disposal of non-current assets	9(e)	-	90,355
Total expenses from ordinary activities		1,924,809	1,725,707
Operating profit before charitable donations, sponsorship and income tax		1,020,165	1,322,433
Donations and Sponsorship	9(d)	504,109	504,661
Profit before income tax expense		516,056	817,772
Income Tax Expense	10	136,971	196,437
Profit after income tax expense		379,085	621,335
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on revaluation of land and buildings, net of tax		258,588	-
Total other comprehensive income		258,588	-
COMPREHENSIVE RESULT FOR THE YEAR		637,673	621,335
Earnings per Share (cents per share)			
Basic Earnings per share	33	23.71	38.87
Diluted Earnings per share	33	23.71	38.87

This statement should be read in conjunction with the accompanying notes.

Financial statements (continued)

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Notes	2025 \$	2024 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	11	140,044	101,518
Other Financial Assets	13	1,641,557	1,583,350
Receivables	12	201,756	225,732
Current Tax Assets		76,137	-
Total Current Assets		2,059,494	1,910,600
Non-Current Assets			
Other Financial Assets	13	9,643	9,643
Deferred Tax Assets	14	-	13,973
Property, Plant, Equipment	15	1,614,558	1,334,144
Right-of-use assets	16	299,603	383,219
Intangible Assets	17	99,602	127,725
Total Non-Current Assets		2,023,406	1,868,704
TOTAL ASSETS		4,082,900	3,779,304
LIABILITIES			
Current Liabilities			
Payables	18	50,626	23,224
Borrowings	19	-	2,202
Lease liabilities	20	77,207	69,120
Employee Benefits	22	26,262	32,095
Current Tax Liabilities		-	187,577
Total Current Liabilities		154,095	331,647
Non-Current Liabilities			
Borrowings	19	10,783	19,341
Lease liabilities	20	232,680	309,887
Provisions	21	18,507	17,429
Employee Benefits	22	14,040	13,815
Deferred Tax Liabilities	14	70,466	-
Total Non-Current Liabilities		346,476	360,472
TOTAL LIABILITIES		500,571	674,690
NET ASSETS		3,582,329	3,104,614
EQUITY			
Issued Capital	23	787,911	787,911
Financial Assets Reserve	24	(30,357)	(30,357)
Revaluation Reserve - Buildings	24	258,588	-
Retained Earnings	SCE	2,566,187	2,347,059
TOTAL EQUITY		3,582,329	3,104,614

This statement should be read in conjunction with the accompanying notes.

Financial statements (continued)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Note	Issued Capital \$	Financial Assets Reserve \$	Revaluation Reserve - Buildings \$	Retained Earnings \$	Total \$
Balance at 1 July 2023		787,911	(30,357)	-	1,885,581	2,643,135
Comprehensive Income						
Net Result for the year		-	-	-	621,335	621,335
Other Comprehensive Income for the year		-	-	-	-	-
Transactions with Owners in their Capacity as Owners		-	-	-	-	-
Dividends recognised for the year	34	-	-	-	(159,857)	(159,857)
Balance at 30 June 2024		787,911	(30,357)	-	2,347,059	3,104,613
Comprehensive Income						
Net Result for the year		-	-	-	379,085	379,085
Other Comprehensive Income for the year		-	-	258,588	-	258,588
Transactions with Owners in their Capacity as Owners		-	-	-	-	-
Dividends recognised for the year	34	-	-	-	(159,957)	(159,957)
Balance at 30 June 2025		787,911	(30,357)	258,588	2,566,187	3,582,329

This statement should be read in conjunction with the accompanying notes.

Financial statements (continued)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from customers		3,183,749	3,333,313
Interest and dividend distributions		71,425	49,772
Payments			
Employee benefits		(1,245,256)	(1,053,412)
Tax Paid		(675,237)	(762,857)
Lease payments (interest component)		(26,231)	(21,973)
Payments to suppliers		(946,524)	(928,341)
Interest on borrowings		(1,078)	(1,825)
NET CASH INFLOWS FROM OPERATING ACTIVITIES	25	360,848	614,677
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of fixed assets		(24,278)	(216,040)
Payments for investments		(58,207)	(476,498)
Payments for Intangible Assets		-	(140,615)
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES		(82,485)	(833,153)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings (principal component)		(10,760)	(15,432)
Lease payments (principal component)		(69,120)	(60,933)
Dividends paid	34	(159,957)	(159,857)
NET CASH INFLOWS/(OUTFLOWS) FROM FINANCING ACTIVITIES		(239,837)	(236,222)
NET INCREASE/(DECREASE) IN CASH HELD		38,526	(454,698)
CASH AT 1 JULY		101,518	556,216
CASH AT 30 JUNE	11	140,044	101,518

This statement should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the year ended 30 June 2025

Note 1 Reporting entity

Bellarine Peninsula Community Branch Limited ('the Company') is domiciled in Australia, as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The Company was incorporated in Australia and the principal operations involve providing Community Bank services. The registered office and principal place of business is:

Registered office:		44 Newcombe Street Portarlington 3223
Principal places of business:	Portarlington	44 Newcombe Street Portarlington 3223
	Drysdale	6B, 35-37 Murradoc Road Drysdale 3222

Note 2 Basis of preparation and statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The financial statements have been prepared on an accrual and historical cost basis, except for equity financial assets that are measured at revalued amounts or fair values at the end of each reporting period. The financial report is presented in Australian dollars and all values are rounded to the nearest dollar, unless otherwise stated.

These financial statements for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors.

Note 3 Changes in accounting policies, standards and interpretations

From 30 June 2025, the company elected to apply the revaluation model under AASB 116 for its strata-titled building. This represents a change in accounting policy and has been applied prospectively. Comparative figures have not been restated, consistent with AASB 116.

During the year, the directors reviewed the classification of the Sandhurst Select 90 Fund under AASB 107 Statement of Cash Flows. As the fund requires a minimum 90-day holding period and may be subject to redemption delays, it does not meet the definition of a cash equivalent.

Previously classified as cash and cash equivalents, the fund is now presented as an investment at 30 June 2025. Comparative figures for 30 June 2024 have been restated. Impact on comparatives:

- Cash and cash equivalents decreased and financial assets increased by \$655,052.
- Opening and closing cash balances in the statement of cash flows were adjusted to exclude the fund.
- Fund movements are now shown in investing activities in the statement of cash flows.

There are a number of amendments to accounting standards issued by the AASB that became mandatorily effective for accounting periods beginning on or after 1 July 2024, and are therefore relevant for the current financial year. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to materially affect the current or future periods.

Note 4 Summary of material accounting policies

The company has consistently applied the following accounting policies to all periods presented in these financial statements.

(a) Revenue from contracts with customers

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

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

Notes to the financial statements (continued)

Note 4 Summary of material accounting policies (continued)

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 (AASB 15), revenue recognition for the Company's revenue stream is as follows:

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

Revenue calculation

The franchise agreement provides that three forms of revenue may be earned by the Company – margin, commission and fee income. Bendigo Bank decides the form of revenue the Company earns on different types of products and services.

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

Margin Income

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 Bank for a deposit,
- *minus* any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

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

Commission Income

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

The Company receives trailing commission for products and services sold. Ongoing trailing commission payments are recognised on receipt as there is insufficient detail readily available to estimate the most likely amount of income without a high probability of material reversal in a subsequent reporting period. The receipt of ongoing trailing commission income is outside the control of the Company, and is a material 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 Bank Group entities including fees for loan applications and account transactions.

Core banking products

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

Ability to change financial return

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

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

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

Notes to the financial statements (continued)

Note 4 Summary of material accounting policies (continued)

(b) Other revenue

The Company's activities include the 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 Company and can be reliably measured.

Revenue stream

Dividend and distribution income

Other income

Revenue recognition policy

Dividend and distribution income is recognised when the right to receive the payment is established.

All other revenues that did not contain contracts with customers are recognised as goods and services are provided.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(c) Economic Dependency - Bendigo Bank

The company operates under a franchise agreement with Bendigo Bank, which governs the management of the Community Bank and provides the company's primary source of income. The current agreements commenced on 13 January 2024 and expires in January 2029.

The Company is economically dependent on income received under the franchise agreement. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry.

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.

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

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

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

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

(d) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for salary and wages (including non-monetary benefits), annual leave, and sick leave which are expected to be wholly settled within 12 months of the reporting date. They are measured at amounts expected to be paid when the liabilities are settled, plus related on-costs. Expenses for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

An annual leave liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be reliably estimated.

Notes to the financial statements (continued)

Note 4 Summary of material accounting policies (continued)

Defined superannuation contribution plans

The Company contributes to a defined contribution plan. Obligations for superannuation contributions to defined contribution plans are expensed as the related service is provided.

Contributions to a defined contribution plan are expected to be settled wholly before 12 months after the end of the financial year in which the employees render the related service.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior reporting periods.

That benefit is discounted to determine its present value. Consideration is given to expected future wage and salary levels plus related on-costs, experience of employee departures, and years of service achieved. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimate future cash outflows.

Remeasurements are recognised in profit or loss in the period in which they arise.

(e) Taxes

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore recognises them under AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Current income tax

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

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for all deductible temporary differences, carried-forward tax losses, and unused tax credits to the extent that it is probable that future taxable profits will be available against which they can be used.

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

Deferred tax is measured at the rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when the balances relate to taxes levied by the same taxation authority and the entity intends to settle its tax assets and liabilities on a net basis.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except:

- when the amount of GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue or expense item.
- when receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(f) Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the financial statements (continued)

Note 4 Summary of material accounting policies (continued)

(g) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost or fair value as applicable, which includes capitalised borrowings costs, less accumulated depreciation and any accumulated impairment losses.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated to write-off the cost of items of property, plant and equipment less their estimated residual values using straight-line or diminishing value method over their estimated useful lives, and is recognised in profit or loss.

The estimated useful lives of property, plant and equipment for the current and comparative periods are as follows:

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>
Leasehold improvements	Straight-line	5 years
Buildings	Straight-line	40 years
Furniture, fixtures and fittings	Straight-line	2 to 10 years
Motor vehicles	Diminishing value	8 years

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

(h) Intangible assets

Intangible assets of the Company include the franchise fees paid to Bendigo Bank conveying the right to operate the Community Bank franchise.

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed as either finite or indefinite.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

Amortisation

Intangible assets with finite lives are amortised over their useful life and assessed for impairment whenever impairment indicators are present.

Intangible assets assessed as having indefinite useful lives are tested for impairment at each reporting period and whenever impairment indicators are present. The indefinite useful life is also reassessed annually.

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

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>
Franchise licence fee	Straight-line	Over the franchise term (5 years)

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

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company's financial instruments include trade and other debtors and creditors, cash and cash equivalents, lease liabilities, equity securities (shares).

Trade receivables are initially recognised at the transaction price when they originated. All other financial assets and financial liabilities are initially measured at fair value plus, transaction costs (where applicable) when the Company becomes a party to the contractual provisions of the instrument. These assets and liabilities are subsequently measured at amortised cost using the effective interest method, except for the equity securities which are measured at fair value through other comprehensive income.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value through other comprehensive income. The Company has elected to do this and as such, net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends are recognised as income in profit or loss.

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the rights are transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and rewards associated with the asset. Financial liabilities are derecognised when its contractual obligations are discharged, cancelled, or expire. For equity securities any gain or loss on derecognition is recognised in other comprehensive income. Any gain or loss on other assets and liabilities is recognised through profit or loss.

Notes to the financial statements (continued)

Note 4 Summary of material accounting policies (continued)

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial assets

The Company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end. Due to the reliance on Bendigo Bank the Company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the Company. The Company also performed a historical assessment of receivables from Bendigo Bank and found no instances of default. As a result no ECL has been made in relation to trade receivables as at 30 June 2025.

(j) Impairment

Non-financial assets

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

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

(k) Share capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(l) Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

The estimated provisions for the current and comparative periods are to restore the premises under a 'make-good' clause.

The Company is required to restore the leased premises to its/their original condition before the end of the lease term. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements, ATM installed at the branch, and incidental damage caused from the removal of assets.

(m) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in AASB 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for leases of property the Company has elected not to separate lease and non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the costs of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Notes to the financial statements (continued)

Note 4 **Summary of material accounting policies (continued)**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from funding sources and where necessary makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual guarantee; and
- the exercise price under a purchase option the Company is reasonably certain to exercise, lease payments in an option renewal period if the Company is reasonably certain to exercise that option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases and low-value assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

A short-term lease is a lease that, at commencement date, has a lease term of 12 months or less.

(n) Fair value measurement

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The board of directors determine the appropriate valuation techniques and inputs for fair value measurements.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Notes to the financial statements (continued)

Note 5 Material accounting judgements, estimates, and assumptions

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

a) Judgements

Information about judgements made in applying accounting policies that have the most material effects on the amounts recognised in the financial statements is included in the following notes:

<u>Note</u>	<u>Judgement</u>
- leases:	
control	whether a contract is or contains a lease at inception by assessing whether the Company has the right to direct the use of the identified asset and obtain substantially all the economic benefits from the use of that asset;
lease term	whether the Company is reasonably certain to exercise extension options, termination periods, and purchase options;
discount rates	judgement is required to determine the discount rate, where the discount rate is the Company's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to factors specific to the Company and underlying asset including the amount, the lease term, economic environment and other relevant factors.
- land and buildings:	
control of land under strata title	The company holds 14 out of 140-unit entitlements in a strata plan, representing a 10% share in the common property, including land. However, as the company does not control the land (which is subject to decisions of the owners' corporation), management has assessed that land does not meet the definition of a separately recognisable asset under AASB 116. Accordingly, no amount has been assigned to land and the entire valuation has been allocated to buildings. This represents a significant accounting judgement.
Scope of independent valuation	management has determined, based on discussions with the valuer, that the valuation of buildings excludes improvements undertaken by the company. This judgement affects the carrying value and depreciation of these assets.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30 June 2025 that have a material risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

<u>Note</u>	<u>Assumptions</u>
- recognition of deferred tax assets	availability of future taxable profit against which deductible temporary differences and carried-forward tax losses can be utilised;
- fair value	determining the fair value less costs to sell of the disposal group on the basis of quoted market price at the close of business at the end of the reporting period.
- estimation of useful lives of assets	key assumptions on historical experience and the condition of the asset;
- long service leave provision	key assumptions on attrition rate and pay increases through promotion and inflation;
- make-good provision	key assumptions on future cost estimates in restoring the leased premises in accordance with the lease agreement;
- fair value of buildings	measured at fair value using independent valuations and, where applicable, directors' assessments. Judgement is required in selecting valuation methods and key assumptions. Changes in these assumptions could materially affect reported values.

Notes to the financial statements (continued)

NOTE 6: Revenue from contracts with customers

	2025	2024
	\$	\$
- Margin income	2,559,679	2,666,413
- Fee income	137,930	129,775
- Commission income	168,556	193,178
	2,866,165	2,989,366
<u>Timing of revenue recognition</u>		
Goods transferred at a point in time	306,486	322,953
Services transferred over time	2,559,679	2,666,413
	2,866,165	2,989,366

NOTE 7: Other revenue

	2025	2024
	\$	\$
- Other income	5,582	-
	5,582	-

NOTE 8: Finance income

	2025	2024
	\$	\$
- Interest from cash at bank	73,227	58,774
	73,227	58,774

Finance income is recognised when earned using the effective interest rate method.

NOTE 9: Expenses

a) Employee benefits	2025	2024
	\$	\$
Salaries and wages	1,044,280	860,774
Expenses related to long service leave	6,531	(3,646)
Superannuation contributions	128,130	96,550
Other employer expenses	75,642	84,931
	1,254,583	1,038,609
b) Depreciation and amortisation expense		
Depreciation of property, plant and equipment	88,648	65,727
Depreciation of right-of-use assets.	83,616	58,520
Amortisation of intangibles	28,123	27,157
	200,387	151,404
c) Finance costs		
Lease interest expense	26,231	21,973
Bank loan interest paid or accrued	1,078	1,825
	27,309	23,798

d) Charitable donations, sponsorship, advertising and promotion

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

	2025	2024
	\$	\$
Direct sponsorship, advertising, and promotion payments	83,056	83,608
Contribution to the Community Enterprise Foundation™	421,053	421,053
	504,109	504,661

e) Loss on disposal of non-current asset

	Notes	2025	2024
		\$	\$
Loss on disposal of Portarlington branch fit-out	15(b)	-	90,355
		-	90,355

Notes to the financial statements (continued)

NOTE 10: Income tax expense

Income tax expense comprises current and deferred tax. Attributable current and deferred tax expense is recognised in the other comprehensive income or directly in equity as appropriate.

	2025 \$	2024 \$
a) Amounts recognised in profit or loss		
Current Tax	135,214	200,490
Movement in deferred tax	1,757	(4,053)
	136,971	196,437
b) Prima facie income tax reconciliation		
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2024: 25%)	129,014	204,443
Add		
Tax effect of:		
non-deductible expenses	28,592	21,961
timing difference expenses	(2,226)	2,462
movement in deferred tax	1,757	(4,053)
other deductible expenses	(23,568)	(19,898)
	133,569	204,915
Less		
Tax effect of:		
under provision of tax in prior years	3,402	(8,478)
	136,971	196,437

NOTE 11: Cash and cash equivalents

Cash and cash equivalents includes cash on hand and in banks. Term deposits which can be readily converted to a known amount of cash and subject to an insignificant risk of change may qualify as a cash equivalent.

	2025 \$	2024 \$
Cash at Bank	140,044	101,518
	140,044	101,518

NOTE 12: Receivables

CURRENT	2025	2024
Contractual	\$	\$
Trade debtors	181,088	206,473
Accrued Investment Income	13,972	12,170
Prepayments	6,696	7,089
TOTAL	201,756	225,732

(a) Ageing of Receivables

Please refer to note 25 (c) for the ageing analysis of receivables

(b) Nature and extent of risk arising from Receivables

Please refer to note 25 (c) for the nature and extent of credit risk arising from receivables

Notes to the financial statements (continued)

NOTE 13: Other financial assets

	2025 \$	2024 \$
CURRENT		
Term deposits - at amortised cost	1,156,040	928,297
Managed funds - at fair value through profit and loss	485,517	655,053
	<u>1,641,557</u>	<u>1,583,350</u>
NON-CURRENT		
Equity securities - at fair value through profit and loss	9,643	9,643
	<u>9,643</u>	<u>9,643</u>
TOTAL	<u>1,651,200</u>	<u>1,592,993</u>

(a) Ageing of Other Financial Assets

Please refer to note 25 (c) for the ageing analysis of Other Financial Assets

(b) Nature and extent of risk arising from other financial assets

Please refer to note 25 (c) for the nature and extent of credit risk arising from Other Financial Assets

(c) Equity securities designated as at fair value through other comprehensive income

The company has made an irrevocable election to recognise fair value movements of its investment class through other comprehensive income. The company designated the equity securities shown below as at FVTOCI because these equity securities represent investments that the company intends to hold for the long term for strategic purposes.

NOTE 14: Deferred tax assets and liabilities

	Notes	2025 \$	2024 \$
Deferred Tax Assets Comprise:			
Employee Benefits		10,076	11,477
Make-good Provision		4,627	4,357
Lease Liability		77,472	94,719
Right-of-use Asset		(74,901)	(95,805)
Building revaluation	(a)	(86,196)	-
Other		(1,543)	(775)
		<u>(70,466)</u>	<u>13,973</u>
Movement in deferred tax charged to Statement of Profit or Loss and Other Comprehensive income		<u>(84,439)</u>	<u>13,973</u>

(a) A deferred tax liability has been recognised for the first time at 30 June 2025, reflecting the difference between the building's fair value and its tax base.

In prior years, no DTL was recognised as the accounting cost base was equivalent to the tax cost base (based on off-the-plan acquisition and construction cost). The DTL is calculated in accordance with AASB 112 and reflects the expected recovery of the asset through use.

Notes to the financial statements (continued)

NOTE 15: Property, plant and equipment

(a) Gross carrying amount and accumulated depreciation

	2025 \$	2024 \$
Buildings at valuation	940,000	-
Buildings at cost	-	1,173,437
Less Accumulated Depreciation	-	(72,758)
Total Buildings	-	1,100,679
Furniture, Fittings and Equipment at cost	637,182	82,306
Less Accumulated Depreciation	(144,096)	(78,106)
Total Furniture and Equipment	493,086	4,200
Leasehold Improvements at cost	246,445	357,494
Less Accumulated Amortisation	(70,949)	(135,940)
Total Leasehold improvements	175,496	221,554
Motor Vehicles at cost	17,699	17,699
Less Accumulated Depreciation	(11,723)	(9,988)
Total Leasehold improvements	5,976	7,711
Total Property, Plant & Equipment	1,614,558	1,334,144

(b) Reconciliations of the carrying amounts of each class of asset

	Buildings	Furniture, Fittings & Equipment	Leasehold Improvements	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2023	1,133,220	5,049	126,120	9,797	1,274,186
Additions	-	2,328	213,712	-	216,040
Transfer between categories	-	-	-	-	-
Disposals at WDV	-	-	(90,355)	-	(90,355)
Depreciation expense	(32,541)	(3,177)	(27,923)	(2,086)	(65,727)
Balance at 30 June 2024	1,100,679	4,200	221,554	7,711	1,334,144
Additions	11,640	12,638	-	-	24,278
Transfer between categories	(504,948)	504,948	-	-	-
Revaluation	344,784	-	-	-	344,784
Depreciation expense	(12,155)	(28,700)	(46,058)	(1,735)	(88,648)
Balance at 30 June 2025	940,000	493,086	175,496	5,976	1,614,558

In June 2025, the company elected to change its accounting policy for buildings from historical cost to fair value.

The building was independently valued as at 30 June 2025 using a market-based approach based on \$/sqm of lettable area. The valuation reflects recent comparable sales of similar strata-titled commercial properties.

The valuation was conducted by Andrew Su AAPO CPV of Opteon Property Group Pty Ltd, a Certified Practising Valuer. The valuation includes all integral fixtures and building services but excludes tenant-specific fit outs and non-fixed items.

At 30 June 2025, the carrying amount of property was consolidated into buildings to align with the significant accounting judgement disclosed in Note 5. Comparative figures have been updated accordingly. This had no impact on net assets or net profit.

Notes to the financial statements (continued)

NOTE 16: Right-of-use assets

a) Carrying amounts	2025 \$	2024 \$
Leased land and buildings	889,638	889,638
Less Accumulated Depreciation	(590,035)	(506,419)
	299,603	383,219
b) Reconciliation of carrying amounts		
Carrying amount at beginning	383,219	16,714
Additional right-of-use assets recognised	-	425,025
Disposals	-	-
Depreciation	(83,616)	(58,520)
Carrying amount at end	299,603	383,219

NOTE 17: Intangible assets

(a) Carrying amounts	2025 \$	2024 \$
NON-CURRENT		
Franchise Licence Fee	140,614	140,614
less accumulated amortisation	(41,012)	(12,889)
	99,602	127,725
(a) Reconciliation of carrying amounts		
Carrying amount at beginning	127,725	14,268
Additional intangible assets recognised	-	140,614
Amortisation	(28,123)	(27,157)
Carrying amount at end	99,602	127,725

NOTE 18: Payables

CURRENT	2025	2024
Contractual	\$	\$
Payables - contractual	509	595
Accrued wages	33,308	22,519
Accrued Expenses	7,800	9,070
	41,617	32,184
Statutory		
GST payable/(receivable)	(12)	(13,834)
PAYG withholding	9,021	4,874
	9,009	(8,960)
TOTAL CURRENT	50,626	23,224
Total Payables	50,626	23,224

Notes to the financial statements (continued)

NOTE 19: Loans and borrowings

	2025 \$	2024 \$
a) Current liabilities		
Chattel mortgage loan	-	2,202
	-	2,202
b) Non-current liabilities		
Secured bank loans	10,783	19,341
	10,783	19,341
TOTAL LOANS AND BORROWINGS	10,783	21,543

The Company has entered into a mortgage loan with Bendigo Bank for an initial drawdown of \$805,000 in July 2021 to facilitate the settlement of the property development at 35-37 Murradoc Road, Drysdale (the mortgage property). Interest is payable at variable rates.

NOTE 20: Lease liabilities

Lease liabilities were measured at amounts equal to the present value of enforceable future payments of the term reasonably expected to be exercised, discounted at the appropriate incremental borrowing rate on the adoption date. The discount rate used on recognition of the lease renewal from 13 January 2024 is 7.23%.

The discount rate used in calculating the present value of enforceable future payments takes into account the particular circumstances applicable to the underlying leased assets (including the amount, lease term, economic environment, and other relevant factors).

The Company has applied judgement in estimating the remaining lease term including the effects of any extension or termination options reasonably expected to be exercised, applying hindsight where appropriate.

The Company's lease portfolio includes:

Portarlinton branch The company's Portarlinton property lease commenced in January 2010 for an initial four-year term, with two five-year options subsequently exercised. In January 2024, a five-year extension was agreed, extending the lease to January 2029. No further renewal options are available under the current lease.

	2025 \$	2024 \$
a) Current lease liabilities		
Property lease liabilities	97,101	94,273
Less unexpired interest charges	(19,894)	(25,153)
	77,207	69,120
b) Non-current lease liabilities		
Property lease liabilities	255,299	352,400
Less unexpired interest charges	(22,619)	(42,513)
	232,680	309,887
	309,887	379,007
c) Maturity analysis		
- Not later than 12 months	97,101	94,273
- Between 12 months and 5 years	255,299	352,400
Total undiscounted lease payments	352,400	446,673
Unexpired interest	(42,513)	(67,666)
Present value of lease liabilities	309,887	379,007

Notes to the financial statements (continued)

NOTE 21: Provisions

As at the reporting date, the make-good of the leased premises are expected to be wholly settled within 12 months. The balance is classified as current.

	2025 \$	2024 \$
a) Non-Current liabilities		
Make-good on leased premises	18,507	17,429
	18,507	17,429

In accordance with the branch lease agreements, the Company must restore the leased premises to their original condition before the expiry of the lease term.

The Company has estimated the provision based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as cost to remedy any damages caused during the removal process.

<i>Provision</i>	2025 \$	2024 \$
Balance at the beginning	17,429	2,926
Present value discounting	1,078	74
Provision remeasurements	-	14,429
	18,507	17,429

NOTE 22: Employee benefits

	2025 \$	2024 \$
CURRENT		
Long Service Leave	9,468	9,883
Annual Leave	16,794	22,212
TOTAL	26,262	32,095
NON-CURRENT		
Long Service Leave	14,040	13,815
	40,302	45,910

The Company applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment eligible for entitlement in accordance with legislation.

NOTE 23: Issued capital

(a) Ordinary Shares	2025 \$	2024 \$
1,598,571 (2024: 1,598,571) ordinary shares fully paid	787,911	787,911
	no.	no.
Ordinary Shares at the beginning of the reporting period	1,598,571	1,598,571
Shares Issued during the year	-	-
Shares held at reporting date	1,598,571	1,598,571

Notes to the financial statements (continued)

NOTE 24: Reserves

(a) Financial assets at fair value through comprehensive income revaluation reserve

The financial assets at fair value through other comprehensive income revaluation reserve arises on the revaluation of financial assets (such as equity instruments) measured at fair value through other comprehensive income. Where such a financial asset is sold, that portion of the reserve which relates to that financial asset may be transferred to accumulated surplus/deficit.

(b) Revaluation reserve - buildings

An independent valuation of Bellarine Peninsula Community Branch Ltd's property was performed by Opteon Property Group Pty Ltd on 30 June 2025. The valuation, which complies with Australian Valuation Standards, was determined with reference to the amount for which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date, under current market conditions.

Revaluation increases (increments) arise when an asset's fair value exceeds its carrying amount. In comparison, revaluation decreases (decrements) arise when an asset's fair value is less than its carrying amount. Revaluation increments and revaluation decrements relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, in which case the increment is recognised as income in the net result.

Revaluation decrements are recognised in 'Other Comprehensive Income' to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of property, plant and equipment. Otherwise, the decrement is recognised as an expense in the net result.

The revaluation reserve included in equity in respect of an item of property may be transferred directly to retained earnings when the asset is derecognised.

NOTE 25: Reconciliation of net result for the year to net cash flows from operating activities

	2025 \$	2024 \$
Result after income tax	379,085	621,335
Non-Cash Flows in Profit		
Depreciation	172,264	124,247
Amortisation	28,123	27,157
Loss on disposal of assets	-	90,355
Interest expense on loan	1,078	1,825
Changes in Assets and Liabilities		
Increase/(Decrease) in employee benefits	(5,608)	(5,034)
Increase/(Decrease) in payables	26,323	(96,354)
Increase/(Decrease) in tax liabilities	(265,471)	(188,686)
Decrease/(Increase) in receivables	23,583	36,008
Decrease/(Increase) in prepayments	393	(1,903)
Decrease/(Increase) in intangibles	-	(8,776)
Increase/(Decrease) in provisions	1,078	14,503
Net Cash From Operating Activities	360,848	614,677

Notes to the financial statements (continued)

NOTE 26: Financial instruments

(a) Financial Risk Management Objectives and Policies

The Company has exposure to credit risk, liquidity risk and market risk from their use of financial instruments.

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established an Audit and Governance committee which reports regularly to the Board.

The Company's principal financial instruments comprise of:

- Cash Assets
- Term Deposits
- Financial Assets
- Receivables (excluding statutory receivables)
- Payables (excluding statutory payables)
- Lease liabilities
- Borrowings

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 4 to the financial statements.

(b) Categorisation of Financial Instruments

(b) Categorisation of Financial Instruments			Carrying Amount	
			2025	2024
	Note	Category	\$	\$
Financial Assets				
Cash and Cash Equivalents	11	Financial assets at amortised cost	140,044	756,571
Receivables	12	Financial assets at amortised cost	195,060	218,643
Term deposits	13	Financial assets at amortised cost	1,156,040	928,297
Managed funds	13	Financial assets at fair value through profit or loss	485,517	655,053
Equity securities	13	Financial assets at fair value through other comprehensive income	9,643	9,643
Financial Liabilities				
Payables	18	Financial Liabilities measured at Amortised Cost	41,617	32,184
Lease liabilities	20	Financial Liabilities measured at Amortised Cost	309,887	379,007
Borrowings	19	Financial Liabilities measured at Amortised Cost	10,783	21,543

(c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Company's exposure to credit risk is limited to Australia by geographic area. The entire balance of receivables is due from Bendigo and Adelaide Bank Ltd.

The Company limits its exposure to credit risk by only investing in liquid securities with Bendigo and Adelaide Bank Ltd.

The Company's exposure to credit risk and effective weighted average interest rate by ageing periods is set out in the following table. For interest rates applicable to each class of asset refer to individual notes to the financial statements.

Notes to the financial statements (continued)

NOTE 26: Financial instruments (continued)

Interest Rate Exposure and ageing analysis of financial assets as at 30 June

	Weighted Average Interest Rates %	Consolidated Carrying Amount \$	Fixed Interest Rate \$	Interest Rate Exposure Variable Interest Rate \$	Non Interest Bearing \$	Not Past Due And Not Impaired \$
2025						
Financial Assets						
Cash and Cash Equivalents	0.00	140,044	-	139,684	360	140,044
Receivables	0.00	195,060	-	-	195,060	195,060
Term deposits	4.27	1,156,040	1,156,040	-	-	1,156,040
Managed funds	4.60	485,517	-	485,517	-	485,517
Equity securities	0.00	9,643	-	-	9,643	9,643
Total Financial Assets		1,986,304	1,156,040	625,201	205,063	1,986,304
2024						
Financial Assets						
Cash and Cash Equivalents	1.75	101,518	-	101,158	360	101,518
Receivables	0.00	218,643	-	-	218,643	218,643
Term deposits	3.80	928,297	928,297	-	-	928,297
Managed funds	4.70	655,053	-	655,053	-	655,053
Equity securities	0.00	9,643	-	-	9,643	9,643
Total Financial Assets		1,913,154	1,583,350	101,158	228,646	1,913,154

(d) Liquidity Risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that liquid assets are available.

The following table discloses the contractual maturity analysis for the Company's financial liabilities.

	Weighted Average Interest Rates %	Carrying Amount \$	Fixed Interest Rate \$	Interest Rate Exposure Variable Interest Rate \$	Non Interest Bearing \$	Less than 1 Year \$	Maturity Dates	
							1-5 Years	5+ Years
2025								
Payables	0.00	41,617	-	-	41,617	11,302	30,315	-
Lease Liabilities	7.23	309,887	309,887	-	-	97,101	212,786	-
Borrowings	4.27	10,783	-	10,783	-	-	-	10,783
Total Financial Liabilities		362,287	309,887	10,783	41,617	108,403	243,101	10,783
2024								
Payables	0.00	32,184	-	-	32,184	1,869	30,315	-
Lease Liabilities	6.12	379,007	379,007	-	-	94,273	284,734	-
Borrowings	7.44	21,543	-	21,543	-	2,202	11,010	8,331
Total Financial Liabilities		432,734	379,007	21,543	32,184	98,344	326,059	8,331

Notes to the financial statements (continued)

NOTE 26: Financial instruments (continued)

(e) Market Risk

Currency Risk

The Company has no exposure to foreign currency risk.

Interest Rate Risk

Exposure to interest rate risk might arise primarily through the Company's interest bearing liabilities. The Company has a variable interest mortgage loan with Bendigo Bank.

Other Price Risk

The Company is exposed to insignificant other price risk

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Company believes the following movements are 'reasonably possible' over the next 12 months.

- A parallel shift of +1% and -1% in market interest rates (AUD)
- A parallel shift of +1% and -1% in inflation rate

The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Company at year end if changes in the relevant risk occur:

	Carrying Amount \$	Interest Rate Risk			
		-1% Profit \$	-1% Equity \$	+1% Profit \$	+1% Equity \$
2025					
Financial Assets					
Cash and Cash Equivalents	140,044	(1,400)	(1,400)	1,400	1,400
Receivables	195,060	-	-	-	-
Term deposits	1,156,040	-	-	-	-
Managed funds	485,517	(4,855)	(4,855)	4,855	4,855
Equity securities	9,643	-	-	-	-
Financial Liabilities					
Trade Creditors and Accruals	41,617	-	-	-	-
Lease Liabilities	309,887	-	-	-	-
Borrowings	10,783	(108)	(108)	108	108
2024					
Financial Assets					
Cash and Cash Equivalents	101,518	(1,015)	(1,015)	1,015	1,015
Receivables	218,643	-	-	-	-
Term deposits	928,297	-	-	-	-
Managed funds	655,053	(6,551)	(6,551)	6,551	6,551
Equity securities	9,643	-	-	-	-
Financial Liabilities					
Trade Creditors and Accruals	32,184	-	-	-	-
Lease Liabilities	379,007	-	-	-	-
Borrowings	21,543	(215)	(215)	215	215

(f) 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.

The Distribution Limit is the greater of:

- (a) 20% of the profit or funds of the Franchisee 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.

The Relevant Rate of Return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The Board is managing the growth of the business in line with this requirement. There were no changes in the Company's approach to capital management during the year.

Notes to the financial statements (continued)

NOTE 27: Fair values

The company measures certain assets at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

The following tables detail the company's assets measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1 - the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;

Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and

Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

Consolidated 2025

Assets

Managed funds

Equity securities

Buildings

Total Assets

Level 1 \$	Level 2 \$	Level 3 \$	Total \$
	485,517		485,517
9,643	-	-	9,643
	940,000		940,000
9,643	1,425,517	-	1,435,160

Level 1 \$	Level 2 \$	Level 3 \$	Total \$
-	655,053	-	655,053
9,643	-	-	9,643
9,643	655,053	-	664,696

Consolidated 2024

Assets

Managed funds

Equity securities

Total Financial Assets

The company changed its accounting policy for buildings from historical cost to fair value during the 30 June 2025 financial year. Refer to Note 3 for further information.

The company does not measure any liabilities at fair value.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Fair value of managed funds is determined using redemption prices published by the fund managers at the reporting date. These represent observable inputs, being quoted unit prices in non-active markets. No adjustments have been made to the quoted prices.

Fair value of buildings has been determined using independent external valuations undertaken by Andrew Su AAPI CPV of Opteon Property Group Pty Ltd, a Certified Practising Valuer with relevant experience in the location and category of the property. The company elected to measure buildings at fair value for the first time in the year ended 30 June 2025 and intends to obtain independent revaluations every 3 to 5 years thereafter.

The valuation was performed using the market comparison method, by reference to recent sales of comparable strata-titled commercial properties, expressed as \$/sqm of lettable area and adjusted for differences in location, condition and other relevant factors. As the valuation relies predominantly on observable market inputs, the buildings have been classified as Level 2 in the fair value hierarchy. Management reviews the carrying amount at each reporting date to assess whether there has been a material change in fair value.

There were no changes in valuation techniques during the current or prior year, and there were no transfers between levels of the fair value hierarchy.

NOTE 28: Segment reporting

Industry Segments

Bellarine Peninsula Community Branch Ltd's only industry segment is the provision of branch banking services.

Geographical Segment

Bellarine Peninsula Community Branch Ltd operates predominantly on the Bellarine Peninsula, Victoria. More than 90% revenue, net surplus from ordinary activities and segment assets relate to operations on the peninsula.

Notes to the financial statements (continued)

NOTE 29: Director and related party disclosures

a) The names of directors and other key management personnel whom have held office during the financial year are:	From	To
K Trewin (Chair)	1/07/2024	30/06/2025
M Cunneen (Company Secretary)	1/07/2024	30/06/2025
S Wight	1/07/2024	30/06/2025
J Papak	1/07/2024	3/03/2025
P Volk	1/07/2024	30/06/2025
JL King	1/07/2024	30/06/2025
F Tol	1/07/2024	30/06/2025
C Niven	1/07/2024	30/06/2025
S English	7/10/2024	30/06/2025
W Meddings	14/04/2025	30/06/2025

b) Key management personnel compensation

Key management personnel compensation comprised the following:

	2025 \$	2024 \$
Short-term employee benefits	42,551	39,237
Post-employment benefits	4,681	4,316
	47,232	43,553

Chris Niven received payment for services performed in a role as 'Community Engagement Officer' including, but not limited to, community and public relations, sponsorships and grants, partnerships and community engagement and corporate affairs administration.

No directors received remuneration in exchange for being a director of the company during the financial year as the positions are held on a voluntary basis.

c) Transactions with directors and/or related parties

Kerry Trewin received a reimbursement payment of \$3,000 for expenses incurred relating to his role as a director of the Company during the financial year.

Mark Cuneen is a director of Vibe Success Pty Ltd, which has provided services in a role as 'Executive Officer' including, but not limited to, community and public relations, corporate affairs administration, accounts liaison and other Company Secretarial duties. The amount paid to Vibe Success Pty Ltd for these services amounted to \$41,400 (2024 \$44,100).

Transactions with entities where company directors are also committee member:	2025 \$	2024 \$
Sponsorships	13,900	11,550
Donations	2,800	-
Commission	4,542	-

NOTE 30: Contingent assets and contingent liabilities

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

NOTE 31: Events occurring after reporting date

Subsequent to the end of the financial year, the Company entered into a contract to acquire a shop as part of the Qudos Portarlington development for \$1,367,000. A deposit of 10 percent of the purchase price has been made with the balance due on settlement which is expected to take place in 2028.

As required under the Franchise agreement, the approval of Bendigo and Adelaide Bank Limited has been obtained with the condition that the Company hold in term deposit at least the amount required for settlement. This condition has been met as at the date of signing of this report.

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

Notes to the financial statements (continued)

NOTE 32: Auditors remuneration

	2025	2024
	\$	\$
Remuneration of the Auditor of the Company for:		
-Auditing or reviewing the financial report	8,892	8,250
-Share registry services	9,282	5,409
	18,174	13,659

NOTE 33: Earnings per share

Basic earnings per share amounts are calculated by dividing profit after income tax by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing profit after income tax by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of any dilutive options or preference shares).

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2025	2024
	\$	\$
Profit after income tax expense	379,085	621,335
Weighted average number of ordinary shares for basic and diluted earnings per share	1,598,571	1,598,571
a) Basic earnings per share (cents per share)	23.71	38.87
b) Diluted earnings per share (cents per share)	23.71	38.87

NOTE 34: Dividends

	2025	2024
	\$	\$
(a) Dividends paid during the year		
Fully Franked dividends - 10 cents per share (2024: 10 cents per share)	159,957	159,857
(b) Franking credit balance		
The amount of franking credits available for the subsequent financial year are:		
Franking account balance as at the end of the financial year	1,018,407	668,640

The tax rate at which dividends have been franked is 25% (2024: 25%).

Directors' declaration

The directors of the company declare that:

1. The financial statements of the company comprising the Statement of Profit and Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes forming part of the accounts:
 - (a) give a true and fair view of the company's financial position as at 30 June 2025 and its performance and cash flows for the year ended on that date; and
 - (b) comply with the Corporations Act 2001, Accounting Standards and the Corporations Regulations 2001.
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 Company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the Corporations Act 2001 does not apply to the Company.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the directors by:

Dated this 11th day of September, 2025



Kerry Trewin
Chairperson

Independent audit report



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

Independent auditor's report to the Directors of Bellarine Peninsula Community Branch Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Bellarine Peninsula Community Branch 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 2025 and of its financial performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of Bellarine Peninsula Community Branch Limited (the company), which comprises the:

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

Basis for opinion

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
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03 5443 0344

Independence

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the financial report

The directors of the company are responsible for the preparation of the financial report that it gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 11 September 2025

A handwritten signature in black ink, appearing to read 'Lachlan Tatt'.

Lachlan Tatt
Lead Auditor

Community Bank · Portarlington

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Web: bendigobank.com.au/drysdale

Franchisee: Bellarine Peninsula Community Branch Limited

ABN: 33 089 107 657

44 Newcombe Street, Portarlington VIC 3223

Phone: 03 5259 3266 Fax: 03 5259 3277



/communitybankportarlingtondrysdale



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