Annual Report 2026



Bright Community Financial Services Limited

Community Bank Bright

ABN 93 117 798 553

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Chairperson's report

For year ending 30 June 2026

It is a pleasure to present the Chairperson's Report for Bright Community Financial Services Limited for the 2025/2026 financial year, and particularly special to do so as we celebrate 20 years of Community Bank Bright.

Twenty years is an important milestone. It provides an opportunity not only to reflect on what has been achieved, but also to recognise the people who have made those achievements possible. For two decades, our shareholders, customers, staff, Directors and wider community have supported a banking model founded on a simple principle: when our community supports its local Community Bank, that success can be returned to the community.

This year has once again demonstrated the strength of that model.

A strong financial year

We are pleased to report a profitable financial year for Community Bank Bright.

Interest rates remained elevated during the year, continuing to place pressure on households and businesses across our community. Despite this challenging economic environment, Community Bank Bright delivered a strong financial result, supported by sound financial management and the continued support of our customers and community.

A strong financial position is important for more than the sustainability of our company. It gives us the capacity to continue doing what sits at the heart of Community Bank Bright: investing back into the community that supports us.

Sound governance and responsible financial management remain priorities for the Board. Our aim is to ensure Community Bank Bright remains financially sustainable, locally relevant and able to continue making a meaningful contribution to our region well into the future.

Community investment at the heart of what we do

One of the most rewarding responsibilities of our Board is supporting the many organisations that make our community such a strong and connected place to live.

Throughout the year we have again been able to provide funding and sponsorship to a broad range of community organisations, sporting clubs, events and local initiatives across our region. Our contributions have supported projects designed to strengthen social connection, improve health and wellbeing, encourage participation in sport, and enhance the liveability of our region.

These organisations are largely powered by volunteers who give enormous amounts of their time, energy and expertise. Our contribution may provide financial support, but it is those volunteers and community members who turn that funding into opportunities, facilities, events and services that benefit people across our region.

This remains one of the aspects of Community Bank Bright of which we are most proud.

Celebrating 20 years by giving back

There could be no more appropriate way to celebrate our 20th anniversary than by giving something significant back to the community.

As part of our anniversary celebrations, Community Bank Bright will be joining the community at the Bright Twilight Festival, where we will give away $20,000 to local community organisations.

Importantly, the decision about where that money goes will be placed in the hands of the community itself, with the recipients determined by public vote.

It is a fitting celebration of everything Community Bank Bright represents. The money has been generated through the support of our community, and our community will have a direct say in how it is returned.

Our twentieth anniversary is therefore not simply about looking back at our history. It is about celebrating the continuing partnership between our bank and our community and looking confidently towards the next chapter.

Recognising 15 years of service

This year we also celebrate two significant individual milestones.

Our Branch Manager, Mark Ditcham, marks 15 years of service with Community Bank Bright. Mark's leadership, knowledge of our business and commitment to our customers and community have been integral to the success of the branch. He continues to lead a team that understands the importance of combining professional banking services with genuine local relationships.

Our Company Secretary, Julie Buckley, also celebrates 15 years of service. Julie's knowledge, professionalism and continuity have provided invaluable support to the Board and the company throughout that time. Much of the work involved in maintaining strong governance happens quietly behind the scenes, and Julie's contribution over 15 years deserves particular recognition.

On behalf of the Board, I congratulate both Mark and Julie and thank them for their longstanding commitment to Community Bank Bright.

Our people and partnerships

This year has brought welcome stability to our staffing structure, together with continued investment in the training and development of our team.

Supported by the leadership of Branch Manager Mark Ditcham, our team has continued to respond to the changing needs of customers and the evolving banking landscape while maintaining the high standard of service our customers have come to expect. The dedication of Naomi, Courtney, Kasey, Lisa, Leesa, Jill and Laura continues to be a driving force behind our success. Their commitment to our customers and to the values of Community Bank Bright is greatly appreciated.

Board developments

We are also pleased to welcome two new Directors to the Board, Marcus Warner and Stephen Sacco. Both bring valuable experience and perspectives that will strengthen our governance and connection with the wider community.

Marcus is extremely well connected within the local community and brings a strong background in business and consulting, both locally and with blue-chip companies around the world. His broad commercial experience and community relationships will be a valuable asset to the Board.

Stephen is an experienced business owner with a strong background in digital media, particularly within the sporting sector. His commercial experience and digital expertise will add further depth to the Board as we continue to strengthen our engagement and adapt to a changing environment.

We also say goodbye to Director and Treasurer Helen Hofbauer, and her 5 years of service. Helen brought strong financial oversight and practical treasury skills to the role, and has made a valuable contribution to strengthening our financial governance. In particular, her work to streamline the budgeting process has improved clarity, efficiency and consistency in the way the Board plans, monitors and manages the company's finances. We thank Helen for her commitment and contribution and wish her well on her travels.

I also thank all of my fellow Directors, who volunteer their time and bring a diverse range of skills, perspectives and community knowledge to the governance of our company.

We greatly value our relationship with Bendigo Bank and particularly acknowledge Regional Manager Bridget Dwyer for her support, guidance and partnership throughout the year.

Chairperson's report (continued)

Looking ahead

Twenty years ago, Community Bank Bright was established because local people believed our community could create something worthwhile together.

Two decades later, that belief has been well rewarded.

Our success is reflected not only in financial results, but in the sporting clubs, community organisations, projects, events and initiatives we have been able to support along the way. That is the real measure of the Community Bank model.

As we enter our third decade, our focus remains clear: to operate a strong and sustainable local business, provide excellent banking services and continue returning value to the community that has supported us.

Finally, I would like to thank our shareholders and customers. Every person who chooses to bank with Community Bank Bright contributes to our capacity to invest back into this region. Your continued support has helped build the organisation we celebrate today and will help determine what we can achieve over the next 20 years.

Happy 20th anniversary to Community Bank Bright and thank you to everyone who has been part of the journey.



Kim Murrells
Chairperson
Bright Community Financial Services Limited

Manager's report

For year ending 30 June 2026

It is my pleasure to present the Branch Manager's Report for Community Bank Bright.

Despite persistent industry challenges, including economic uncertainty and market competition, Community Bank Bright has delivered another strong financial performance. I am pleased to report that the branch grew its business portfolio and returned a profitable result over the past financial year.

Most rewardingly, our continued business growth has directly enabled us to continue our core charter: delivering significant financial support to a diverse range of local groups, clubs, and community initiatives. This outstanding level of reinvestment stands as a powerful testament to the success and impact of the Community Bank model.

Our strategic focus on customer service and community presence continues to yield positive results. Our Funds Under Management has now surpassed $185 million, which I believe reflects our sustained growth and the earned trust of our community.

We achieved a steady increase in customer numbers, with more local individuals and businesses choosing Community Bank Bright as their preferred financial partner.

As we proudly go into our 20th year of business and community support, our growth is a direct result of our high-quality service, and the joint commitment of our local Board and Bendigo Bank to maintain a full-time physical branch in our region.

We operate under a clear charter to support and give back to our local communities, spanning from Bright to Myrtleford and the surrounding areas. We consider this purpose a privilege and remain immensely proud of our contribution.

Our Board remains passionately committed to providing high-quality, accessible banking services. We operate a fully staffed, full-service branch open from 9:30 am to 4:00 pm, Monday to Friday (closing daily from 1:00 pm to 2:00 pm for lunch).

In a rapidly digitalising landscape, we recognise that personal connection is highly valued. Our branch and staff remain directly contactable by both phone and email, ensuring we are accessible when our customers need us most, and through the support of Bendigo Bank we continue to offer a complete range of competitive banking & finance products and services.

Maintaining operational integrity and regulatory compliance remains a top priority for both Bendigo Bank and Community Bank Bright.

Internal audits and operational reviews conducted over the past 12 months confirm that our branch continues to adhere strictly to all risk policies, procedures, and regulatory requirements.

We extend our thanks to our business partners at Bendigo and Adelaide Bank Limited, particularly our specialised Business Bankers and Rural Agribusiness Managers, whose expertise provides invaluable support to our branch staff and customers.

We also acknowledge the ongoing guidance of our risk, compliance, and regional support teams, with special thanks to Bridget Dwyer for her leadership as our Regional Manager.

Our success is built entirely on the dedication of our people. I would like to express my sincere gratitude to our wonderful branch team: Laura, Kasey, Lisa, Jill, Leesa, Naomi, and Courtney. Their genuine care, professionalism, and high-quality service are the cornerstone of our customer relationships. I thank them for their daily dedication and for the support they provide to both me and the Board.

I want to thank the volunteer Directors of the Community Bank Bright Board for their invaluable guidance. Specifically, I acknowledge our Chairperson, Kim Murrells, and all Board members for their passion, commitment, and voluntary service to our business and community.

Our point of difference is our purpose: we return 80% of our profits directly to the community.

While we anticipate a highly competitive and shifting banking environment with ongoing cost and margin pressures, we are confident that our local ownership model, competitive product suite, and unmatched community commitment will drive continued growth.

Ultimately, our success is intrinsically linked to the prosperity of our region as the community bank feeds into the prosperity of our communities not off it.

On behalf of the entire branch team, we look forward to the next 12 months as we continue to welcome new customers, expand and grow our business, and help strengthen the community we serve.

Thank you,



Mark Ditcham
Branch Manager
Community Bank Bright

Directors' report

30 June 2026

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2026.

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

Name:	Kim Kristalyn Murrells
Title:	Non-executive director
Experience and expertise:	With post graduate qualifications in Business and HR, Kim has a background in HR spanning 25 years. From running small HR consulting businesses to senior HR positions in manufacturing, retail and professional service industries Kim brings her experience to the Community Bank Bright board. Her passion to improve the lives of people in our community brings her expertise and energy to the Chair role.
Special responsibilities:	Chair, HR, People working party, Community Engagement Working Party, Sponsorship & Marketing Working Party
Name:	Lenore Harris
Title:	Non-executive director
Experience and expertise:	Member of Bright Chamber of Commerce, Secretary of Bright Winter Festival Committee, Human Resources Management – Beacon Lighting and Myer and Program Manager – Australian Centre for Retail Studies
Special responsibilities:	Deputy Chair, HR, People working party
Name:	Julie Rose Buckley
Title:	Non-executive director
Experience and expertise:	Office Manager & bookkeeper for 35 years. Bright Community Financial Services Limited Company Secretary for 15 years. General Manager at Bright Vehicle Preservation Society for 8 years. Past President of United Bright Football & Netball Club and Bright Junior Football Club. Past Treasurer for Bright Wanderers Cricket Club.
Special responsibilities:	Company Secretary, Finance working party, Governance/Policy and Procedure working party
Name:	Graham Wayne Gales ESM
Title:	Non-executive director
Experience and expertise:	B. Sc. (Ed.) (Melbourne), Grad Dip. Ed. Studies (Charles Sturt). Teacher and Curriculum Consultant, Victorian Department of Education. Controller, Bright SES; SES volunteer; SES Regional Trainer and RCR Assessor. Member, Upper Ovens Landcare Group. Volunteer Guide, Alpine National Park, Parks Victoria. Volunteer, Hut restorations, Alpine National Park, Parks Victoria. Graham was awarded the Emergency Services Medal (ESM) in the King's Birthday 2025 Honours List.
Special responsibilities:	Sponsorship & Marketing Working Party, Public Relations Working Party
Name:	Helen Fay Hofbauer
Title:	Non-executive director
Experience and expertise:	Currently managing the administration for a local construction company. Twenty years experience in the role of Client Services, employed by Alpine Health. A six year volunteer role as the bookkeeper and office manager for the Mt Hotham Race Squad - a not-for-profit club. Previously a receptionist at the historic Mt Buffalo Chalet and an administration role at Cresta Valley for the Department of Conservation and Environment.
Special responsibilities:	Treasurer

Name:	Monique Hoedemaker
Title:	Non-executive director
Experience and expertise:	Monique has over four decades of strategic leadership experience across the hospitality, tourism and real estate sectors. Extensive experience that spans hotel operations, restaurant management, and accommodation development, with a proven track record in business development. She is the Treasurer of the Bright & District Chamber of Commerce.
Special responsibilities:	Sponsorships & Marketing Working Party, Property Working Party

Name:	Marcus Warner
Title:	Non-executive director *(appointed 24 September 2025)*
Experience and expertise:	BSc Hons, MSc Physiology. 20 Year career in Global Biotech and Pharmaceutical Industry across four continents. Leadership roles in accounting and law including stints with PwC and Norton Rose. Leadership consultant and now CEO of regional agribusiness Pepo Farms in the Ovens Valley. Active member of the Alpine community including current President of the Bright & Districts Chamber of Commerce. Member of the Victorian Regional Chamber Alliance. Deputy Controller of Bright Unit of Victoria State Emergency Service.
Special responsibilities:	Community Engagement working party, Governance/Policy & Procedure working party

Name:	Allira Simpson
Title:	Non-executive director *(appointed 28 January 2026)*
Experience and expertise:	Currently employed by BCFSL as marketing & sponsorship manager for four years. Eight years of prior experience working in the AFL industry for the Geelong Cats and GWS Giants teams in community development, foundation partnerships, corporate partnerships, communications and events roles. Qualifications in media and communication, interior design and horticulture. Owner of a 5 Acre Farm Myrtleford, micro flower farm.
Special responsibilities:	Sponsorship and Marketing Working Party, Community Engagement Working Party

Name:	Britt Howard
Title:	Non-executive director *(resigned 26 November 2025)*
Experience and expertise:	Britt is an enthusiastic person who loves design, and after two decades working in corporate IT sales and marketing roles in big cities, she moved to Bright in 2017. Here she re-trained to be an Interior Designer & Decorator, opening her own studio and employing locals, working with residential renovation clients in the Alpine Shire. She loves our local community and is hard working and committed. Super passionate about nature, architecture, art, colour & design, her work helps to enrich the lives of her clients and the community through best practices and sustainability in design. She has previously been Vice President of the Bright Community Co-working space and also holds a Bachelor of Business majoring in Marketing and Tourism.
Special responsibilities:	Communication working party, Sponsorship & Marketing Working Party

Name:	Marthijs Heuperman
Title:	Non-executive director *(resigned 26 November 2025)*
Experience and expertise:	Marthijs is the General Manager for Bright Laundry, a fast-expanding linen supply business based in NE Victoria. Prior to this latest appointment, he was working as a Project Manager with a key focus on Sustainability and Logistics for one of Australia's long standing independent craft breweries - Bright Brewery. Having completed a Bachelor of Town Planning and Design, he has spent the last 20 years building business acumen in a wide range of industries, including logistics and warehousing, beverage packaging, security printing, utilities and trade waste. Marthijs is the Director of Indigo Power Ltd.
Special responsibilities:	Governance/Policy and Procedure working party, Property working party

Company secretary
The Company secretary is Julie Rose Buckley. Julie was appointed to the position of company secretary on 23 May 2011.

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

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

Review of operations
The profit for the company after providing for income tax amounted to $92,877 (2025: loss of $4,288).

Operations have continued to perform in line with expectations.

Dividends
The following dividends were declared and paid to shareholders during the reporting period as presented in the Statement of changes in equity and Statement of cash flows.

	2026 $	2025 $
Fully franked dividend of 6 cents per share (2025: 10 cents)	38,175	69,411

The following dividends were declared during the prior reporting period but paid to shareholders during the current reporting period as presented in the Statement of cashflows.

	2026 $	2025 $
Fully franked dividend of nil cents per share (2025: 3 cents)	-	20,823

Matters subsequent to the end of the financial year
On 18 August 2026, APRA imposed licence conditions on Bendigo Bank relating to its non-financial risk management framework. Bendigo Bank subsequently announced a multi-year rectification program in response to those conditions.

Whilst neither APRA's announcement nor Bendigo Bank's public announcement specifically refer to Community Bank companies, the directors acknowledge that remediation and review activities may extend across Bendigo Bank's broader branch network, which may include Community Bank branches. At the date of this report, the outcome of those activities, and any resulting impacts on the company, if any, are not known and cannot presently be determined.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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

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

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

	Board	
	Eligible	Attended
Kim Kristalyn Murrells	11	9
Lenore Harris	11	10
Julie Rose Buckley	11	11
Graham Wayne Gales	11	8
Helen Fay Hofbauer	11	8
Monique Hoedemaker	11	10
Marcus Warner	9	9
Allira Simpson	6	5
Britt Howard	4	4
Marthijs Heuperman	4	2

Directors' benefits
No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 23 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Directors' interests
The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Kim Kristalyn Murrells	-	-	-
Lenore Harris	-	-	-
Julie Rose Buckley	-	-	-
Graham Wayne Gales	5,000	-	5,000
Helen Fay Hofbauer	-	-	-
Monique Hoedemaker	-	-	-
Marcus Warner	-	-	-
Allira Simpson	-	-	-
Britt Howard	-	-	-
Marthijs Heuperman	-	-	-

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

Shares issued on the exercise of options
There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

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

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

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

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

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

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

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

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

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

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

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

On behalf of the directors



Kim Kristalyn Murrells
Chair

23 September 2026

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 Bright Community Financial Services Limited

As lead auditor for the audit of Bright Community Financial Services Limited for the year ended 30 June 2026, 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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 23 September 2026

Lachlan Tatt
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Bright Community Financial Services Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	6	1,167,202	1,098,765
Other revenue		34,823	-
Finance revenue		24,018	37,752
Total revenue		1,226,043	1,136,517
Employee benefits expense	7	(573,222)	(552,869)
Advertising and marketing costs		(11,529)	(18,669)
Occupancy and associated costs		(17,436)	(19,239)
System costs		(21,710)	(28,477)
Depreciation and amortisation expense	7	(71,298)	(60,111)
Finance costs	7	(33,012)	(10,728)
General administration expenses		(210,292)	(216,791)
Total expenses before community contributions and income tax		(938,499)	(906,884)
Profit before community contributions and income tax expense		287,544	229,633
Charitable donations, sponsorships and grants expense		(168,320)	(235,351)
Profit/(loss) before income tax (expense)/benefit		119,224	(5,718)
Income tax (expense)/benefit	8	(26,347)	1,430
Profit/(loss) after income tax (expense)/benefit for the year		92,877	(4,288)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		92,877	(4,288)
		Cents	**Cents**
Basic earnings per share	26	14.60	(0.63)
Diluted earnings per share	26	14.60	(0.63)

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

Bright Community Financial Services Limited
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	154,059	142,150
Trade and other receivables	10	123,881	103,950
Investments	11	711,645	600,000
Current tax assets	8	-	37,095
Total current assets		989,585	883,195
Non-current assets			
Property, plant and equipment	12	183,045	141,987
Right-of-use assets	13	451,703	468,705
Intangible assets	14	3,245	16,223
Deferred tax assets	8	32,698	28,424
Total non-current assets		670,691	655,339
Total assets		1,660,276	1,538,534
Liabilities			
Current liabilities			
Trade and other payables	15	103,601	59,209
Borrowings		6,181	9,971
Lease liabilities	16	42,535	45,349
Current tax liabilities	8	236	-
Employee benefits	17	88,872	71,282
Total current liabilities		241,425	185,811
Non-current liabilities			
Borrowings		21,290	-
Lease liabilities	16	430,455	437,610
Employee benefits	17	13,381	17,480
Provisions		23,630	22,240
Total non-current liabilities		488,756	477,330
Total liabilities		730,181	663,141
Net assets		930,095	875,393
Equity			
Issued capital	18	612,481	612,481
Retained earnings		317,614	262,912
Total equity		930,095	875,393

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

Bright Community Financial Services Limited
Statement of changes in equity
For the year ended 30 June 2026

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024		670,347	336,611	1,006,958
Loss after income tax benefit		-	(4,288)	(4,288)
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	20	-	(69,411)	(69,411)
Buy back of shares during period	18	(57,866)	-	(57,866)
Balance at 30 June 2025		612,481	262,912	875,393
Balance at 1 July 2025		612,481	262,912	875,393
Profit after income tax expense		-	92,877	92,877
Transactions with owners in their capacity as owners:				
Dividends provided for and paid	20	-	(38,175)	(38,175)
Balance at 30 June 2026		612,481	317,614	930,095

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

Bright Community Financial Services Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,290,838	1,220,878
Payments to suppliers and employees (inclusive of GST)		(1,070,851)	(1,200,952)
Interest received		23,936	40,778
Income taxes refunded		15,345	11,082
Net cash provided by operating activities	25	259,268	71,786
Cash flows from investing activities			
Redemption of/(payments for) investments		(111,645)	326,909
Payments for property, plant and equipment		(17,574)	(140,272)
Payments for intangible assets		(13,857)	(13,857)
Net cash provided by/(used in) investing activities		(143,076)	172,780
Cash flows from financing activities			
Proceeds from/(repayment of) borrowings		(12,185)	(5,544)
Interest and other finance costs paid		(31,622)	(10,111)
Payments for share buy-backs	18	-	(57,866)
Dividends paid	20	(38,175)	(90,234)
Repayment of lease liabilities		(22,301)	(36,629)
Net cash used in financing activities		(104,283)	(200,384)
Net increase in cash and cash equivalents		11,909	44,182
Cash and cash equivalents at the beginning of the financial year		142,150	97,968
Cash and cash equivalents at the end of the financial year	9	154,059	142,150

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

Notes to the financial statements

30 June 2026

Note 1. Reporting entity

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

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Shop 2, 104 Gavan Street, Bright VIC 3741.

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

Note 2. Basis of preparation and statement of compliance

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

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 23 September 2026. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards
The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The company has assessed and concluded there are no material impacts.

Accounting standards issued but not yet effective
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2026. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements
AASB 18 (effective for annual reporting periods beginning on or after 1 January 2027) will replace AASB 101 *Presentation of Financial Statements*. Early adoption is permitted.

The new standard does not change how amounts are recognised or measured. However, it will change how information is presented and disclosed in the financial statements. This includes a revised structure for the statement of profit or loss and other comprehensive income, new subtotals, and additional disclosures for certain performance measures.

The company intends to adopt the standard from 1 July 2027. The impact is expected to be limited to changes in presentation and disclosure.

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

Note 3. Material accounting policy information (continued)

Investments
Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. Investments are carried at amortised cost using the effective interest rate method.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

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

Judgements

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

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

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

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

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

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

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term.

In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations, comparison of terms and conditions to prevailing market rates, incurrence of significant penalties, existence of significant leasehold improvements and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

The company includes extension options applicable to the lease of branch premises in its calculations of both the right-of-use asset and lease liability to the extent that the company is reasonably certain it will exercise the extension option. This is due to the significant disruption of relocating premises and the loss on disposal of leasehold improvements fitted out in the leased premises.

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

Estimates and assumptions

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

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, which is generally the case for the company's lease agreements, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. This rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision
The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and inflation have been taken into account.

The company uses historical employee attrition rates in determining the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with long service leave legislation.

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The current term of the franchise agreement expires in October 2026.

The franchise agreement includes two additional options for a period of 5 years each. Under the terms of the franchise agreement, Bendigo Bank will renew the agreement upon the company's request, subject to the company satisfying certain conditions. The key conditions for renewal include:
- compliance with conditions under the existing agreement
- maintaining valid lease agreement/s for branch premises where applicable
- ensuring branch premises meet Bendigo Bank's fit-out requirements at the time of renewal.

The directors have assessed the company's ability to meet these conditions and, to the best of their knowledge, believe they have been and will continue to be satisfied. Accordingly, the directors have a reasonable expectation that the franchise agreement will be renewed under mutually acceptable terms and conditions prior to expiry of the current term.

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

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

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

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

Note 5. Economic dependency (continued)

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

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

Note 6. Revenue from contracts with customers

	2026 $	2025 $
Margin income	1,024,696	946,806
Fee income	50,595	60,038
Commission income	91,911	91,921
	1,167,202	1,098,765

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

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

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

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

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

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

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

Note 6. Revenue from contracts with customers (continued)

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

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

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

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

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

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

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

Note 7. Expenses

Employee benefits expense

	2026 $	2025 $
Wages and salaries	486,507	443,254
Non-cash benefits	7,945	11,091
Superannuation contributions	55,960	54,130
Expenses related to long service leave	(137)	7,893
Other expenses	22,947	36,501
	573,222	552,869

Note 7. Expenses (continued)

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Furniture, fixtures and fittings	18,318	8,592
Motor vehicles	10,668	-
	28,986	8,592
Depreciation of right-of-use assets		
Leased land and buildings	29,334	38,541
Amortisation of intangible assets		
Franchise fee	2,163	2,163
Franchise renewal fee	10,815	10,815
	12,978	12,978
	71,298	60,111

Finance costs

	2026 $	2025 $
Bank loan interest paid or accrued	2,508	449
Lease interest expense	29,114	9,662
Unwinding of make-good provision	1,390	617
	33,012	10,728

Note 8. Income tax

	2026 $	2025 $
Income tax expense/(benefit)		
Current tax	34,776	-
Movement in deferred tax	(5,801)	(1,430)
Recoupment of prior year tax losses	1,526	-
Under/over adjustment	(4,154)	-
Aggregate income tax expense/(benefit)	26,347	(1,430)
Prima facie income tax reconciliation		
Profit/(loss) before income tax (expense)/benefit	119,224	(5,718)
Tax at the statutory tax rate of 25%	29,806	(1,430)
Tax effect of:		
Non-deductible expenses	695	-
	30,501	(1,430)
Under/over adjustment	(4,154)	-
Income tax expense/(benefit)	26,347	(1,430)

Note 8. Income tax (continued)

	2026 $	2025 $
Deferred tax assets/(liabilities)		
Carry forward tax losses	-	1,526
Property, plant and equipment	(4,349)	(3,652)
Employee benefits	26,299	22,621
Provision for lease make good	5,907	5,560
Accrued expenses	734	-
Income accruals	(1,215)	(1,195)
Lease liabilities	118,248	120,740
Right-of-use assets	(112,926)	(117,176)
Deferred tax asset	32,698	28,424

	2026 $	2025 $
Income tax refund due	-	37,095

	2026 $	2025 $
Provision for income tax	236	-

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

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

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

Note 9. Cash and cash equivalents

	2026 $	2025 $
Cash at bank and on hand	154,059	142,150

Note 10. Trade and other receivables

	2026 $	2025 $
Trade receivables	110,252	82,065
Other receivables and accruals	5,226	5,234
Prepayments	8,403	16,651
	13,629	21,885
	123,881	103,950

	2026 $	2025 $
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	123,881	103,950
Less prepayments, included in trade and other receivables	(8,403)	(16,651)
	115,478	87,299

Accounting policy for trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.

Note 11. Investments

	2026 $	2025 $
Current assets		
Term deposits	621,087	600,000
Managed funds	90,558	-
	711,645	600,000

Note 12. Property, plant and equipment

	2026 $	2025 $
Furniture, fixtures and fittings - at cost	206,828	199,404
Less: Accumulated depreciation	(67,346)	(57,417)
	139,482	141,987
Motor vehicles - at cost	54,231	42,046
Less: Accumulated depreciation	(10,668)	(42,046)
	43,563	-
	183,045	141,987

Note 12. Property, plant and equipment (continued)

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

	Furniture, fixtures and fittings $	Motor vehicles $	Total $
Balance at 1 July 2024	10,307	-	10,307
Additions	140,272	-	140,272
Depreciation	(8,592)	-	(8,592)
Balance at 30 June 2025	141,987	-	141,987
Additions	17,574	54,231	71,805
Disposals	(1,761)	-	(1,761)
Depreciation	(18,318)	(10,668)	(28,986)
Balance at 30 June 2026	139,482	43,563	183,045

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

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

Furniture, fixtures and fittings	5 to 13 years
Motor vehicle	5 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 13. Right-of-use assets

	2026 $	2025 $
Land and buildings - right-of-use	689,221	676,890
Less: Accumulated depreciation	(237,518)	(208,185)
	451,703	468,705

Note 13. Right-of-use assets (continued)

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

	Land and buildings $
Balance at 1 July 2024	269,645
Remeasurement adjustments	237,601
Depreciation expense	(38,541)
Balance at 30 June 2025	468,705
Additions	12,332
Depreciation expense	(29,334)
Balance at 30 June 2026	451,703

Accounting policy for right-of-use assets
Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for 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.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease. Right-of-use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

Refer to note 16 for more information on lease arrangements.

Note 14. Intangible assets

	2026 $	2025 $
Franchise fee	101,329	101,329
Less: Accumulated amortisation	(100,788)	(98,625)
	541	2,704
Franchise renewal fee	110,036	110,036
Less: Accumulated amortisation	(107,332)	(96,517)
	2,704	13,519
	3,245	16,223

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

	Franchise fee $	Franchise renewal fee $	Total $
Balance at 1 July 2024	4,867	24,334	29,201
Amortisation expense	(2,163)	(10,815)	(12,978)
Balance at 30 June 2025	2,704	13,519	16,223
Amortisation expense	(2,163)	(10,815)	(12,978)
Balance at 30 June 2026	541	2,704	3,245

Note 14. Intangible assets (continued)

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

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

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

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

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	October 2026
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	October 2026

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

Note 15. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	35,144	28,142
Other payables and accruals	68,457	31,067
	103,601	59,209

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	103,601	59,209
Less statutory payables, included in trade and other payables	(37,190)	(15,636)
	66,411	43,573

Note 16. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	42,535	45,349
Non-current liabilities		
Land and buildings lease liabilities	430,455	437,610
	472,990	482,959

Note 16. Lease liabilities (continued)

Reconciliation of lease liabilities

	2026 $	2025 $
Opening balance	482,959	286,233
Remeasurement adjustments	12,332	233,355
Lease interest expense	29,114	9,662
Lease payments - total cash outflow	(51,415)	(46,291)
	472,990	482,959

Accounting policy for lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially measured at the present value of the lease payments to be made over the term of the lease, including renewal options if the company is reasonably certain to exercise such options, discounted using the company's incremental borrowing rate.

The company has applied the following accounting policy choices in relation to lease liabilities:

- The company has elected not to separate lease and non-lease components when calculating the lease liability for property leases.
- The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and low-value assets, which include the company's lease of information technology equipment. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Bright Branch	6.25%	5 years	3 x 5 years	Yes	September 2041

Note 17. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	38,569	24,941
Long service leave	50,303	46,341
	88,872	71,282
Non-current liabilities		
Long service leave	13,381	17,480
	102,253	88,762

Accounting policy for short-term employee benefits
Liabilities for annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating non-vesting sick leave is expensed when the leave is taken and is measured at the rates paid or payable.

Note 17. Employee benefits (continued)

Accounting policy for other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

Note 18. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	636,247	694,113	636,247	694,113
Less: Equity raising costs	-	-	(23,766)	(23,766)
Less: Cost of share buy back	-	(57,866)	-	(57,866)
	636,247	636,247	612,481	612,481

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

Rights attached to issued capital

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

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

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

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

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

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

Note 18. Issued capital (continued)

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

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

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

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

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

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

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

Note 19. Capital management

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

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

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

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

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

Note 20. Dividends

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

	2026 $	2025 $
Fully franked dividend of 6 cents per share (2025: 10 cents)	38,175	69,411

Dividend declared in the previous financial year and paid in this financial year
The following dividends were declared during the previous financial year and paid to shareholders during the current financial year as presented in the Statement of cash flows.

	2026 $	2025 $
Fully franked dividend of nil cents per share (2025: 3 cents)	-	20,823

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

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	196,579	238,038
Franking credits (debits) arising from income taxes paid (refunded)	(15,345)	(11,082)
Franking debits from the payment of franked distributions	(12,725)	(30,078)
	168,509	196,878
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	168,509	196,878
Franking credits (debits) that will arise from payment (refund) of income tax	8,871	(37,095)
Franking credits available for future reporting periods	177,380	159,783

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

Note 21. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, investments, lease liabilities and borrowings. The company does not have any derivatives.

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

Note 21. Financial risk management (continued)

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

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

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

	2026 $	2025 $
Financial assets at amortised cost		
Cash and cash equivalents (note 9)	154,059	142,150
Trade and other receivables (note 10)	115,478	87,299
Investments (note 11)	621,087	600,000
	890,624	829,449
Financial assets at fair value through profit or loss		
Investments (note 11)	90,558	-
Financial liabilities		
Trade and other payables (note 15)	66,411	43,573
Lease liabilities (note 16)	472,990	482,959
Borrowings	27,471	9,971
	566,872	536,503

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

Accounting policy for financial instruments

Financial assets

Classification
The company classifies its financial assets into the following categories:

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

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

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

Note 21. Financial risk management (continued)

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

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

Financial liabilities

Classification
The company classifies its financial liabilities at amortised cost.

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

Financial risk management
The company has exposure to credit, liquidity and market risk arising from financial instruments. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not use derivative instruments. Risk management is carried out directly by the board.

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of $154,059 and term deposits of $621,087 at 30 June 2026 (2025: $142,150 and $600,000).

In addition, at 30 June 2026 the company invested $91,435 (2025: nil) in a managed investment fund administered by Sandhurst Trustees. The underlying assets of the fund are subject to movements in market prices and investment returns. Accordingly, the company is exposed to market risk through changes in the fair value of the investment. The company's exposure is limited to its carrying value in the fund at reporting date and management monitors the investment as part of its treasury and cash management activities.

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

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

Note 21. Financial risk management (continued)

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

2026	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Borrowings	7,871	31,485	-	39,356
Trade and other payables	66,411	-	-	66,411
Lease liabilities	47,830	191,321	490,261	729,412
Total non-derivatives	122,112	222,806	490,261	835,179

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Borrowings	10,000	-	-	10,000
Trade and other payables	43,573	-	-	43,573
Lease liabilities	46,625	186,502	524,536	757,663
Total non-derivatives	100,198	186,502	524,536	811,236

Note 22. Key management personnel disclosures

The following persons were directors of Bright Community Financial Services Limited during the financial year and/or up to the date of signing of these financial statements.

Kim Kristalyn Murrells
Lenore Harris
Julie Rose Buckley
Graham Wayne Gales
Helen Fay Hofbauer
Monique Hoedemaker
Marcus Warner
Allira Simpson
Britt Howard
Marthijs Heuperman

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

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

Note 23. Related party transactions

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

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

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

Note 23. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	2026 $	2025 $
The company used the secretary services of Julie Rose Buckley through her company Blood's Secretarial Services. The total benefit provided was:	19,530	14,890
The company provided a sponsorship of Balloon Light for local SES unit of which Graham Wayne Gales is a controller. The total benefit provided was:	-	5,945
The company provided sponsorship to the Bright & District Chamber of Commerce for festivals hosted. Monique Hoedemaker is a board member. The total benefit provided was:	-	9,500
The company purchased furniture from Bowerbird Bright in an arm's length transaction. Lenore Harris is the owner. The total benefit provided was:	860	-
The company employed the marketing & sponsorship contractor services of Allira Simpson through her company. The total benefit received was:	66,000	-
The company provided sponsorship to the Bright Country Golf Club. Monique Hoedemaker is a committee member. The total benefit provided was:	1,818	-
The company provided a sponsorship to Bright's Rod & Kustom Club where Julie Buckley is the secretary. The total benefit provided was:	1,500	-

Note 24. Remuneration of auditors

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

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	8,123	8,253
Other services		
Taxation advice and tax compliance services	-	360
General advisory services	6,120	5,390
Share registry services	6,007	8,635
	12,127	14,385
	20,250	22,638

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

	2026 $	2025 $
Profit/(loss) after income tax (expense)/benefit for the year	92,877	(4,288)
Adjustments for:		
Depreciation and amortisation	71,298	60,111
Finance costs - loans	2,508	449
Lease liabilities interest amount	29,114	9,662
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(19,931)	2,157
Decrease in current tax assets	37,095	39,996
Increase in deferred tax assets	(4,274)	(1,430)
Increase/(decrease) in trade and other payables	35,464	(43,807)
Increase in current tax liabilities	236	-
Increase in employee benefits	13,491	8,319
Increase in provisions	1,390	617
Net cash provided by operating activities	259,268	71,786

Note 26. Earnings per share

	2026 $	2025 $
Profit/(loss) after income tax	92,877	(4,288)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	636,247	679,528
Weighted average number of ordinary shares used in calculating diluted earnings per share	636,247	679,528
	Cents	**Cents**
Basic earnings per share	14.60	(0.63)
Diluted earnings per share	14.60	(0.63)

Note 27. Commitments

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

Note 28. Contingencies

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

Note 29. Events after the reporting period

On 18 August 2026, APRA imposed licence conditions on Bendigo Bank relating to its non-financial risk management framework. Bendigo Bank subsequently announced a multi-year rectification program in response to those conditions.

Whilst neither APRA's announcement nor Bendigo Bank's public announcement specifically refer to Community Bank companies, the directors acknowledge that remediation and review activities may extend across Bendigo Bank's broader branch network, which may include Community Bank branches. At the date of this report, the outcome of those activities, and any resulting impacts on the company, if any, are not known and cannot presently be determined.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' declaration

30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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

On behalf of the directors



Kim Kristalyn Murrells
Chair

23 September 2026

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 members of Bright Community Financial Services Limited

Report on the Audit of the Financial Report

Our opinion

In our opinion, the accompanying financial report of Bright Community Financial Services Limited (the company), is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the company's financial position as at 30 June 2026 and of its financial performance for the year ended on that date
ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of the company, which comprises:

- the Statement of financial position as at 30 June 2026
- the Statement of profit or loss and other comprehensive income for the year ended 30 June 2026
- the Statement of changes in equity for the year ended 30 June 2026
- the Statement of cash flows for the year ended 30 June 2026
- the 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 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.

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 Directors' Report, which we obtained prior to the date of this auditor's report, and the remaining information included in the company's Annual Report for the year ended 30 June 2026, which is expected to be made available to us after the date of this auditor's report. The other information does not include the financial report and our auditor's report thereon.

Liability limited by a scheme approved under Professional Standards Legislation.

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

Our opinion on the financial report does not cover the other information and accordingly we do 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 during the audit, or otherwise appears to be materially misstated.

At the date of this auditor's report, we have received and read the Directors' Report and have not identified any material inconsistency between that information and the financial report or our knowledge obtained during the audit.

The remaining other information included in the Annual Report is expected to be made available to us after the date of this auditor's report. When we read that information, if we conclude that there is a material misstatement therein, we are required to take appropriate action in accordance with the Australian Auditing Standards.

Responsibilities of the directors for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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. Misstatements 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: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf This description forms part of our auditor's report.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 23 September 2026

Lachlan Tatt
Lead Auditor

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Community Bank · Bright
Shop 2, 104 Gavan Street, Bright VIC 3741
Phone: 03 5755 1932
Email: bright@bendigoadelaide.com.au
Web: bendigobank.com.au/bright

Franchisee: Bright Community Financial Services Limited
ABN: 93 117 798 553
Shop 2, 104 Gavan Street, Bright VIC 3741
Phone: 03 5755 1932

/communitybankbright

Bendigo Bank

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